PUTNAM COUNTY BUILDING COMMISSION

WATERWORKS LEASE REVENUE BONDS, SERIES 2008 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

DATE OF CLOSING: JULY 23, 2008

BONDS TRANSCRIPT

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PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

BOND TRANSCRIPT

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PUTNAM COUNTY BUILDING COMMISSION

WATERWORKS LEASE REVENUE BONDS, SERIES 2008 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

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PUTNAM COUNTY BUILDING COMMISSION

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF A NEW PUBLIC WATERWORKS SYSTEM OF THE PUTNAM COUNTY BUILDING COMMISSION AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE ISSUER OF NOT MORE THAN $2,914,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED AND ENACTED BY THE PUTNAM COUNTY BUILDING COMMISSION:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 8, Article 33, certain provisions of Chapter 8, Article 16 and Chapter 31, Article 15 A of the West Virginia Code of 1931, as amended (collectively with the Act), and other applicable provisions of law.

Section 1.02. Findings. It is hereby found, determined and declared that:

A. The Putnam County Building Commission (the "Issuer") is a public corporation with perpetual existence and a county building commission within the meaning of the Act, duly created pursuant to a resolution adopted by The County Commission of Putnam County (the "County Commission" or "Lessee") on August 28, 1980.

B. The Issuer does presently own a public waterworks system which is operated by West Virginia-American Water Company pursuant to a 2000 A Operations and

Maintenance Agreement and a 2000 B Operations and Maintenance Agreement. It is deemed necessary and desirable for the health and welfare of the inhabitants of Putnam County that there be acquired and constructed extensions and betterments to the existing public waterworks system of the Issuer, consisting of construction of fourteen miles of water line to serve seven areas of Putnam County including Woods Drive, Beech Hill, Old Delta Road, Dry Branch, Lake Hollow-Sycamore Ridge, Panther Lick Road and Lime Kiln Road, together with all appurtenant facilities, (collectively, the "Project" or the "Series 2008 A Facilities"), to be leased to the County Commission pursuant to an Agreement and Lease of Series 2008 A Facilities (the "Lease").

C. The Issuer and the County Commission have determined that the Series 2008 A Facilities should be operated, maintained, repaired and replaced by West Virginia-American Water Company, a West Virginia corporation (the "Company"), pursuant to the terms of an Agreement by and among the Issuer, the County Commission and the Company, executed on January 26, 2000 as amended, (collectively, the "2000 B / 2008 A O&M Agreement"). The Issuer and the County Commission have also determined that the customers served by the Series 2008 A Facilities should pay a monthly surcharge to the County Commission (the "Surcharges"), which Surcharges have been approved by the Public Service Commission of West Virginia.

D. The County Commission, has provided the Issuer with plans and specifications for the acquisition, construction and equipping of the Project, which plans and specifications have been prepared by the Consulting Engineers and have heretofore been filed with the Issuer.

E. The Issuer will receive all of its Revenues (hereinafter defined) from the County Commission under and pursuant to the Lease (hereinafter defined). The Revenues will be sufficient to pay all costs of operation and maintenance of the System, to pay the principal of and interest, if any, on the Series 2008 A Bonds (hereinafter defined) and to make payments into all funds and accounts and other payments provided for herein.

F. The Company will obtain, and pay the fees associated with, letters of credit, surey bonds or other credit facilities to fund the Series 2008 A Bonds reverve Account (as hereinafter defined) for the benefit of the Commission, to be drawn upon in the event at any time payments under the Lease are inadequate to provide funds for the Issuer to make all payments required hereunder. In the event the Company will not obtain such letters of credit, surety bonds or other credit facilities, the Issuer shall obtain such letters of credit, surety bonds or other credit facilities or fund the Series 2008 A Bonds reserve Account in the amount required herein and in the Loan Agreement.

G. It is deemed necessary for the Issuer to issue its Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), in the total aggregate principal amount of not more than $2,914,000 (the "Series 2008 A Bonds"), initially to be represented by a single bond, to permanently finance the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest upon the Series 2008 A Bonds prior to and

during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the Project; engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the West Virginia Water Development Authority (the "Authority"), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2008 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2008 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

H. The period of usefulness of the Series 2008 A Facilities after completion of the Project is not less than 40 years.

I. It is in the best interests of the Issuer that its Series 2008 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement to be entered into by and between the Issuer and the Authority on behalf of the West Virginia Infrastructure & Jobs Development Council (the "Council"), in form satisfactory to the Issuer, the Authority and the Council, as shall be approved by supplemental resolution of the Issuer.

J. There are outstanding bonds of the Issuer which will rank on a parity with the Series 2008 A Bonds as to liens, pledge, source of and security for payment being the Issuer's Waterworks Lease Revenue Bonds, Series 2000 B (West Virginia Water Development Authority), dated January 27, 2000, issued in the original aggregate principal amount of $3,800,000 (the "Series 2000 B Bonds" or the "Prior Bonds").

The Series 2008 A Bonds shall be issued on a parity with the Prior Bonds. Prior to the issuance of the Series 2008 A Bonds, the Issuer will obtain (i) the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met; and (ii) the written consent of the Holders of the Prior Bonds to the issuance of the Series 2008 A Bonds on a parity with the Prior Bonds.

Other than the Prior Bonds, there are outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System being the Issuer's Water Revenue Bonds, Series 2000 A (West Virginia Water Development Authority), dated January 27, 2000, issued in the original aggregate principal amount of $6,610,000. These bonds are secured by an annual use fee from the Company as outlined in the Series 2000 A O&M Agreement which use fee is not dedicated to the repayment of the Series 2000 B Bonds or the Series 2008 A Bonds.

K. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement (hereinafter defined) relating to authorization of the acquisition, construction and operation of the Series 2008 A Facilities and issuance of the Series 2008 A Bonds, or will

have so complied prior to issuance of any thereof, including, among other things, the approval of the Project by the West Virginia Infrastructure and Jobs Development Council and the obtaining of a certificate of convenience and necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the date of issuance of the Series 2008 A Bonds or such final order will not be subject to appeal or rehearing.

L. The Project has been approved by the West Virginia Infrastructure and Jobs Development Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2008 A Bonds by the registered owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders of any and all of such Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

Section 1.04. Definitions. The following terms shall have the following meanings herein unless the context expressly requires otherwise:

"Act" means Chapter 8, Article 33, certain provisions of Chapter 8, Article 16 and Chapter 31, Article 15 A of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2008 A Bonds, or any other agency, board or department of the State that succeeds to the functions of the Authority.

"Authorized Officer" means the Chairman of the Issuer, or any other officer of the Issuer specifically designated by resolution of the Issuer.

"Bondholder," "Holder of the Bonds," "Holder," "Registered Owner" or any similar term whenever used herein with respect to an outstanding Bond or Bonds, means the person in whose name such Bond is registered.

"Bond Legislation," "Ordinance," "Bond Ordinance" or "Local Act" means this Bond Ordinance and all ordinances, orders and resolutions supplemental hereto or amendatory hereof.

"Bond Registrar" means the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns.

"Bonds" means the Series 2008 A Bonds, the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

"Bond Year" means the 12-month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"Chairman" means the Chairman of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2008 A Bonds for the proceeds representing the purchase price of the Series 2008 A Bonds from the Authority.

"Code" means the Internal Revenue Code of 1986, as amended, and the Regulations.

"Commission" means the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia that succeeds to the functions of the Commission.

"Company" means West Virginia-American Water Company, a West Virginia corporation.

"Consulting Engineers" means Terradon Corporation, Nitro, West Virginia, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the Series 2008 A Facilities or any portion thereof, in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; provided, however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions or political subdivisions.

"Costs" or "Costs of the Project" means those costs described in Section 1.02F hereof to be a part of the cost of acquisition and construction of the Project.

"Council" means the West Virginia Infrastructure and Jobs Development Council or any successor thereto.

"County Commission" or "Lessee" means The County Commission of Putnam County, Putnam County, West Virginia, a political subdivision of the State of West Virginia.

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns.

"FDIC" means the Federal Deposit Insurance Corporation and any successor to the functions of the FDIC.

"Fiscal Year" means each 12-month period beginning on July 1 and ending on the succeeding June 30.

"Government Obligations" means direct obligations of, or obligations the timely payment of the principal of and interest on which is guaranteed by, the United States of America.

"Herein," "hereto" and similar words shall refer to this entire Bond Legislation.

"Independent Certified Public Accountants" means any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the Series 2008 A Facilities or for any other purpose except keeping the accounts of the Series 2008 A Facilities in the normal operation of its business and affairs.

"Issuer" or "Lessor" means the Putnam County Building Commission, a public corporation with perpetual existence and a county building commission within the meaning of the Act, and, as appropriate, its lessee's, agents and assigns.

"Lease" means the Agreement and Lease of Series 2008 A Facilities, of even date herewith, by and between the Issuer as lessor and the County Commission as lessee, all amendments thereof and supplements thereto and any subsequent lease or leases of all or any portion of the Project.

"Lease Term" shall have the meaning assigned to such term under Section 5.01 of the Lease.

"Loan Agreement" means the Loan Agreement to be entered into between the Issuer and the Authority of behalf of the Council, providing for the purchase of the Series 2008 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"Net Proceeds" means the face amount of the Series 2008 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any.

"2000 A O & M Agreement" means the Agreement between the Issuer and the Company, executed on January 26, 2000 with respect to the Series 2000 A Bonds.

"2000 B/2008 A O & M Agreement" means collectively, the Agreement among the Issuer, the County Commission and the Company, executed on January 26, 2000, as amended, relating to the acquisition, construction and equipping of the Project and the subsequent operation, maintenance, repair and replacement of the Series 2000 B Facilities and the Series 2008 A Facilities, as it may be amended from time to time and as approved by the Public Service Commission of West Virginia.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, operation and maintenance of the Series 2008 A Facilities, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the Costs, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and the Paying Agent (all as herein defined), other than those capitalized as part of the Costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Series 2008 A Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Outstanding" when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond canceled by the Bond Registrar at or prior to said date; (ii) any Bond for the payment of which moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption, shall be in trust hereunder, and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof; and (iv) for purposes of consents or other action by a specified percentage of Bondholders, any Bonds registered to the Issuer.

"Paying Agent" means the Commission or such other entity or authority as may be designated as a Paying Agent by the Issuer in the Supplemental Resolution.

"Prior Bonds" means the Series 2000 B Bonds.

"Prior Ordinance" means the ordinance of the Issuer authorizing the Prior Bonds.

"Project" or "Series 2008 A Facilities" means the Project as described in Section 1.02B hereof.

"Qualified Investments" means and includes any of the following:

(a) Government Obligations;

(b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;

(c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for

Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

(d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;

(e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

(f) Money market funds or similar funds whose only assets are investments of the type described in paragraphs (a) through (e) above;

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments securing said repurchase agreements either must mature as nearly as practicable coincident with the maturity of said repurchase agreements or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreements, and provided further that the holder of such repurchase agreement shall have a prior perfected security interest in the collateral therefor; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

(h) The West Virginia "consolidated fund" managed by the West Virginia Investment Management Board pursuant to Chapter 12, Article 6C of the West Virginia Code of 1931, as amended; and

(i) Obligations of States or political subdivisions or agencies thereof, the interest on which is exempt from federal income taxation, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Registered Owner," "Bondholder," "Holder" or any similar term means, whenever used herein with respect to an outstanding Bond or Bonds, the person in whose name such Bond is registered.

"Registrar" means the Bond Registrar.

"Regulations" means temporary and permanent regulations promulgated under the Code, or any predecessor thereto.

"Revenues" means all Rent to be paid to or on behalf of the Issuer by the County Commission under the Lease, as such term is defined in the Lease; provided that, in the event the Lease is terminated, Revenues shall include all receipts, revenues, income and other monies from the subsequent leasing, subleasing, operation, management, sale or other disposition of the Series 2008 A Facilities, or any part thereof, and all Surcharges, and all rights to receive the same, determined in accordance with generally accepted accounting principles.

"Revenue Fund" means the Revenue Fund established by Section 5.01 hereof.

"Secretary" means the Secretary of the Issuer.

"Series 2000 A Bonds" means the Issuer's Water Revenue Bonds, Series 2000 A (West Virginia Water Development Authority), dated January 27, 2000, issued in the original aggregate principal amount of $6,610,000.

"Series 2000 B Bonds" means the Issuer's Waterworks Lease Revenue Bonds, Series 2000 B (West Virginia Water Development Authority), dated January 27, 2000, issued in the original aggregate principal amount of $3,800,000.

"Series 2008 A Bonds" means the Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), of the Issuer, authorized by this Ordinance.

"Series 2008 A Bonds Construction Trust Fund" means the Series 2008 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2008 A Bonds Sinking Fund" means the Series 2008 A Bonds Sinking Fund established by Section 5.02 hereof.

"Series 2008 A Bonds Reserve Account" means the Series 2008 A Bonds Reserve account established by section 5.02 hereof.

"Series 2000 B Facilities" means the project described in the Prior Ordinance.

"Series 2008 A Facilities" means the Project and any further additions, betterments and improvements thereto hereafter constructed or acquired from any sources whatsoever.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 2008 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2008 A Bonds and not so included, may be included in another Supplemental Resolution.

"Surcharges" means those monthly surcharges paid by customers of the Series 2008 A Facilities to the County Commission, which have been approved by the West Virginia Public Service Commission.

"System" means collectively, the Series 2000 B Facilities and the Series 2008 A Facilities.

"West Virginia Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Chapter 31, Article 15A, Section 9 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not to exceed $3,195,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineer, heretofore filed in the office of the Issuer. The proceeds of the Series 2008 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the Authority and the Council.

The cost of the Project is estimated not to exceed $3,195,000, of which $2,914,000 will be obtained from proceeds of the Series 2008 A Bonds and approximately $281,000 will be obtained as a contribution from the Company.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF LOAN AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2008 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2008 A Bonds of the Issuer. The Series 2008 A Bonds shall be issued as a single bond, designated "Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund)," in the principal amount of not more than $2,914,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2008 A Bonds remaining after capitalizing interest on the Series 2008 A Bonds, if any, shall be deposited in or credited to the Series 2008 A Bonds Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Series 2008 A Bonds shall be issued in such principal amounts; shall bear interest at such rate or rates, not exceeding the then legal maximum, payable semiannually on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Bonds shall be paid by check or draft of the Paying Agent mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2008 A Bonds shall be issued in the form of a single bond, fully registered to the Authority, with a debt service schedule attached, representing the aggregate principal amount of the Series 2008 A Bonds, all as provided in the Supplemental Resolution. The Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall be dated as of the date specified in a Supplemental Resolution and shall bear interest from the date so specified therein.

Section 3.03. Execution of Bonds. The Series 2008 A Bonds shall be executed in the name of the Issuer by the Chairman, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2008 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 hereof, shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2008 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting any of said Bonds, shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Bonds remain outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of the Bonds.

The registered Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Bonds or transferring the registered Bonds are exercised, Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental

charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2008 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be canceled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2008 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Revenues as herein provided. No holder or holders of any of the Series 2008 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2008 A Bonds or the interest thereon.

Section 3.08. Bonds Secured by Pledge of Revenues; Lien Position with respect to Prior Bonds. The payment of the debt service of the Series 2008 A Bonds shall be secured by a first lien on the Revenues on a parity with the Prior Bonds. Such Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 2008 A Bonds and the Prior Bonds are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2008 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2008 A Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2008 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2008 A Bonds to the original purchasers;

C. An executed and certified copy of the Bond Legislation;

D. An executed copy of the Loan Agreement;

E. A copy of the 2000 B/2008 A O&M Agreement, as amended; and

F. The unqualified approving opinion of bond counsel on the Series 2008 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2008 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
PUTNAM COUNTY BUILDING COMMISSION
WATERWORKS LEASE REVENUE BOND, SERIES 2008 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1 $2,914,000

KNOW ALL MEN BY THESE PRESENTS: That on this the ____ day of _____, 2008, the Putnam County Building Commission, a public corporation and political subdivision of the State of West Virginia in Putnam County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20___ to and including _____ 1, 20___ as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of The Huntington National Bank, Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the registered owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the ACouncil), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated _____, 2008.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of a new public waterworks system of the Issuer (the "Project"); (ii) to fund the Series 2008 A Bonds reserve Account; and (iii) to pay certain costs of issuance hereof and related costs. The

Project, and any further additions, betterments or improvements thereto are herein called the "Series 2008 A Facilities." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 33, certain provisions of Chapter 8, Article 16, and Chapter 31, Article 15 A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on _____, 2008, and a Supplemental Resolution duly adopted by the Issuer on _____, 2008 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S WATERWORKS LEASE REVENUE BONDS, SERIES 2000 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED JANUARY 27, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,800,000 (THE "SERIES 2000 B BONDS" OR THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Revenues (as defined in the Bond Legislation) and unexpended proceeds of the Bonds on a parity with the pledge of Revenues in favor of the Holders of the Prior Bonds. The Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Revenues and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, in the event the 2000 B / 2008 A O&M Agreement or the Lease (as defined in the Bond Legislation) is terminated, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the Series 2008 A Facilities and the services rendered thereby, and shall take all such actions necessary to provide funds, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount of principal of and interest on the Bonds payable in any year, and all other obligations on a parity with the Bonds including the Prior Bonds; provided, however, that so long as there exists in the Reserve Account created for the Bonds, an amount equal to the maximum amount of principal and interest which will become due on the Bonds in any year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds including the Prior Bonds, an amount equal to the requirements therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to the payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Revenues received by the Issuer has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the PUTNAM COUNTY BUILDING COMMISSION has caused this Bond to be signed by its Chairman, and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $		(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $_____

EXHIBIT B
SCHEDULE OF ANNUAL DEBT SERVICE

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2008 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Chairman is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed.

Section 3.12. "Amended Schedule A" Filing. Upon completion of acquisition and construction of the Project, the Issuer will file with the Authority and the Council a schedule in substantially the form of the "Amended Schedule A" to the Loan Agreement, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with (or continued if established by Prior Ordinance) and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

(1) Revenue Fund (established by Prior Ordinance);

(2) Renewal and Replacement Fund (established by Prior Ordinance); and

(3) Series 2008 A Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with and shall be held by the Commission separate and apart from all other funds or accounts of the Commission and the Issuer and from each other:

(1) Series 2000 B Bonds Sinking Fund (established by Prior Ordinance);

(2) Series 2000 B Bonds Reserve Account (established by Prior Ordinance and only in the event the 2000 B / 2008 A O&M Agreement or the Lease is terminated);

(3) Series 2008 A Bonds Sinking Fund; and

(4) Series 2008 B Bonds Reserve Account.

Section 5.03. Revenues; Flow of Funds. A. The entire Revenues received by the Issuer shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in this Bond Legislation. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority:

(1) So long as the 2000 B/ 2008 A O&M Agreement is in effect, the Company shall be responsible for paying all Operating Expenses. In the event the 2000 B/ 2008 A O&M Agreement is terminated, the Issuer shall first, each month, pay from the Revenue Fund all Operating Expenses.

(2) The Issuer shall next, on the first day of each month shall remit to the Commission the amount required by Prior Ordinance to pay interest on the Series 2000 B Bonds.

(3) The Issuer shall next, on the first day of each month, simultaneously remit to the Commission (i) the amount required by Prior Ordinance to pay principal on the Series 2000 B Bonds; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2008 A Bonds, for deposit in the Series 2008 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2008 A Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2008 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date

(4) The Issuer shall next, on the first day of each month simultaneously, transfer from the Revenue Fund and remit to (i) the Commission the amounts required by Prior Ordinance to be deposited in the Series 2000 B Bonds Reserve Account; and (ii) the Commission, commencing 3 months after the completion of construction of the Project, as certified by the Consulting Engineers, if not fully funded upon issuance of the Series 2008 A Bonds, for deposit in the Series 2008 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2008 A Bonds Reserve Requirement, until the amount in the Series 2008 A Bonds Reserve Account equals the Series 2008 B Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2008 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2008 A Bonds Reserve Requirement.

(5) The Issuer shall next, from the moneys remaining in the Revenue Fund, on the first day of each month, commencing with the first month in which any of the above payments shall be payable from the Revenue Fund, transfer to the Renewal and Replacement Fund, a sum equal to $1,250.00. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and

disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System. In the event the 2000 B/2008 A O&M Agreement or the Lease is terminated, the Issuer shall next, from the moneys remaining in the Revenue Fund, on the first day of the month immediately following termination of the Series 2000 B/2008 A O&M Agreement or the Lease, transfer to the Renewal and Replacement Fund, a sum equal to 2 1/2% of all Revenues each month, exclusive of any payment for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof) shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

Moneys in the Series 2008 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2008 A Bonds as the same shall become due.

All investment earnings on moneys in the Series 2008 A Bonds Sinking Fund shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2008 A Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment due on the Series 2008 A Bonds, and then to the next ensuing principal payment due thereon, and, subsequently, for any lawful purpose of the System.

As and when additional Bonds ranking on a parity with the Series 2008 A Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the appropriate reserve account, if any, in an amount equal to the maximum amount of principal and interest which will become due in any year for account of the Bonds of such series, including such additional parity Bonds.

The Issuer shall not be required to make any further payments into the Series 2008 A Bonds Sinking Fund when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2008 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2008 A Bonds Sinking Fund created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into the Series 2008 A Bonds Sinking Fund shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Moneys in the Series 2008 A Bonds Sinking Fund shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2008 A Bonds Sinking Fund shall be used solely and only for, and is hereby pledged for, the purpose of servicing the Series 2008 A Bonds under the conditions and restrictions hereinafter set forth.

B. The Issuer shall on the first day of each month (if such day is not a business day, then the next succeeding business day) deposit with the Commission the required principal and interest payments with respect to the Series 2008 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

C. The Issuer shall complete the "Monthly Payment Form", a form of which is attached to the Loan Agreement, and submit a copy of said form along with a copy of its payment check to the Authority by the 5th day of such calender month.

D. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in the Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into such funds during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System.

E. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay their respective charges, fees and expenses then due. In the case of payments to the Commission under this paragraph, the Issuer shall, if required by the Authority at anytime, make the necessary arrangements whereby such required payments shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required.

F. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in any of the funds and accounts shall at all times be secured, to the full extent thereof

in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

G. If on any monthly payment date the Revenues are insufficient to place the required amount in any of the funds and accounts as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the funds and accounts on the subsequent payment dates; provided, however, that the priority of curing deficiencies in the funds and accounts herein shall be in the same order as payments are to be made pursuant to this Section 5.03, and the Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

H. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited.

I. The Revenues shall only be used for purposes of the System.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2008 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2008 A Bonds, there shall be deposited with the Commission in the Series 2008 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2008 A Bonds Reserve Account.

B. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2008 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2008 A Bonds Construction Trust Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02 hereof and until so expended, are hereby pledged as additional security for the Series 2008 A Bonds.

C. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2008 A Bonds shall be expended as approved by the Council.

Section 6.02. Disbursements From the Bond Construction Trust Fund. Payments for costs of the Project shall be made monthly. Except as provided in Section 6.01 hereof, disbursements from the Series 2008 A Bonds Construction Trust Fund (except for the costs of issuance of the Series 2008 A Bonds which shall be made upon request of the Issuer), shall be made only after submission to the Depository Bank of a certificate, signed by an Authorized Officer, stating:

(A) That none of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;

(B) That each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a cost of the Project;

(C) That each of such costs has been otherwise properly incurred; and

(D) That payment for each of the items proposed is then due and owing.

In case any contract provides for the retention of a portion of the contract price, the Depository Bank shall disburse from the Series 2008 A Bonds Construction Trust Fund only the net amount remaining after deduction of any such portion. All payments made from the Series 2008 A Bonds Construction Trust Fund shall be presumed by the Depository Bank to be made for the purposes set forth in said certificate, and the Depository Bank shall not be required to monitor the application of disbursements from the Series 2008 A Bonds Construction Trust Fund.

Pending such application, moneys in the Series 2008 A Bonds Construction Trust Fund, including any accounts therein, shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

After completion of the Project, as certified by the Consulting Engineers, and all Costs have been paid, the Depository Bank shall transfer any moneys remaining in the Series 2008 A Bonds Construction Trust Fund to the Issuer for deposit in the Revenue Fund. The Issuer shall thereafter, apply such moneys in full, first to the next ensuing interest payments due on the Series 2008 A Bonds and thereafter to the next ensuing principal payments due thereon.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2008 A Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2008 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2008 A Bonds or the interest thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2008 A Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the Revenues pledged for such payment by this Bond Legislation. No Holder or Holders of the Series 2008 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2008 A Bonds or the interest thereon.

Section 7.03. Bonds Secured by Pledge of Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of the Series 2008 A Bonds shall be secured by a first lien on the Revenues on a parity with respect to the Prior Bonds. The Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 2008 A Bonds and the Prior Bonds are hereby irrevocably pledged, in the manner provided herein, to the payments required under this Bond Legislation.

Section 7.04. Rates and Charges. The initial schedule of water rates and charges for the services and facilities of the System shall be those rates approved by the Public Service Commission of West Virginia, in the Commission Order entered on January 11, 2000, in Case No. 99-0674-PWD-PC-CN, which rates are incorporated herein by reference as a part hereof.

Section 7.05. Sale of the System. Except as otherwise permitted by State law or with the written consent of the Authority and the Council, and except as provided in the 2000 B / 2008 A O&M Agreement, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Bonds Outstanding, or to effectively defease this Bond Legislation in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2008 A Bonds, immediately be remitted to the Commission for deposit in the Series 2008 A Bonds Sinking Fund, and, with the written permission of the Authority and the Council, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest on the Series 2008 A Bonds. Any balance remaining after the payment of all the Series 2008 A Bonds and interest thereon shall be remitted

to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of $10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and authorize the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000 but not in excess of $50,000, the Issuer shall first, determine upon consultation with the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into such fund by other provisions of this Bond Legislation. No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System. Provided, however, that the provisions of this paragraph are superseded by the terms of the 2000 B / 2008 A O&M Agreement, so long as such Agreement is in effect.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever payable from the Revenues which rank prior to, or equally, as to lien on and source of and security for payment from such Revenues with the Series 2008 A Bonds, without the prior written consent of the Authority and the Council. All obligations issued by the Issuer after the issuance of the Series 2008 A Bonds and payable from the Revenues, except additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on, pledge and source of and security for payment from such Revenues and in all other respects, to the Series 2008 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2008 A Bonds, and the interest thereon, upon the Revenues, or upon the System or any part thereof.

The Issuer shall give the Authority and the Council prior written notice of its issuance of any other obligations to be used for the System, payable from the Revenues or from any grants, or any other obligations related to the Project or the System.

Section 7.07. Additional Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinance shall be applicable. In addition, no additional Parity Bonds payable out of the revenues of the System, shall be issued after the issuance of the Series 2008 A Bonds pursuant to this Ordinance, without the prior written consent of the Authority and the Council and without complying with the conditions and requirements herein provided (unless less restrictive than the provisions of the Prior Ordinance).

All Parity Bonds issued hereafter shall be on a parity in all respects with the Series 2008 A Bonds.

No Parity Bonds shall be issued except for the purposes of financing the costs of design, acquisition and construction of additions, betterments or improvements to the System or refunding the Bonds issued pursuant hereto, or both such purposes.

No such Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the Recorder a written statement by Independent Certified Public Accountants, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, if any, shall be not less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest on the following:

(1) The Bonds then Outstanding;

(2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Bond Legislation then Outstanding; and

(3) The Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from (a) the improvements to be financed by such Parity Bonds and (b) any increase in rates enacted by the Issuer, the time

for appeal of which shall have expired (without successful appeal) prior to the date of issuance of such Parity Bonds and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the Recorder of the Issuer prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period herein above referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, as stated in a certificate filed with the Recorder, on account of increased rates, rentals, fees and charges for the System enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to issuance of such Parity Bonds.

All the covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Series 2008 A Bonds and the Holders of any Parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. All the Bonds issued on a parity, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System, and their source of and security for payment from said revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien on the revenues of the System of which is subject to the prior and superior lien of the Series 2008 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or equally, as to lien and source of and security for payment from such revenues, with the Series 2008 A Bonds except in the manner and under the conditions provided in this section.

No Parity Bonds shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Bond Legislation on account of the Bonds then Outstanding, and any other payments provided for in this Bond Legislation, shall have been made in full as required to the date of issuance of the Parity Bonds and the Issuer is then in full compliance with all the covenants, agreements and terms of this Bond Legislation and every ordinance supplemental thereto, or shall have fully corrected any delinquency or deficiency in such payments.

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of acquiring, constructing and installing the Project. The Issuer shall permit the Authority and the Council, or its agents and representatives, to inspect all books, documents, papers and records relating to the System at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the

Authority and the Council such documents and information as it may reasonably require in connection with the acquisition, construction and installation of the Project, the operation and maintenance of the System and the administration of the loan or any grants or other sources of financing for the Project.

The Issuer shall permit the Authority and the Council, or its agents and representatives, to inspect all records pertaining to the operation and maintenance of the System at all reasonable times following completion of construction of the Project and commencement of operation thereof, or, if the Project is an improvement to an existing system, at any reasonable time following commencement of construction.

The Issuer will keep, or cause to be kept, books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds issued pursuant to this Bond Legislation shall have the right at all reasonable times to inspect the System and all parts thereof and all records, accounts and data of the Issuer relating thereto.

The accounting system for the System shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Issuer Body. The Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Issuer.

The Issuer shall file with the Authority and the Council or any other original purchaser of the Series 2008 A Bonds and shall mail in each year to any Holder or Holders of the Series 2008 A Bonds requesting the same, an annual report containing the following:

(A) A statement of Revenues and Operating Expenses.

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation and the status of all said funds and accounts.

(C) The amount of any Bonds, notes or other obligations payable from the Revenues Outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required, in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto), and shall mail, upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2008 A Bonds and shall submit said report to the Authority and the Council, or any other original purchaser of the Series 2008 A Bonds. Such audit report

submitted to the Authority and the Council shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Loan Agreement and this Bond Legislation and that the Revenues are adequate to meet the Issuer's Operating Expenses and debt service requirements.

Subject to the terms, conditions and provisions of the Loan Agreement and the Act, the Issuer has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared by the Consulting Engineers. All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Issuer.

The Issuer shall permit the Authority and the Council, or its agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction of the Project, the Issuer shall also provide the Authority and the Council, or its agents and representatives, with access to the System as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the Council with respect to the System pursuant to the Act.

Section 7.09. Rates. In the event the 2000 B / 2008 A O&M Agreement or the Lease is terminated, the Issuer shall fix and collect rates, fees and other charges for use of the System, shall adjust and increase such rates, fees and other charges and shall take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement. In such event, the Issuer shall establish rates and charges sufficient together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2008 A Bonds and the Prior Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2008 A Bonds including the Prior Bonds; provided that, in the event that an amount equal to or in excess of the Series 2008 A Bonds Reserve Requirement is on deposit in the Series 2008 A Bonds Reserve Account and any reserve accounts for obligations on a parity with the Series 2008 A Bonds including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest on the Series 2008 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2008 A Bonds including the Prior Bonds.

Section 7.10. Operating Budget and Monthly Financial Report. In the event the 2000 B / 2008 A O&M Agreement is terminated, the Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and the Council within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts

provided therefor in such budget without a written finding and recommendation by the Consulting Engineers, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of the Consulting Engineers that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority and the Council and to any Holder of any Bonds, within 30 days of adoption thereof, and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Authority and the Council and to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement, and forward a copy of such report to the Authority and the Council by the 10th day of each month.

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the Loan Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the Authority and the Council, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

The Issuer shall provide and maintain competent and adequate resident engineering services satisfactory to the Authority and the Council covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such resident engineer shall certify to the Authority and the Council and the Issuer at the completion of construction that construction of the Project is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

In the event the 2000 B / 2008 A O&M Agreement is terminated, the Issuer shall employ qualified operating personnel properly certified by the State to operate the System so long as any of the Series 2008 A Bonds or Prior Bonds are Outstanding.

Section 7.12. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of, any franchise or permit to any person,

firm, corporation, body, agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 7.13. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services of the System shall remain unpaid for a period of 30 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid, when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law.

Section 7.14. No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by the System, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality, officer or employee of the Issuer shall avail itself or themselves of the services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as any of the Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain, or cause to be carried under the 2000 B / 2008 A O&M Agreement, insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry

and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

(2) PUBLIC LIABILITY INSURANCE, with limits of not less than $1,000,000 per occurrence to protect the Issuer and the Authority from claims for bodily injury and/or death and not less than $500,000 per occurrence from claims for damage to property of others which may arise from the operation of the System, and insurance with the same limits to protect the Issuer from claims arising out of operation or ownership of motor vehicles of or for the System.

(3) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT BONDS, such bonds to be in the amounts of 100% of the construction contract and to be required of each contractor contracting directly with the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

(4) FLOOD INSURANCE, if the System is or will be located in designated special flood or mudslide-prone areas and to the extent available at reasonable cost to the Issuer.

(5) BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer.

(6) FIDELITY BONDS will be provided for every officer, member and employee of the Issuer having custody of the revenues

or of any other funds of the System, in an amount at least equal to the total funds in the custody of any such person at any one time.

B. The Issuer shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project. In the event the Loan Agreement so requires, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear.

Section 7.16. Connections. To the extent permitted by the laws of the State and rules and regulations of the Public Service Commission of West Virginia, the Issuer shall require every owner, tenant or occupant of any house, dwelling or building intended to be served by the System to connect thereto.

Section 7.17. Completion of Project; Permits and Orders. The Issuer shall complete, or cause to be completed, the Project as promptly as possible and operate and maintain, or cause to be operated and maintained under the 2000 B / 2008 A O&M Agreement, the System in good condition and in compliance with all federal and state requirements and standards. The Issuer shall take all steps to properly operate and maintain the System and make all necessary repairs and replacements so long as the Series 2008 A Bonds are outstanding. To the extent maintenance is done by the Company, the Issuer shall enforce the provisions of the 2000 B / 2008 A O&M Agreement to fulfill this covenant.

The Issuer will obtain all permits required by state and federal laws for the acquisition and construction of the Project and all orders and approvals from the Public Service Commission of West Virginia and the West Virginia Infrastructure and Jobs Development Council necessary for the acquisition and construction of the Project and the operation of the System.

Section 7.18. Compliance with Loan Agreement and Law. The Issuer agrees to comply with all the terms and conditions of the Loan Agreement, the Act and all applicable laws, rules and regulations issued by the Authority and the Council, or other State, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

Section 7.19. Reserved.

Section 7.20. Securities Laws Compliance. The Issuer will provide the Authority and the Council, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority and the Council may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.21. Contracts; Change Orders; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2008 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the Council for written approval. The Issuer shall obtain the written approval of the Council before expending any proceeds of the Series 2008 A Bonds held in "contingency" as set forth in the Schedule A attached to the Loan Agreement. The Issuer shall also obtain the written approval of the Council before expending any proceeds of the Series 2008 A Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding provided by the and Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any ground breaking or dedication of the Project.

Section 7.22. Deed of Trust and Security Agreement. The Issuer shall grant for the benefit of the Authority a deed of trust and security interest in the Series 2008 A Facilities.

ARTICLE VIII

INVESTMENT OF FUNDS

Section 8.01. Investments. Any moneys held as a part of the funds and accounts created by this Bond Legislation, other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Bond Legislation, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission, the Depository Bank, or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank may make any and all investments permitted by this section through its own investment or trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2008 A Bonds are Outstanding.

Section 8.02. Certificate and Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2008 A Bonds as a condition to issuance of the Series 2008 A Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2008 A Bonds as may be necessary in order to maintain the status of the Series 2008 A Bonds as governmental bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2008 A Bonds which would cause any bonds, the interest, if any, on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority or the Council, as the case may be, from which the proceeds of the Series 2008 A Bonds are derived, to lose their status as tax-exempt

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2008 A Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest on any Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Bonds set forth in this Bond Legislation, any supplemental resolution or in the Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or

(3) If the Issuer or Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America; or

(4) If default occurs under the Prior Ordiance.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Series 2008 A Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including, but not limited to, the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds; (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Series 2008 A Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and, after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond shall, in addition to all other remedies or rights, have the right, by appropriate legal proceedings, to

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2008 A Bonds, this Ordinance may be amended or supplemented in any way by Supplemental Resolution. Following issuance of the Series 2008 A Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Bonds shall be made without the consent in writing of the Registered Owners of the Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds required for consent to the above-permitted amendments or modifications.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution thereto, or the Series 2008 A Bonds.

Section 11.04. Headings, Etc. The headings and catchlines of the articles, sections and subsections hereof are for convenience of reference only, and shall not affect in any way the meaning or interpretation of any provision hereof.

Section 11.05. Conflicting Provisions Repealed. All ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Chairman, the Secretary and members of the Issuer were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.07. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Issuer to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in the Charleston Gazette, a newspaper of general circulation in Putnam County, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Bonds, and that any person interested may appear before the Issuer upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Issuer for review by interested persons during office hours of the Issuer. At such hearing, all objections and suggestions shall be heard and the Issuer shall take such action as it shall deem proper in the premises.

Section 11.08. Effective Date. This Ordinance shall take effect immediately following the public hearing and final reading hereof.

Passed on First Reading:	-	May 20, 2008
Passed on Second Reading:	-	May 27, 2008
Passed on Final Reading Following Public Hearing:	-	June 17, 2007

Chairman

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the PUTNAM COUNTY BUILDING COMMISSION on the 17th day of June, 2008

Dated: July 23, 2008.

[SEAL]

Nancy A Smith
Secretary

07.14.08
191700.00002

EXHIBIT A

[Loan Agreement attached to bond transcript as Document 3]

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE WATERWORKS LEASE REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF THE PUTNAM COUNTY BUILDING COMMISSION; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

Whereas, the Board (the "Governing Body") of the Putnam County Building Commission (the "Issuer") has duly and officially adopted and enacted a bond ordinance, effective June 17, 2008 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF A NEW PUBLIC WATERWORKS SYSTEM OF THE PUTNAM COUNTY BUILDING COMMISSION AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE ISSUER OF NOT MORE THAN $2,914,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING

FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Ordinance when used herein;

WHEREAS, the Bond Ordinance provides for the issuance of Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), of the Issuer (the "Series 2008 A Bonds"), in the aggregate principal amount not to exceed $2,914,000, and has authorized the execution and delivery of a loan agreement relating to the Series 2008 A Bonds, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), all in accordance with Chapter 8, Article 33, Chapter 8, Article 16 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amounts, dates, maturity dates, redemption provisions, interest rates, interest and principal payment dates, sale prices and other terms of the Series 2008 A Bonds should be established by a supplemental resolution pertaining to the Series 2008 A Bonds; and that other matters relating to the Series 2008 A Bonds be herein provided for;

WHEREAS, the Loan Agreement has been presented to the Issuer at this meeting;

WHEREAS, the Series 2008 A Bonds are proposed to be purchased by the Authority pursuant to the Loan Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreement be approved and ratified by the Issuer, that the exact principal amounts, the dates, the maturity date, the redemption provisions, the interest rate, the interest and principal payment dates and the sale price of the Series 2008 A Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Series 2008 A Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE PUTNAM COUNTY BUILDING COMMISSION, AS FOLLOWS:

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), of the Issuer, originally represented by a single bond, numbered AR-1, in the principal amount of $2,914,000.

The Series 2008 A Bonds shall be dated the date of delivery thereof, shall finally mature June 1, 2048, and shall bear no interest. The principal of the Series 2008 A Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2010, to and including June 1, 2048, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement for the Series 2008 A Bonds and incorporated in and made a part of the Series 2008 A Bonds. The Series 2008 A Bonds shall be subject to redemption upon the written consent of the Authority and the Council, and upon payment of the interest and redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 2008 A Bonds.

Section 2. All other provisions relating to the Series 2008 A Bonds and the text of the Series 2008 A Bonds shall be in substantially the form provided in the Bond Ordinance.

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the application to the Council and the Authority. The price of the Series 2008 A Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 4. The Issuer does hereby authorize, approve and accept the Agreement and Lease of Series 2008 A Facilities, a copy of which is incorporated herein by reference and the execution and delivery of the Agreement and Lease of Series 2008 A Facilities by the Chairman and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, directed and approved.

Section 5. The Issuer does hereby authorize, approve and accept the Deed of Trust, Security Agreement and Fixture Filing, a copy of which is incorporated herein by reference and the execution and delivery of the Deed of Trust, Security Agreement and Fixture Filing by the Chairman and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, directed and approved.

Section 6. The Issuer does hereby appoint and designate The Huntington National Bank, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Series 2008 A Bonds under the Bond Ordinance and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Series 2008 A Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 7. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Series 2008 A Bonds under the Bond Ordinance.

Section 8. The Issuer does hereby appoint and designate the Putnam County Bank, Winfield, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 9. Series 2008 A Bonds proceeds in an amount not to exceed $75,689 shall be deposited in the Series 2008 A Bonds Reserve Account.

Section 10. The balance of the proceeds of the Series 2008 A Bonds shall be deposited in or credited to the Series 2008 A Bonds Construction Trust Fund for payment of the costs of the Project.

Section 11. The Chairman and the Secretary are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Series 2008 A Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Series 2008 A Bonds may be delivered on or about July 23, 2008, to the Authority pursuant to the Loan Agreement.

Section 12. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Series 2008 A Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 13. The Issuer does hereby ratify, approve and accept all contracts relating to the financing, acquisition and construction of the Project.

Section 14. The Issuer hereby determines to invest all monies in the funds and accounts established by the Bond Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such monies to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Monies in the Series 2008 A Bond Sinking Fund and the Series 2008 A Bond Reserve Account shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 15. The Issuer hereby designates the County Administrator to review and approve all draws on the Series 2008 A Bonds.

Section 16. The Issuer agrees and covenants not to provide services to any customers/residents in Kanawha County unless it has received the written consent of the County Commission of Kanawha County or it has received an order of the Public Service Commission of West Virginia ordering such service.

Section 17. This Supplemental Resolution shall be effective immediately following adoption hereof.

[Remainder of Page Intentionally Blank]

Adopted this 15th day of July, 2008.

Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Board of the Putnam County Building Commission on the 15th day of July, 2008

Dated: July 23, 2008.

[SEAL]

Nancy A Smith

Secretary

07.14.08
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John Stump P.O. Box 1588 Chas. WV 25326-1588

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Fee Amt: $0.00 Page 1 of 105
Putnam County Clerk
Brian Wood County Clerk
BK64 PG438-542

AGREEMENT AND LEASE OF SERIES 2008 A FACILITIES

Between

PUTNAM COUNTY BUILDING COMMISSION,
Lessor

and

THE COUNTY COMMISSION OF PUTNAM COUNTY,
WEST VIRGINIA
Lessee

Dated as of July 23, 2008

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AGREEMENT AND LEASE OF SERIES 2008 A FACILITIES

This Agreement and Lease of Series 2008 A Facilities (hereinafter called the "Lease") dated July 23, 2008, by and between the PUTNAM COUNTY BUILDING COMMISSION, a public corporation and county building commission, organized and existing under and by virtue of the provisions of the Constitution and laws of the State of West Virginia, as lessor (hereinafter called the "Issuer" or the "Lessor"), and THE COUNTY COMMISSION OF PUTNAM COUNTY, a public corporation and political subdivision of the State of West Virginia, as lessee (hereinafter called the "County Commission" or the "Lessee").

W I T N E S S E T H:

WHEREAS, pursuant to the authority of Chapter 8, Article 33, of the Code of West Virginia, 1931, as amended (the "Act"), the County Commission entered an order on August 28, 1980, creating the Issuer, a public corporation with perpetual existence and a county building commission within the meaning of the Act;

WHEREAS, the Issuer under the Act has plenary power and authority to contract and be contracted with, acquire, purchase, own and hold any property, real or personal, and acquire, construct, equip, maintain and operate public buildings, structures, projects and appurtenant facilities of any type or types for which the County is permitted by law to expend public funds, sell, encumber or dispose of any property, real or personal, and lease its property or any part thereof, for public purposes, to such persons and upon such terms as the Issuer deems proper;

WHEREAS, the County is empowered and authorized by Chapter 7, Article 1 and Chapter 8, Article 19 of the West Virginia Code of 1931, as amended, to expend public funds to acquire, install, construct, establish, extend, equip, repair, maintain and operate waterworks facilities;

WHEREAS, the Issuer under the Act has plenary power and authority to issue negotiable bonds, notes, debentures or other evidences of indebtedness and provide for the rights of the holders thereof, incur any proper indebtedness and issue any obligations and give any security therefor which it may deem necessary or advisable in connection with exercising powers as provided in the Act;

WHEREAS, the Issuer has, at the request of the County Commission, agreed to acquire, construct and equip certain public waterworks facilities, to be located on certain real property in Putnam County, West Virginia, all as set forth in EXHIBIT A -WATERLINE LOCATIONS, attached hereto as a part hereof and incorporated by reference herein (collectively, the "Site"), which real property and personal property is more particularly described in EXHIBIT B - PROPERTY DESCRIPTION, attached hereto as a part hereof

and incorporated by reference herein, (such real estate, improvements, fixtures and equipment, and all further additions, improvements and additional facilities of every kind and nature located at the Site, now or hereafter acquired or constructed thereon, herein called the "Series 2008 A Facilities") and to lease such Series 2008 A Facilities to the County Commission;

WHEREAS, to assist in the acquisition, construction and equipping of the Series 2008 A Facilities, and the subsequent operation, maintenance, repair and replacement of the Series 2008 A Facilities, the Issuer and the County Commission have entered into an amendment dated July 23, 2008 to the Agreement dated January 26, 2000 (collectively, the "2000 B O&M Agreement"), with West Virginia - American Water Company, a West Virginia corporation (the "Company");

WHEREAS, the County Commission and the Company have provided the Issuer with plans and specifications for the acquisition, construction and equipping of the Series 2008 A Facilities, which plans and specifications are summarized in the Construction Outline Specifications, attached hereto as EXHIBIT C - CONSTRUCTION OUTLINE SPECIFICATIONS, attached hereto as a part hereof, and incorporated by reference herein, and the Issuer and the County Commission have agreed to appoint the Company as their agent for the purpose of acquisition, construction and equipping of the Series 2008 A Facilities;

WHEREAS, in order to provide funds for payment of the costs of the acquisition, construction and equipping of the Series 2008 A Facilities, as well as costs incidental thereto, the Issuer and the County Commission have each determined by order, resolution or ordinance duly adopted by their respective governing bodies that the Issuer will issue its Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), in an aggregate principal amount not to exceed $2,914,000 (the "Series 2008 A Bonds"), under and pursuant to an Ordinance of the Issuer enacted on June 17, 2008 (the "2008 A Ordinance");

WHEREAS, the County Commission has agreed to lease the Series 2008 A Facilities and, subject to existing law, make lease payments that shall be sufficient to pay debt service on the Series 2008 A Bonds; and

WHEREAS, the Issuer and the County Commission have duly authorized the execution and delivery of this Lease by resolution, ordinance or order duly adopted or enacted by their respective governing bodies.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration and of the mutual benefits, covenants and agreements herein expressed, the receipt and sufficiency of all of which are hereby acknowledged, the Issuer and the County Commission hereby agree as follows:

ARTICLE I

DEFINITIONS, ETC.

Section 1.01. Terms Defined. In addition to terms defined elsewhere herein and in the 2008 A Ordinance (including the recitals hereto and the recitals in the 2008 A Ordinance), which shall have the same meanings herein, the following terms shall have the following meanings herein, unless the context requires otherwise:

"Act" means Chapter 8, Article 33 of the West Virginia Code of 1931, as amended and in effect on the date of delivery of the Bonds.

"Authorized Representative" or "Authorized Officer" means, with reference to the Issuer, the Chairman, Vice-Chairman or such other officer or officers designated in writing by the Issuer to execute those documents or perform those acts to which are then being referred; with reference to the County Commission, the President or such other officer or officers designated in writing by the County Commission to execute those documents or perform those acts to which are then being referred; with reference to the Company, any executive officer designated in writing by the Company to execute those documents or perform those acts to which are then being referred; and, with reference to the Authority, such officer or officers designated in writing by the Authority, as the case may be, to execute those documents or perform those acts to which are then being referred.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Bonds, or any other agency, board or department of the State that succeeds to the functions of the Authority.

"Bond" or "Bonds" means the Putnam County Building Commission Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), to be issued pursuant to the 2008 A Ordinance.

"Bond Counsel" means an attorney or firm of attorneys nationally recognized as expert in matters relating to the issuance of tax-exempt bonds and initially means Steptoe & Johnson of Clarksburg, West Virginia.

"Bondholders" or "Holder" when referring to the Bonds, means the person in whose name the Bonds are Registered, as provided in the 2008 A Ordinance.

"Business Day" means any day other than a Saturday, Sunday or a day on which national banking associations or West Virginia banking corporations are authorized by law to remain closed.

"Chairman" means the Chairman of the Issuer.

"Company" means West Virginia-American Water Company, a West Virginia corporation.

"Construction Outline Specifications" means the summary of the plans and specifications for the acquisition, construction and equipping of the Series 2008 A Facilities attached hereto as EXHIBIT C - CONSTRUCTION OUTLINE SPECIFICATIONS.

"Construction Period" means the period of time during which the Series 2008 A Facilities are being constructed.

"Council" means the West Virginia Infrastructure & Jobs Development Council or any other agency, board or department of the State that succeeds to the functions of the Council.

"County Commission" or "Lessee" means The County Commission of Putnam County, Putnam County, West Virginia.

"Closing Date" means the date upon which there is an exchange of the Bonds for the proceeds representing the original purchase price thereof.

"Code" means the Internal Revenue Code of 1986, as amended and supplemented from time to time, and Regulations thereunder.

"Consulting Engineers" means Terradon Corporation, Nitro, West Virginia, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the Series 2008 A Facilities or any portion thereof, in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; provided, however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions or political subdivisions.

"Deed of Trust and Security Agreement" means the Deed of Trust and Security Agreement dated as of the date hereof from the Issuer to the trustees named therein to secure the Authority for the repayment of the principal of and interest on the Bonds, as amended and supplemented from time to time.

"Event of Default" means any of the events described as an Event of Default in Section 10.01 hereof.

"FDIC" means the Federal Deposit Insurance Corporation or any successor to the functions of the FDIC.

"Fiscal Year" means the fiscal year of the Issuer which, at the time of the original execution and delivery of this Lease begins on July 1 and ends on the next succeeding June 30, or such other 12-month period as may be designated by the Issuer in writing delivered to the Authority.

"Issuer" or "Lessor" means the Putnam County Building Commission, a public corporation and county building commission organized and existing under and by virtue of the provisions of the

Constitution and laws of the State, created by the County Commission pursuant to the Act, and any successor in function.

"Lease" means this Agreement and Lease of Series 2008 A Facilities, all amendments thereof and supplements thereto and where applicable, also means any subsequent lease or leases of all or any portion of the Series 2008 A Facilities.

"Lease Term" shall have the meaning assigned to such term under Section 5.01 hereof.

"Net Proceeds" means, when used with respect to any insurance or condemnation award, the gross proceeds from the insurance or condemnation award with respect to which that term is used remaining after payment of all expenses (including attorneys' fees) incurred in the collection of such gross proceeds.

"2000 B O&M Agreement" means collectively, the agreement among the Issuer, the County Commission and the Company, dated as of January 26, 2000, as amended July 23, 2008 relating to the acquisition, construction and equipping of the Series 2008 A Facilities and the subsequent operation, maintenance, repair and replacement of the Series 2008 A Facilities, as it may be amended from time to time and as approved by the Public Service Commission of West Virginia.

"Operating and Maintenance Expenses" means, with respect to the Series 2008 A Facilities and with respect to the period of determination, the costs and expenses of normal operation and maintenance of the Series 2008 A Facilities, including, without limitation, the costs and expenses of salaries and fringe benefits, utility service, insurance, taxes, fees, licenses, permits, administrative expenses, normal maintenance and repairs but excluding, however, depreciation, amortization, charges for renewal and replacement and other noncash expenses.

"Permitted Encumbrances" means this Lease, the Deed of Trust and Security Agreement and, as of any particular time,

(1) Liens for taxes and special assessments which are not then delinquent or, if then delinquent, are being contested by the Issuer in good faith;

(2) Utility, access and other easements and rights-of-way, restrictions and exceptions that the Issuer certifies will not interfere with or impair the operation of the Series 2008 A Facilities (or, if it is not being operated, the operation for which it was designed or last modified);

(3) Any subordinate, junior and inferior mechanics', laborers' or materialmen's lien if payment is not yet due; provided, however, such a lien may not be of record for in excess of 30 days unless contested in good faith by the Issuer;

(4) Such minor defects and irregularities of title as normally exist with respect to properties similar in character to the Series 2008 A Facilities and which do not materially

adversely affect the value of the Series 2008 A Facilities or impair the property affected thereby for the purpose for which it was acquired or is held or used by the Issuer;

(5) Zoning laws and similar restrictions;

(6) Subleases of a portion or portions of the Series 2008 A Facilities bearing a term less than or equal to the then remaining term of the Lease, which subleases shall be subordinate to the lien of the Deed of Trust and Security Agreement and consented to in writing by the Authority, which consent shall not be unreasonably withheld;

(7) Such subsequent leases of the Series 2008 A Facilities or portions thereof in accordance with the terms of this Lease and which shall be subject to the lien of the Deed of Trust and Security Agreement and consented to in writing by the Authority;

(8) Liens, security interests and other encumbrances which are expressly subject and subordinate to this Lease and the Deed of Trust and Security Agreement and consented to in writing by the Authority and the Company; and

(9) The 2000 B O&M Agreement.

"Person" means natural persons, firms, associations, corporations, partnerships and public bodies.

"Regulations" means temporary and permanent regulations promulgated under the Code, and includes applicable regulations promulgated under the Internal Revenue Code of 1954.

"Rent" means all receipts, revenues, income and other moneys received by or on behalf of the Issuer under the Lease.

"Series 2008 A Facilities" means the Site, all improvements, buildings, fixtures, equipment and other personal property, together with all additions, improvements and additional facilities thereto, of every kind and nature located at the Site, now or hereafter acquired or constructed thereon, which have been leased by the Issuer to the County Commission pursuant to this Lease and are subject to the lien of the Deed of Trust and Security Agreement, subject to Permitted Encumbrances.

"Site" means the real estate described in EXHIBIT B -PROPERTY DESCRIPTION, attached hereto as a part hereof, and incorporated by reference herein, and any additional real property which is made subject to the lien of the Deed of Trust and Security Agreement.

"State" means the State of West Virginia.

"Surcharges" means all surcharges paid by customers of the Series 2008 A Facilities and the Series 2008 A Facilities, as authorized by the Public Service Commission of West Virginia.

"Surcharge Fund" means the fund of the County Commission into which Surcharges received by the County Commission are deposited.

"Title" means good and marketable fee simple absolute title as to the Series 2008 A Facilities, subject only to Permitted Encumbrances.

"Written Request" means a request in writing signed by the Chairman or a Vice-Chairman of the Issuer or any other officer or officers designated by the Issuer.

Any requirement for execution of this Lease, the Bonds or any Certificate or other document by a Chairman, President or Secretary or other officer shall mean that such Bonds, Certificate or other document may be executed by the Vice Chairman, Vice-President, Assistant Secretary or Assistant to such other officer.

All references in this instrument to designated "Articles," "Sections" and other subdivisions are to be designated Articles, Sections and other subdivisions of this instrument as originally executed. The words "herein," "hereof" and "hereunder" and other words of similar import refer to this Lease as a whole and not to any particular Article, Section or other subdivision unless the context indicates otherwise.

The terms defined in this Section have the meanings assigned to them in this Section, words importing the singular shall include the plural as well as the singular and vice versa, words importing persons shall include firms, associations and corporations, and words importing the masculine, feminine and neuter gender shall be deemed to include all such genders.

All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles.

Section 1.02. Exhibits. The following Exhibits are attached to and by reference are hereby made a part of this Lease:

EXHIBIT A - WATERLINE LOCATIONS
EXHIBIT B - PROPERTY DESCRIPTION
EXHIBIT C - CONSTRUCTION OUTLINE SPECIFICATIONS
EXHIBIT D - LEASE AND DEBT SERVICE SCHEDULES

ARTICLE II

REPRESENTATIONS

Section 2.01. Representations, Findings, Determinations and Warranties by the Issuer. The Issuer makes the following representations, findings, determinations and warranties as the basis for the undertakings and covenants on its part and on the part of the Lessee contained herein, all such representations and warranties to be maintained until termination of this Lease:

(A) The Issuer is a public corporation and county building commission validly created and existing under the Act and the other laws of the State, is authorized to enter into the transactions contemplated by this Lease, the 2008 A Ordinance and all other documents, agreements, instruments and certificates in connection herewith and therewith and to carry out its obligations hereunder and thereunder, has been duly authorized to execute and deliver this Lease and all other documents, agreements, instruments and certificates in connection herewith and therewith, and agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

(B) The acquisition, construction and installation of the Series 2008 A Facilities, the issuance and sale of the Bonds, the enactment of the 2008 A Ordinance, the execution and delivery of this Lease and all other agreements, documents, instruments and certificates in connection herewith and therewith and the performance of all covenants and agreements of the Issuer contained in this Lease, the 2008 A Ordinance and all other documents, agreements, instruments and certificates in connection herewith and therewith and of all other acts and things required under the Constitution and laws of the State, or any other document, agreement or instrument by which the Issuer is bound, to make this Lease, the 2008 A Ordinance and all other documents, agreements and certificates in connection herewith and therewith valid and binding obligations of the Issuer in accordance with the terms thereof, are authorized by the Act and other laws of the State and have been duly authorized by proceedings of the Issuer enacted or adopted at meetings thereof duly called and held.

(C) The Issuer has not made, done, executed or suffered, and warrants that it will not make, do, execute or suffer any act or thing whereby its Title to and interest in the Series 2008 A Facilities shall or may be impaired, charged or encumbered in any manner whatsoever except for Permitted Encumbrances.

(D) To finance the costs of acquisition, construction and installation of the Project and to pay the costs of issuance thereof, the Issuer has authorized issuance of the Bonds in the aggregate principal amount of not more than $2,914,000 to be issued upon the terms set forth in the 2008 A Ordinance, under the provisions of which, in order to secure the payment of the principal, premium, if any, and interest on the Bonds, the interest of the Issuer in this Lease and the Rent to be received hereunder are pledged and assigned to the Authority, and the Series

2008 A Facilities shall become subject to the lien and pledge provided for in the Deed of Trust and Security Agreement for the benefit of the Bondholders.

(E) The Issuer has found and determined, and does hereby find and determine, that (i) the acquisition, construction and installation of the Project as provided for under this Lease, (ii) the financing of such acquisition, construction and installation by the issuance, sale and delivery by it of the Bonds, (iii) the leasing by it of the Series 2008 A Facilities to the County Commission under and pursuant hereto, and (iv) all other things contemplated by or contained in this Lease and the 2008 A Ordinance, are necessary, proper and appropriate to accomplish the public purpose of providing waterworks facilities to supply potable water to currently unserved portions of the County.

Section 2.02. Representations and Warranties by the County Commission. The County Commission makes the following representations and warranties, all such representations and warranties to be applicable upon and following issuance of the Bonds and to be maintained until termination of this Lease:

(A) The County Commission is a political subdivision of the State, duly and validly created and existing under the Constitution and the other laws of the State, has been duly authorized to execute and deliver this Lease and all other agreements, documents, instruments and certificates in connection herewith and therewith, and agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

(B) The acquisition, construction and installation of the Series 2008 A Facilities, the execution and delivery of this Lease and all other agreements, documents, instruments and certificates in connection herewith, and the performance of all covenants and agreements of the County Commission contained in this Lease and all other agreements, documents, instruments and certificates in connection herewith, and of all other acts and things required under the Constitution and laws of the State, or any other document, agreement or instrument by which the County Commission is bound, to cause the acquisition, construction and equipping of the Series 2008 A Facilities and to make this Lease and all agreements, documents and instruments in connection herewith, valid and binding obligations of the County Commission in accordance with the terms thereof, are duly authorized under the Constitution and other laws of the State and have been duly authorized by proceedings of the County Commission enacted or adopted at meetings thereof duly called and held. No authority or proceedings for the execution and delivery of this Lease and the performance of the obligations hereunder has or have been repealed, revoked or rescinded.

(C) There is no action, suit, proceeding, inquiry, order, claim, counterclaim, arbitration, demand or investigation at law or in equity or before or by any court, public board, authority or body, pending or threatened, or any order, judgment or decree in progress, nor is there any basis therefor, which would adversely affect the County Commission, the Series 2008 A Facilities or the transactions contemplated by this Lease or any of the documents, agreements, instruments or certificates in connection herewith or the consummation of the transactions contemplated thereby, the payment of Rent hereunder from the Surcharge Fund and other legally available funds of the County Commission, subject to annual appropriation by the County Commission, the application of any money or security granted by the County Commission that may be used for payment of the Bonds or the operation of the Series 2008 A Facilities, or which in any way would adversely affect the

validity or enforceability of this Lease, the Bonds or the Deed of Trust and Security Agreement or the payment of Rent hereunder from the Surcharge Fund and other legally available funds of the County Commission or which in any way would adversely affect the ability of the County Commission to perform its obligations under this Lease or any agreement, document or instrument in connection herewith and therewith, the creation, organization or existence of the County Commission, the title to office of any officer thereof or the power of the County Commission to lease and operate the Series 2008 A Facilities.

(D) The County Commission will operate the Series 2008 A Facilities, or cause the Series 2008 A Facilities to be operated, as a public water distribution system until the date on which all of the Bonds have been fully paid and are no longer outstanding.

(E) The execution and delivery of this Lease and all documents, agreements, instruments and certificates in connection herewith, the consummation of the transactions contemplated hereby, and the compliance with, fulfillment of and carrying out of the provisions and terms hereof and thereof, including without limitation the operation of the Series 2008 A Facilities, do not and will not, with or without the giving of notice or passage of time, or both, conflict with or constitute on the part of the County Commission a violation or breach of or constitute or result in a default or loss of rights (or give rise to any right of termination, cancellation or acceleration) under or result in the creation of any lien, charge or encumbrance pursuant to and are not materially adversely affected by any mortgage, indenture, note agreement, bond, contract, lease, document, resolution, deed of trust or other agreement, obligation or instrument to which the County Commission is a party or by which the County Commission or its properties are bound or affected or any charter provision, judgment, statute, ordinance, order, rule, law, court decision, decree or regulation by which the County Commission or its properties are subject or affected, and will not cause any forfeiture or impairment of any license, authorization or permit.

(F) The County Commission has complied in all material respects with the applicable provisions of law which would affect its ability to enter into this Lease and consummate the transactions set forth herein and has full legal right, power and authority to enter into, execute and deliver this Lease and all other documents, agreements, instruments and certificates in connection herewith and perform its obligations hereunder and thereunder, to lease, operate and use the Series 2008 A Facilities, to conduct its business as contemplated in this Lease, and to carry out and consummate all transactions contemplated by the foregoing, including, without limitation, the payment of Rent hereunder from the Surcharge Fund and other legally available funds of the County Commission, subject to annual appropriation by the County Commission.

(G) Funds have been appropriated by the County Commission or are otherwise available in an amount sufficient to make all rental payments, if any, during the Fiscal Year beginning July 1, 2007, and the County Commission reasonably believes that funds can be obtained in an amount sufficient to make all rental payments during the entire Lease Term. It is the County Commission's intent to make the rental payments for the full Lease Term if funds are legally available therefor and in that regard the County Commission represents that: (a) the use of the Series 2008 A Facilities is essential to its proper, efficient and economic functioning or to the services that it provides to its citizens; (b) the County Commission has an immediate and continuing need for the use of substantially all of the Series 2008 A Facilities, which is not temporary or expected to diminish in the foreseeable future; and (c) the Series 2008 A Facilities are and will be used by the County

ARTICLE III

ACQUISITION, CONSTRUCTION AND EQUIPPING OF SERIES 2008 A FACILITIES

Section 3.01. Construction Outline Specifications. The County Commission has provided the Issuer with, and the Issuer has agreed to, specific plans and specifications for the acquisition, construction and equipping of the Series 2008 A Facilities, as summarized in EXHIBIT C - CONSTRUCTION OUTLINE SPECIFICATIONS.

Section 3.02. Appointment of Company as Agent. The Issuer and the County Commission hereby appoint the Company as agent of the Issuer and the County Commission for purposes of acquisition, construction and equipping of the Series 2008 A Facilities and contracting for all services necessary or incidental thereto; except as provided in the contract with the Consulting Engineer.

Section 3.03. Acquisition, Construction and Equipping of Series 2008 A Facilities by Issuer. The Issuer shall enter into such contracts and agreements as may be necessary, to enable the Series 2008 A Facilities to be acquired, constructed and equipped in accordance with the Construction Outline Specifications, including all Change Orders during the course of the acquisition, construction and equipping of the Series 2008 A Facilities pursuant to Section 3.04 of this Lease.

Section 3.04. Change Orders. The Issuer may request such changes in the Construction Outline Specifications during the course of the acquisition, construction and equipping of the Series 2008 A Facilities, provided however, that any such Change Order shall not (i) materially adversely reduce the number of anticipated users of the Series 2008 A Facilities upon completion of acquisition, construction and equipping of the Series 2008 A Facilities, or (ii) cause the costs of acquisition, construction and equipping of the Series 2008 A Facilities to exceed the amount available to pay such costs as provided in the 2008 A Ordinance. Any Change Orders under this Section shall be deemed incorporated into and made a part of the Construction Outline Specifications for purposes of this Lease.

Section 3.05. Insurance During Construction Period. During the Construction Period, the Issuer shall maintain or cause to be maintained "all-risk" and "extended risk" property insurance and builder's risk and fire insurance, in each case with respect to the Series 2008 A Facilities covering physical loss or damage to the Series 2008 A Facilities.

ARTICLE IV

ISSUANCE OF BONDS BY THE ISSUER

Section 4.01. Sale of Bonds. The Issuer and the County Commission have determined that the Bonds can be issued and sold upon fair and reasonable terms, and that the Issuer shall issue, sell and deliver the Bonds in an aggregate principal amount not in excess of $2,914,000 pursuant to and in conformity with the 2008 A Ordinance. The proceeds of the Bonds shall be deposited and applied as provided in the 2008 A Ordinance.

Section 4.02. Payment of Bonds. The principal of, redemption premium, if any, and interest on the Bonds shall be payable in accordance with the provisions of the 2008 A Ordinance and the Bonds, and the Rent paid by the County Commission hereunder shall be pledged to secure the payment of the Bonds, all as provided herein and in the 2008 A Ordinance.

Section 4.03. Assignment of Rights Under Lease and Priority of 2008 A Ordinance. This Lease and the rights, interests, powers, privileges and benefits accruing to or vested in the Issuer hereunder shall be protected and enforced in conformity with the 2008 A Ordinance and is assigned by the Issuer to the Authority as security for the Bonds pursuant to the 2008 A Ordinance, and shall be exercised and enforced for or on behalf of the Bondholders in conformity with the provisions hereof and of the 2008 A Ordinance. Notwithstanding anything herein or in the 2008 A Ordinance to the contrary, this Lease is and shall be expressly subject to the 2008 A Ordinance. THE ISSUER SHALL RETAIN NO RIGHTS HEREUNDER, EXCEPT THOSE RIGHTS SET FORTH IN SECTIONS 6.01 AND 8.07, AND NOTWITHSTANDING ANY PROVISION HEREIN TO THE CONTRARY, ONLY THE BONDHOLDERS SHALL HAVE THE RIGHT TO PURSUE ANY REMEDIES HEREUNDER.

ARTICLE V

DEMISING CLAUSES AND RENT

Section 5.01. Leasing of the Series 2008 A Facilities - Term of Lease. In consideration of the Rent to be received by the Issuer and of the covenants, agreements and promises herein contained to be kept and performed by the County Commission, and in consideration of the issuance of the Bonds by the Issuer and the assignment of the Lease by the Issuer to the trustees named in the Deed of Trust and Security Agreement, the Issuer hereby demises and leases the Series 2008 A Facilities to the County Commission and the County Commission hereby hires, takes and leases the Series 2008 A Facilities from the Issuer, for the Lease Term, at the Rent and on the conditions herein set forth.

The term of the demise and leasing of the Series 2008 A Facilities by the Issuer to the County Commission, subject to the provisions hereof (the "Lease Term"), shall commence on the Closing Date, and shall extend, unless sooner terminated in accordance with the provisions hereof, to June 1, 2048, provided, however, that the Lease Term shall expire on such earlier or later date as the principal of, premium, if any, and interest on all the Bonds and all other expenses or amounts payable by the County Commission hereunder or under the 2008 A Ordinance are paid or provisions for the payment thereof have been made.

NOTWITHSTANDING THE FOREGOING OR ANYTHING HEREIN TO THE CONTRARY, THE ISSUER HEREBY GRANTS TO THE COUNTY COMMISSION THE OPTION TO TERMINATE THIS LEASE DURING ANY FISCAL YEAR COVERED HEREBY, IN ACCORDANCE WITH THE ACT AND OTHER PROVISIONS OF LAW, AND IN THE EVENT OF THE EXERCISE OF SUCH OPTION TO TERMINATE THIS LEASE, THE RENT PAYABLE HEREUNDER SHALL BE CANCELED WITHOUT PENALTY TO THE COUNTY COMMISSION AT THE END OF THE THEN CURRENT FISCAL YEAR, WHEREUPON THE COUNTY COMMISSION SHALL SURRENDER THE PREMISES TO THE ISSUER AT THE END OF THE THEN CURRENT FISCAL YEAR. THE COUNTY COMMISSION COVENANTS TO PROVIDE THE ISSUER AND THE AUTHORITY WITH WRITTEN NOTICE, IN ACCORDANCE WITH SECTION 11.01 HEREOF, OF ITS INTENTION TO EXERCISE SUCH OPTION TO TERMINATE THIS LEASE NOT LESS THAN 90 DAYS PRIOR TO THE END OF THE FISCAL YEAR IN WHICH THE COUNTY COMMISSION ELECTS TO EXERCISE SUCH OPTION.

Section 5.02. Rent. Until payment in full of the Bonds and the interest, if any, thereon and all fees, charges and costs owed by the County Commission hereunder, the County Commission shall pay, directly to the West Virginia Municipal Bond Commission, except in the case of the Renewal and Replacement Fund which payments therefore shall be made to the Lessor, on or before the first Business Day of each month, commencing December 1, 2009, from moneys deposited in the Surcharge Fund and earnings thereon, and to the extent such amounts are insufficient therefor, from other moneys legally available for such purpose, Rent to be computed by adding the following:

(1) In the event the Series 2000 B O&M Agreement is terminated, Operating Expenses of the Series 2008 A Facilities;

(2) On the due date of each monthly sinking fund installment of principal of the Bonds, as set forth in Section 5.03 A of the 2008 A Ordinance, the amount required to pay such monthly installment in accordance with the 2008 A Ordinance, as set forth on the Lease and Debt Service Schedules attached hereto as Exhibit D and incorporated herein by reference (the "Lease Payment Schedule");

(3) The amount required to be paid into the Series 2008 A Bonds Reserve Account in accordance with the 2008 A Ordinance;

(4) The amount required to be paid into the Renewal and Replacement Fund in accordance with the 2008 A Ordinance, which amount shall be $1,250.00 per month so long as the 2000 B O&M Agreement has not been terminated;

(5) When due, the fees and expenses of the Issuer, the Depository Bank, Registrar and Paying Agent for services under the 2008 A Ordinance and under this Lease; and

(6) Any other amounts then due and payable by the Issuer pursuant to the provisions of the 2008 A Ordinance.

In any event, the County Commission shall pay Rent in amounts sufficient to accumulate sums necessary to promptly pay the principal of, premium (if any) and interest on the Bonds, as the same become due and payable, and to pay all other amounts payable by the County Commission or the Issuer pursuant to this Lease or the 2008 A Ordinance, respectively.

All payments of Rent shall be made directly to the West Virginia Municipal Bond Commission and applied in the manner provided in the 2008 A Ordinance. This Lease is a "triple net lease" and the Issuer shall be under no obligation to operate, maintain, replace or improve the Series 2008 A Facilities or pay the cost thereof so long as this Lease remains in force and effect, but shall be entitled to have the Rent paid as required herein on an absolute net basis, and such Rent shall not be subject to abatement before retirement of all Bonds as contemplated in Section 5.04 hereof, and payment of all amounts due hereunder, provided, however, that in the event of any partial redemption of Bonds as provided in Section 5.06 hereof, then the Rent payable hereunder shall be adjusted accordingly.

Section 5.03. County Commission's Obligations - Limited Obligations. The Issuer and the County Commission covenant and agree that, during the term of this Lease, the County Commission shall bear all risk of damage or destruction in whole or in part to the Series 2008 A Facilities or any part thereof including without limitation any loss, complete or partial, or interruption in the use, occupancy or operation of the Series 2008 A Facilities, or any manner or thing which for any reason interferes with, prevents or renders burdensome the use or occupancy of the Series 2008 A Facilities or the compliance by the County Commission with any of the terms hereof. Notwithstanding the foregoing or anything herein to the contrary, the County Commission's obligations to pay the Rent hereunder from the Surcharge Fund and the other legally available funds of the County Commission, subject to annual appropriation by the County Commission, and the County Commission's obligations to perform and observe the other covenants and agreements contained herein, shall be special and limited obligations of the County Commission payable solely from the Surcharge Fund and the

other legally available funds of the County Commission, subject to annual appropriation by the County Commission, and other sources provided for herein and in the 2008 A Ordinance and shall not, in any event, be or constitute an indebtedness of the County Commission within the meaning of any constitutional or statutory provision or limitation or constitute or give rise to a pecuniary liability of the County Commission, except that the County Commission may pay such Rent from any lawful source notwithstanding the foregoing. Neither the Issuer nor any Holder of any Bond shall ever have the right to compel the exercise of the taxing power of the County Commission to pay the Rent provided hereunder or to pay the principal of or premium on Bonds or the interest thereon. The obligations of the County Commission hereunder shall never be a charge against or pledge of the property, faith and credit or taxing power of the County Commission.

Section 5.04. County Commission's Remedies. Nothing contained in this Article shall be construed to release the Issuer from the performance of any of its agreements herein, and if the Issuer should fail to perform any such agreement, the County Commission may institute such action against the Issuer as the County Commission may deem necessary to compel the performance or to recover damages for nonperformance, subject to Section 8.07 hereof, so long as such action shall not violate the County Commission's agreements in Section 5.03. The County Commission may at its own cost and expense, and in its own name or in the name of the Issuer, prosecute or defend any action or proceeding against third parties or take any other action which the County Commission deems reasonably necessary in order to secure or protect its right of possession, occupancy and use of the Series 2008 A Facilities under this Lease. In that event the Issuer agrees to cooperate fully with the County Commission, and to take all action necessary to effect the substitution of the County Commission for the Issuer in any such action or proceeding if the County Commission shall so request.

Section 5.05. Nonappropriation. A. The County Commission hereby warrants that funds have been appropriated or are available in an amount sufficient to make all payments of Rent, if any, during the Fiscal Year commencing July 1, 2007, and reasonably believes that funds can be obtained in the amount necessary to make all payments of Rent during the Lease Term and hereby covenants that it will do all things lawfully within its power to obtain, maintain and properly request and pursue funds from which the payments of Rent may be made, including making provisions for such payments to the extent necessary in each annual budget. During the Lease Term the County Commission will furnish to the Authority, no later than 10 days following adoption of the budget for each Fiscal Year (the "Appropriation Notice Date"), a certificate that the Rent due in that Fiscal Year has been included in the budget approved by the County Commission for such Fiscal Year or, if not so included, notification of such fact within one Business Day following adoption of such budget. During the Lease Term, the County Commission shall not give priority in the application of funds to any facilities functionally similar to the Series 2008 A Facilities.

Section 5.06. Prepayment of Rent. The Rent payable hereunder may be prepaid in the event of redemption of Bonds pursuant to the 2008 A Ordinance. In addition to the foregoing, subject to the advance written consent of the Authority, there is hereby reserved to the County Commission the right, and the County Commission is hereby authorized and permitted, at any time and as often as it may choose, to prepay all or any part of the Rent payable under Section 5.02 hereof together with such other amounts as shall be sufficient to redeem all or a portion of the Bonds in accordance with the redemption provisions of Article X of the 2008 A Ordinance. All Rent and other sums prepaid pursuant to this Section 5.06 shall be applied to the redemption or purchase of outstanding Bonds in the manner and to the extent provided for in Article X of the 2008 A

Ordinance. In the event of any partial redemption of Bonds, the Rent payable hereunder shall be reduced to reflect such partial redemption.

In the event of all or any portion of the Bonds becoming due and payable pursuant to the provisions of Article X hereof, Rent payable hereunder sufficient to pay the interest and principal thereon shall be and become at once due and payable.

Section 5.07. Transfer of Series 2008 A Facilities to County Commission upon Payment in Full of Rent. Upon payment of all Rent required hereunder and upon payment, or provision for such payment, by the Issuer of the principal of, redemption premium, if any, and interest on the Bonds, the Issuer shall, at the expense of the County Commission, make and deliver to the County Commission a good and proper deed, bill of sale and/or other instrument or instruments of conveyance required by the County Commission upon advice of counsel, duly executed and acknowledged with transfer stamps (if applicable) attached thereto, conveying title to the Series 2008 A Facilities, subject to all reservations, exceptions, conditions, easements, rights of way, or other like limitations of record or otherwise under and by which Issuer is bound in ownership of said property.

Section 5.08. Right to Purchase. The Issuer hereby grants unto the County Commission the right to purchase the Series 2008 A Facilities upon the payment in full of the Bonds.

ARTICLE VI

COVENANTS RELATING TO THE USE AND OPERATION OF THE SERIES 2008 A FACILITIES

Section 6.01. Taxes and Assessments. Subject to the provisions of Section 6.04 hereof, the County Commission shall pay any and all lawfully assessed taxes, charges, fees and assessments, general and specific, ordinary and extraordinary, if any, levied, taxed, imposed or assessed upon or on account of the use or operation of the Series 2008 A Facilities or any part or portion thereof, or the interest of the Issuer and of the County Commission or either of them in or to the Series 2008 A Facilities, or upon the Issuer's and County Commission's interest, or the interest of either of them, in this Lease or the Rent payable hereunder during the term of this Lease, and all utility charges, assessments, and other legally enforceable governmental charges and impositions whatsoever.

If, under applicable law, any such tax, charge, fee, rate, imposition or assessment may, at the option of the taxpayer, be paid in installments, the County Commission may exercise such option. The County Commission covenants and agrees that it will, at its own cost and expense, obtain exemption from all taxes and other charges referred to in this Section 6.01 to the extent permitted under applicable law.

As between the parties hereto, the County Commission shall have the duty of making and filing all statements or reports which may be required under applicable law in connection with any such tax, charge, fee, rate, imposition or assessment, or otherwise related to the Series 2008 A Facilities, and the Issuer agrees promptly to forward to the County Commission any and all notice of or bills in connection with any such charge, fee, rate, imposition or assessment; provided, however, that an Authorized Officer of the Issuer shall execute and file, or execute and cause to be filed, in a timely fashion, all statements and filings relating to the Series 2008 A Facilities which it is required by law to file, notwithstanding the foregoing or anything herein to the contrary. The Issuer hereby grants to the County Commission the right to use the name of the Issuer, to the extent the use of the name of the Issuer is permitted by or necessary under applicable law, in connection with any contest of the amount or validity of any tax, charge, fee, rate, imposition or assessment. If the provisions of any law, rule or regulation at the time in effect shall require such statements or reports to be executed and filed by the Issuer or such proceedings to be brought by the Issuer, the Issuer shall, at the request and expense of the County Commission, execute and file such statements or reports or, as the case may be, shall join in such proceedings, but the Issuer shall not be subject to any liability for the payment of any costs or expenses in connection therewith and the County Commission covenants to indemnify and save the Issuer harmless from such costs and expenses. The County Commission covenants and agrees that all statements, reports and other documents prepared for execution by the Issuer solely or by the Issuer jointly with the County Commission, shall be true, accurate and complete.

Nothing contained herein shall be deemed to constitute an admission by either the Issuer or the County Commission to any third party other than the Authority that either the Issuer or the County Commission is liable for any tax, charge, fee, rate imposition or assessment.

Section 6.02. Liens. Subject to the provisions of Section 6.04 hereof relating to permitted contests, the County Commission will not create or permit to be created or remain and will, at its cost and expense, promptly discharge all liens, encumbrances and charges on the Series 2008 A Facilities or any part thereof, other than Permitted Encumbrances.

Section 6.03. Compliance with Orders, Ordinances, Etc. Subject to the provisions of Section 6.04 hereof relating to permitted contests, the County Commission shall, throughout the term of this Lease, at its sole cost and expense, promptly comply in all material respects with all laws, codes, ordinances, orders, decrees, rules, regulations and requirements of duly constituted authorities which may be applicable to the Series 2008 A Facilities or to the repair and alteration thereof, or to the use, manner of use or leasing of the Series 2008 A Facilities. This Lease shall be amended by the parties hereto to the full extent necessary to ensure compliance with all such laws, codes, ordinances, orders, decrees, rules, regulations and requirements to enable the continued operation of the Series 2008 A Facilities by the County Commission but not in any manner which would materially adversely affect or impair the obligations of the Issuer under the 2008 A Ordinance, or materially adversely affect or impair the security interest of the Authority under the Ordinance, in the judgment of the Authority based upon an opinion of counsel.

Section 6.04. Permitted Contests. The County Commission shall not be required to pay any tax, charge, fee, rate, imposition or assessment referred to in Section 6.01 hereof, nor to remove any lien, charge or encumbrance required to be removed under Section 6.02 hereof, nor to comply with any law, code, ordinance, order, decree, rule, regulation or requirement referred to in Section 6.03 hereof, so long as the County Commission shall contest, in good faith and at its cost and expense, in its own name and behalf or in the name and behalf of the Issuer, the amount or validity thereof, in an appropriate manner or by appropriate proceedings which shall operate during the pendency thereof to prevent the collection of, or other realization upon, the tax, charge, fee, rate, imposition, assessment, lien or encumbrance so contested, and the sale, forfeiture, or loss of the Series 2008 A Facilities or any part or portion thereof, or of the rent or any portion thereof, to satisfy the same; provided, that no such contest shall subject the Issuer or the Authority to the risk of any liability. While any such matters are pending, the County Commission shall not pay, remove or cause to be discharged the tax, charge, fee, rate, imposition, assessment, lien or encumbrance being contested unless the County Commission agrees to settle such contest. Each such contest shall be promptly prosecuted to final conclusion (subject to the right of the County Commission to settle any such contest), and in any event the County Commission will save the Issuer harmless against all losses, judgments, decrees and costs (including attorney's fees and expenses in connection therewith) and will, promptly after the final determination of such contest or settlement thereof, pay and discharge the amounts which shall be levied, assessed, imposed or determined to be payable therein, together with all penalties, fines, interest, costs and expenses thereon or in connection therewith. The County Commission shall give the Issuer and the Authority prompt written notice of any such contest and the Issuer agrees to cooperate with the County Commission, at the County Commission's cost and expense, in any such contest.

Notwithstanding any rights granted to the County Commission under the preceding paragraph of this Section 6.04, if the Authority or the Issuer shall notify the County Commission that, in the opinion of independent counsel, by nonpayment of any of the foregoing items, the lien of the Deed of Trust and Security Agreement as to any substantial part of the Series 2008 A Facilities will be materially endangered or the Series 2008 A Facilities or any part thereof will be subject to imminent loss or forfeiture or the rights or obligations of

the Issuer under the 2008 A Ordinance shall in any way be materially adversely affected or impaired, or the security interest of the Authority under the Deed of Trust and Security Agreement shall be materially or adversely affected or impaired, then the County Commission shall promptly, but in any event in not more than 5 days from receipt by the County Commission of such notification, pay all such unpaid items or cause them to be stayed, satisfied and discharged.

Section 6.05. Use of the Series 2008 A Facilities. A. The County Commission will use the Series 2008 A Facilities only as and for a public water distribution system or in furtherance of other lawful governmental purposes of the County Commission.

B. Subject to the terms of the 2000 B O&M Agreement, the County Commission may sublease the Series 2008 A Facilities or agree or contract for the performance by others of administration, management or operations on or in connection with the Series 2008 A Facilities or any part or portion thereof, for any lawful purpose, provided that (i) each such sublease, agreement or contract shall not be inconsistent with, and will be subject to, the provisions of the 2008 A Ordinance and this Lease; and (ii) any such sublease, agreement or contract shall have been approved in advance, in writing, by the Authority.

Section 6.06. Repairs, Maintenance and Alterations. The County Commission will, throughout the Lease Term, cause to be kept and maintained the Series 2008 A Facilities in good condition and repair and not abandon the same, or any part or portion thereof, nor commit or permit the commission of waste on or in the Series 2008 A Facilities, or any part or portion thereof, or permit any building, structure or improvement to be removed, destroyed, demolished or structurally altered in whole or in part except as permitted herein and shall cause any person in possession of the Series 2008 A Facilities or any portion thereof to comply with all laws, ordinances, rules and regulations relating to the use, leasing or maintenance of the Series 2008 A Facilities and with all requirements, directions and orders and notices of violations thereof issued by any governmental agency, body or officer, and will make all necessary repairs thereto, structural and non-structural, ordinary as well as extraordinary and foreseen as well as unforeseen, and all necessary replacements or renewals.

The County Commission shall have the right from time to time at its sole cost and expense to make additions, alterations and changes (hereinafter collectively referred to as "alterations") in or to the Series 2008 A Facilities, provided, however, that no alteration of any kind shall be made which would result in a violation of the provisions of Section 6.05 hereof.

With respect to any repairs, construction, restoration, replacement or alterations performed upon the Series 2008 A Facilities by the County Commission through the Company as its agent during the Lease Term, in accordance with or as required by any provisions hereof, the County Commission and Company agree that:

(1) No work in connection therewith shall be undertaken until the County Commission or its agents shall have procured and paid for, so far as the same may be required, from time to time, all municipal and other governmental permits and authorizations of the various municipal departments and governmental subdivisions having jurisdiction, and the Issuer agrees to join in the application for such permits or authorizations whenever such action is necessary;

(2) All work in connection therewith shall be done promptly and in good workmanlike manner and in compliance with the building and zoning laws of the municipality or other governmental subdivision wherein the Series 2008 A Facilities are situate, and with all laws, ordinance, orders, rules, regulations and requirements of all federal, state and municipal governments and the appropriate departments, commissions, boards and officers thereof, and shall not violate the provisions of any policy of insurance covering the Series 2008 A Facilities, and the work shall be prosecuted with reasonable dispatch, unavoidable delays excepted; and

(3) Workers' compensation coverage for all persons employed in connection with the work and with respect to whom death or bodily injury claims could be asserted against the Issuer or the County Commission, and general liability insurance (specifically covering this class of risk) for the mutual benefit of the Issuer and the County Commission in such amounts as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure and as otherwise required or permitted by applicable law. The general liability insurance provided for in this paragraph may be effected by an appropriate endorsement, if obtainable, upon the insurance referred to in Section 6.09 hereof. All such insurance shall be effected with financially sound and reputable insurance companies qualified to do business in the State.

Section 6.07. Renewal and Replacement of Equipment. Subject to the terms of the 2008 A Ordinance, in any instance where the County Commission in its sole discretion determines that any items of fixtures or equipment have become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary, the County Commission may remove such items from the Series 2008 A Facilities and sell, trade-in, exchange or otherwise dispose of them (as a whole or in part) without any responsibility or accountability therefor, provided that such removal or substitution shall not impair the operating utility of the Series 2008 A Facilities.

Section 6.08. Installation of Fixtures and Equipment by the County Commission. The County Commission may from time to time in its sole discretion and at its own cost and expense, install or place other fixtures or equipment and tangible personal property in the Series 2008 A Facilities. The County Commission may remove such fixtures or equipment and tangible personal property at any time at its own cost and expense, whether or not the same shall have been affixed or annexed to the Series 2008 A Facilities, but any damage caused to the Series 2008 A Facilities by any such removal shall be restored at the sole cost and expense of the County Commission.

Section 6.09. Liability and Casualty Insurance. Provided that the 2000 B O&M Agreement is no longer in effect, the Issuer shall procure and maintain, or cause to be procured and maintained, such insurance as is required under the 2008 A Ordinance.

Section 6.10. Authority's Rights to Perform County Commission's Covenants; Advances. In the event the County Commission shall fail to (i) pay any tax, charge, assessment or imposition pursuant to Section 6.01 hereof, (ii) remove any lien, encumbrance, or charge pursuant to Section 6.02 hereof, (iii) maintain the Series 2008 A Facilities in repair pursuant to Section 6.05 hereof, (iv) procure the insurance required by Section 6.09 hereof, or (v) fail to make any other payment (other than rent) or perform any other

act required to be performed hereunder, then and in each such case the Authority may (but shall not be obligated to) remedy such default for the account of the County Commission and make advances for that purpose; provided that this clause shall not otherwise abate the obligations of the Issuer under the 2008 A Ordinance with respect thereto. No such performance or advance shall operate to release the County Commission from any such default or constitute an acquiescence therein and any sums so advanced by the Authority shall be repayable by the County Commission on demand and shall bear interest at the average weighted rate of interest on the Bonds, from the date of the advance until repaid. The Authority shall have the right of entry on the Series 2008 A Facilities or any part or portion thereof at any reasonable time in order to effectuate the purposes of this Section 6.10.

Section 6.11. County Commission Shall Manage, Operate and Administer Series 2008 A Facilities. This Lease is a "triple net lease" and the Issuer shall retain no rights with respect to the operation, management or administration of the Series 2008 A Facilities. The County Commission shall have the sole right, subject to the terms of the 2008 A Ordinance, the 2000 B O&M Agreement and this Lease, during the term of this Lease, to operate, manage and administer the Series 2008 A Facilities, including, but not limited to all decisions with respect to hiring and discharge of employees, subleasing or entering into contracts or agreements for the operation and maintenance of all or any portion of the Series 2008 A Facilities, acquiring and selling of fixtures or equipment or additional property, adding, improving, renovating or removing portions of the Series 2008 A Facilities and all other matters incidental to the operation, management and administration of the Series 2008 A Facilities, and the County Commission shall further pay all Operating and Maintenance Expenses of the Series 2008 A Facilities. Notwithstanding the foregoing, the County Commission may contract with the Company or other entity to operate, manage and administer the Series 2008 A Facilities under the 2000 B O&M or a similar agreement.

Section 6.12. Permits, Etc. The Issuer and the County Commission hereby represent, warrant and covenant, all such representations and warranties to be applicable upon and following issuance of the Bonds and to be maintained until termination of this Lease, that the Issuer and the County Commission have, respectively, obtained or received and will obtain and receive and have and will keep in full force and effect, all consents, permits, licenses, approvals, certificates, exemptions, rights, orders, franchises, privileges and authorizations, all of which have been made and/or submit all declarations, filings, payments, reports, notices, statements, papers and registrations necessary to enter into and perform their respective obligations under and consummate the transactions contemplated in this Lease and all other documents, agreements, instruments and certificates in connection therewith, to lease, use and operate the Series 2008 A Facilities and to impose rates and charges; and the Issuer has taken and will take all other action required in connection with this Lease, the consummation of the transactions contemplated herein and all other documents, agreements, instruments and certificates in connection herewith, the leasing, use and operation of the Series 2008 A Facilities and the imposition of such rates and charges. The County Commission is and will remain in compliance with all applicable laws, rules and regulations relating to the Series 2008 A Facilities.

ARTICLE VII

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 7.01. Damage or Destruction. To the extent not provided for in the 2000 B O&M Agreement, or in the event the 2000 B O&M Agreement is no longer in effect, the Issuer agrees to notify the County Commission and the Authority immediately in the case of loss or damage covered by insurance required under Section 6.09(A) hereof and shall hold the proceeds from such insurance in an appropriately designated fund. Thereafter, the Issuer and the County Commission shall determine, in writing, within 60 days of the occurrence of such loss or damage whether it is practicable to repair, reconstruct or replace such damaged or destroyed property and the estimated time required for such repair, reconstruction or replacement. The Issuer may, with the consent of the County Commission, elect to apply the proceeds at its discretion to the repair, reconstruction or restoration of such damaged property or to redemption of the Bonds. In the event the Issuer elects to redeem the Bonds, the Issuer will promptly inform the County Commission and the Authority in writing of its decision not to rebuild and the Net Proceeds of such insurance shall be applied to prepayment of Rent hereunder and transferred to the Series 2008 A Bonds Sinking Fund for payment of the principal and redemption premium, if any, of the Bonds and the interest thereon in accordance with the redemption provisions of the 2008 A Ordinance. In the event that the Issuer elects to redeem Bonds following such damage or destruction, it shall pay, as Rent hereunder, any amounts required to effect such redemption which may not be available from the proceeds of such insurance. In the event that the Issuer elects to repair, reconstruct or replace the damaged property, the Issuer shall promptly proceed to repair, reconstruct and replace such part of the Series 2008 A Facilities to its original condition as far as possible. The moneys required for such repair, reconstruction and replacement shall be paid from: (i) the Net Proceeds of insurance received by reason of such occurrence which Net Proceeds shall be deposited in a reconstruction fund; and (ii) to the extent such insurance proceeds are not sufficient, from moneys to be provided by the County Commission to the extent authorized by law and to the extent such moneys are lawfully available therefor. Notwithstanding the foregoing or anything herein to the contrary, the proceeds of any insurance award shall be invested, pending disbursement or use as provided in this Lease and the 2008 A Ordinance in Permitted Investments, as then permitted by applicable law.

Section 7.02. Condemnation. A. Immediately after the commencement of any condemnation or similar proceedings by a third party in the exercise of a power of eminent domain, or a power in the nature of eminent domain which in any way affects the Series 2008 A Facilities, the Issuer shall immediately notify the County Commission and the Authority in writing. The Net Proceeds of any condemnation award or other compensation paid by reason of a conveyance in lieu of the exercise of such power, with respect to the Series 2008 A Facilities or any part or portion thereof shall be held by the Issuer in an appropriately designated fund. The Issuer may, with the consent and agreement of the County Commission, within 60 days of receipt of such condemnation award or compensation, by written notice to the County Commission and the Authority, elect to have such Net Proceeds or other compensation applied to prepayment of Rent hereunder, in which event the Issuer shall transfer such proceeds to the Series 2008 A Bonds Sinking Fund and apply the same to redemption of the Bonds and the County Commission shall pay any additional amount required to effect such redemption or the Issuer may, with the consent of the County Commission, elect to replace or restore the part or portion of the Series 2008 A Facilities affected by such taking or conveyance, in which event the Issuer shall promptly

proceed to replace or restore such part or portion of the Series 2008 A Facilities, including any fixtures, equipment and effects, to its original usefulness and condition or a condition of at least an equivalent value immediately prior to such event, insofar as possible. The moneys required for such replacement or restoration shall be paid: (i) from the Net Proceeds of such condemnation award, or other compensation, which Net Proceeds or other compensation shall be held in a reconstruction fund with the Issuer and disbursed in accordance with a requisition procedure established by the Issuer in its reasonable discretion; and (ii) to the extent that such proceeds are not sufficient, from moneys to be provided by the County Commission, to the extent authorized by law and to the extent moneys are lawfully available therefor.

B. Notwithstanding the foregoing, the proceeds of any condemnation award or other compensation shall be invested, pending disbursement or use as provided herein in Permitted Investments, as then permitted by applicable law.

ARTICLE VIII

ADDITIONAL COVENANTS OF THE LESSEE AND OTHERWISE

Section 8.01. Maintenance of Existence. The County Commission agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

Section 8.02. RESERVED.

Section 8.03. Books and Records. The County Commission will keep books and records of the Series 2008 A Facilities, which shall be separate and apart from all other books, records and accounts of the County Commission, in which complete and correct entries shall be made of all transactions relating to the Series 2008 A Facilities, and any Registered Owner of a Bond or Bonds shall have the right at all reasonable times to inspect the Series 2008 A Facilities and all parts or portions thereof and all records, accounts and data of the County Commission relating thereto.

The accounting system for the Series 2008 A Facilities shall follow current generally accepted governmental accounting principles and safeguards to the extent allowed and as prescribed by applicable law. Separate control accounting records shall be maintained by the County Commission. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the County Commission. The County Commission shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the County Commission shall be reported to such agent of the County Commission as the County Commission shall direct.

The County Commission shall, at least once a year, cause its books, records and accounts to be audited by independent certified public accountants (or in lieu thereof, the State Tax Department of the State of West Virginia) and shall mail, upon request, and make available generally, the report of said independent certified public accountants to any Registered Owner of the Bonds and shall file said report with the Issuer and the Authority.

Section 8.04. No Representation by Issuer as to Condition or Suitability. The County Commission acknowledges (i) that the Issuer has acquired Title to the Site and that the Issuer has acquired, constructed and equipped the Series 2008 A Facilities in accordance with the Construction Outline Specification, as supplied and modified by the County Commission, and that the County Commission has examined the Series 2008 A Facilities and knows the condition thereof and under this Lease accepts the same in said condition, (ii) that the Issuer has made no warranty, either express or implied, as to the condition of the Series 2008 A Facilities or any part or portion thereof or that the Series 2008 A Facilities will be suitable for the County Commission's purposes or needs, and (iii) that the County Commission in entering this Lease is relying solely upon its own knowledge of the Series 2008 A Facilities.

Section 8.05. Liens and Encumbrances. The County Commission covenants that it will not, directly or indirectly, create, assume, incur or suffer to exist any mortgage, pledge, encumbrance, lien, security interest or charge of any kind upon the Series 2008 A Facilities or upon any income, revenues, receipts or proceeds of the County Commission in respect of the Series 2008 A Facilities except Permitted Encumbrances.

Section 8.06. County Commission Authorization. The County Commission covenants and warrants that it is duly authorized, under the Constitution and laws of the State and under all other applicable provisions of law, to execute and deliver this Lease, that all action on its part for the authorization of this Lease has been duly and effectually taken, that the Lease is and will be a valid and enforceable obligation of the County Commission in accordance with its terms and as herein set forth, and that the County Commission now has or will use its best efforts to obtain complete and lawful authority and privilege to maintain and operate the Series 2008 A Facilities and that no consents, certificates, orders, permits, rights, franchises, registrations, licenses, exemptions, filings, approvals, authorizations, declarations or privileges of the County Commission, all of which are currently in full force and effect, will be allowed to lapse or be forfeited so long as the same shall be necessary for the operation and/or maintenance of the Series 2008 A Facilities and that it will procure the extension or renewal of each and every permit, consent, certificate, order, right, franchise, registration, license, exemption, filing, declaration, approval, authorization or privilege so expiring and necessary or desirable for the operation and/or maintenance of the Series 2008 A Facilities.

Section 8.07. Indemnity. To the fullest extent allowed by law, the County Commission will pay, and will protect, indemnify and save the Issuer harmless from and against any and all liabilities, losses, damages, costs and expenses (including attorneys fees and expenses of the Issuer), causes of actions, suits, claims, demands, actions, proceedings and judgments of any nature arising from or caused by:

(1) Any injury to or death of any person or damage of property in or upon the Series 2008 A Facilities, or growing out of or connected with the use, nonuse, condition or occupancy of the Series 2008 A Facilities or a part or portion thereof; any repairs, construction or alterations and remodeling thereto or the condition of the Series 2008 A Facilities and any equipment or facilities at any time located on the Series 2008 A Facilities or used in connection therewith;

(2) Violation of any agreement, warranty, covenant or condition hereof, except by the Issuer;

(3) Violation of any lease, contract, agreement or restriction by or upon the County Commission relating to the Series 2008 A Facilities, which shall have existed at the commencement of the Lease Term, or which shall have been consented to by the Issuer and the Authority during the Lease Term; and

(4) Violation of any law, ordinance, regulation, franchise or court order affecting the Series 2008 A Facilities or a part thereof or the ownership, occupancy or use thereof.

Section 8.08. Maintenance of Security Interests, Etc. The County Commission will execute all documents, agreements and instruments, including, without limitation, financing statements provided for by the Uniform Commercial Code of the State, deemed necessary or advisable in the opinion of Bond Counsel or counsel to the Authority for perfection of and continuance of the perfection of the liens, pledges and security interests created by this Lease or the 2008 A Ordinance. However, all obligations of the County Commission

under this Section 8.08 are subject to the condition that the Issuer shall execute all documents, agreements and instruments, including without limitation all such financing statements, required of it in the opinion of Bond Counsel or counsel to the Authority, and will file and record all such documents, agreements and instruments executed by the County Commission and the Issuer, or cause them to be filed and recorded, and shall continue the security interests, pledges and liens of all such documents, agreements and instruments by appropriate refiling and re-recording as specified in the opinion of independent counsel, or cause them to be so continued, for as long as any Bonds shall remain outstanding.

Section 8.09. Granting of Easements. If no Event of Default under this Lease shall have happened and be continuing, the Issuer may, at the request of the County Commission, at any time or times (i) grant easements, licenses, rights of way (including the dedication of public highways) and other rights or privileges in the nature of easements with respect to any property included in the Series 2008 A Facilities, free from the lien of the Deed of Trust and Security Agreement, or (ii) release existing easements, licenses, rights of way and other rights or privileges with respect to any property included in the Series 2008 A Facilities, all with or without consideration and upon such terms and conditions as the County Commission shall determine, and the Issuer agrees that it will execute and deliver and will cause and direct the Authority to execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege or any such agreement or other arrangements, upon receipt by the Issuer and the Authority of: (i) a copy of the instrument of grant or release or of the agreement or other arrangement, (ii) a written application signed by an authorized officer of the entity requesting such instrument, (iii) a certificate executed by an Authorized Representative of the County Commission stating that such grant or release is not detrimental to the use of the Series 2008 A Facilities as intended, and (iv) other evidence satisfactory to the Authority that action will not materially adversely affect the value of the Series 2008 A Facilities. Any such easement or right and the rights of such other parties thereunder shall not be affected by any termination of this Lease or default on the part of the County Commission hereunder and shall be subject to the approval of the Authority. If no Event of Default shall have happened and be continuing, any payments or other consideration received by the County Commission for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of the County Commission but, in the event of the termination of this Lease or default of the County Commission, all rights then existing of the County Commission with respect to or under such grant shall inure to the benefit of and be exercisable by the Issuer and the Authority. No conveyance or release effected under the provisions of this Section shall entitle the County Commission to any abatement or diminution of the Rent payable hereunder.

Section 8.10. Reserved

Section 8.11. Continued Operation of Series 2008 A Facilities. In the event the County Commission gives notice to the Issuer and the Authority of its election to exercise its option to terminate this Lease at the end of the then current Fiscal Year as provided in Section 5.01 hereof, the Issuer and the County Commission covenant and agree to use their best efforts to assign this Lease or sublease the Series 2008 A Facilities or otherwise cause the Series 2008 A Facilities to be operated or managed as a revenue-producing facility on substantially the same basis as provided in this Lease; provided, however, that no such assignment, sublease or management or operating agreement or contract shall be entered into without the prior written consent of the Authority.

ARTICLE IX

COVENANTS OF THE ISSUER

Section 9.01. Restriction on Sale, Etc. The Issuer and the County Commission acknowledge and agree that the Rent payable under this Lease is assigned to the Authority as security for the Bonds issued under the 2008 A Ordinance and that the Issuer has entered into certain covenants with the Authority in the 2008 A Ordinance which may affect the Series 2008 A Facilities and this Lease in the event of default hereunder. The Issuer agrees that it will not, except as contemplated herein and in the 2008 A Ordinance, enter into any other contract or agreement affecting this Lease, the Rent payable hereunder or the Series 2008 A Facilities in any way or assign the same as security for any other obligations of the Issuer without the prior written consent of the County Commission and the Authority.

Section 9.02. Redemption of Bonds. If the County Commission is not in default hereunder and if the moneys in the Revenue Fund are sufficient to effect such redemption, the Issuer, at the request at anytime of the County Commission and if the then outstanding Bonds are then callable as provided in the 2008 A Ordinance, shall forthwith take all steps that may be necessary under the applicable redemption provisions of the 2008 A Ordinance to effect redemption of all or part of the then outstanding Bonds, as may be specified by the County Commission, on the earliest redemption date on which such redemption may be made under such applicable provisions.

Section 9.03. Nature of Issuer's Covenants. The County Commission acknowledges and agrees that any obligation of the Issuer created by or arising out of this Lease shall be payable solely out of the proceeds derived from the Lease, the sale of the Bonds and any insurance and condemnation award received by the Issuer pursuant hereto. The foregoing limitation shall not, however, preclude the County Commission from seeking injunctive relief in any court to compel the Issuer to perform any such obligation.

ARTICLE X

EVENTS OF DEFAULT AND REMEDIES THEREFOR

Section 10.01. Events of Default Defined. The following shall be "Events of Default" under this Lease and the terms Event of Default or Default shall mean any one or more of the following events:

(A) Failure of the County Commission and/or the Issuer to perform any other covenant, condition or provision hereof and to remedy such failure within 30 days after notice thereof from the Issuer or the Authority to the County Commission or from the Authority to the Issuer, as the case may be; or

(B) If any representation or warranty made by the County Commission in any statement or certificate furnished to the Issuer or the Authority in connection with the sale of the Bonds or furnished by the County Commission pursuant hereto proves untrue in any material respect as of the date of the issuance or making thereof and shall not be made good within 30 days after notice thereof to the County Commission by the Issuer; or

(C) If the County Commission admits insolvency or bankruptcy or its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors or applies for or consents to the appointment of a trustee or receiver for the County Commission, or for any part of its property; or

(D) If a trustee or receiver is appointed for the County Commission or for any part of its property and is not discharged within 60 days after such appointment; or

(E) If bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other proceedings for relief under any bankruptcy law or similar law for the relief of debtors are instituted by or against the County Commission, and if instituted against the County Commission are allowed against the County Commission or are consented to or are not dismissed, stayed or otherwise nullified within 60 days after such institution; or

(F) If there shall occur an "Event of Default" under Section 9.01 of the 2008 A Ordinance.

Section 10.02. Remedies on Default. If any Event of Default shall occur and be continuing, the Issuer may, at its option and with the consent of the Authority, exercise any one or more of the following remedies:

(A) The Issuer may terminate this Lease by giving to the County Commission notice of the Issuer's intention so to do, in which event the Lease Term shall end, and all right, title and interest of the County Commission hereunder shall expire, on the date stated in such notice, which shall not be less than 10 days after the date of the notice by the Issuer of its intention so to terminate; or

(B) The Issuer may terminate the right of the County Commission to possession of the Series 2008 A Facilities or any portion thereof by giving notice to the County Commission that the County Commission's right of possession shall end on the date stated in such notice, which shall not be less than 10 days after the date of notice by the Issuer of its intention so to terminate; or

(C) The Issuer may enforce the provisions of this Lease and may enforce and protect the right of the Issuer hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein or for the enforcement of any other appropriate legal or equitable remedy; or

(D) The Issuer may accelerate and declare all future Rent hereunder to be immediately due and payable; provided, however, that Rent payable as interest on the Bonds upon any such acceleration shall be limited to the interest due on the Bonds until payment of the Bonds and the interest thereon in full; or

(E) The Issuer may, upon written notice to the County Commission, revoke or rescind any and all rights and options of the County Commission hereunder.

Section 10.03. Right of Re-Entry. If an Event of Default shall occur, the Issuer may then or at any time thereafter re-enter and take complete and peaceful possession of the Series 2008 A Facilities or any portion thereof, with or without process of law, and may remove all persons therefrom, and the County Commission covenants that, in any such event it will peacefully and quietly yield up and surrender the Series 2008 A Facilities and any part or portion thereof to the Issuer.

Section 10.04. Right to Sublet or Relet. If the Issuer terminates the County Commission's right of possession pursuant to subparagraph (B) of Section 10.02, the Issuer may re-enter the Series 2008 A Facilities or any part or portion thereof and take possession of all or any part or portion thereof (including any and all equipment and apparatus thereon), may remove any portion of the equipment, machinery or apparatus thereon not subject to a conditional sale agreement, equipment lease, or lease purchase agreement in favor of third parties, which the Issuer elects so to do, and may sublet or relet the Series 2008 A Facilities or any part or portion thereof from time to time for all or any part of the unexpired part of the then Lease Term or for a longer period, and the Issuer may collect the rents from such reletting or subletting and apply the same, first, to the payment of the expense of re-entry and reletting, and second, to the payment of the Rent payable hereunder and in the event that the proceeds from such reletting and subletting are not sufficient to pay in full the foregoing, the County Commission shall, subject to the County Commission's option to terminate this Lease at the end of the then current Fiscal Year pursuant to Section 5.01 hereof, remain and be liable therefor, and the County Commission promises and agrees to pay the amount of any such deficiency from time to time and the Issuer may at any time and from time to time sue and recover judgment for any such deficiency or deficiencies.

Section 10.05. RESERVED.

Section 10.06. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

Section 10.07. Agreement to Pay Attorneys' Fees and Expenses. In the event the County Commission should default under any of the provisions of this Lease and the Issuer or the Authority should employ attorneys or incur other expenses for the collection of Rent or the enforcement of performance or observance of any obligation or agreement on the part of the County Commission herein contained, the County Commission agrees that it will on demand therefor pay to the Issuer or the Authority the reasonable fees of such attorneys and such other expenses so incurred by the Issuer or the Authority.

Section 10.08. No Additional Waiver Implied by One Waiver. In the event the breach of any agreement contained herein should be waived by either party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 10.09. Waiver of Stay or Extension Laws. The County Commission covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Lease or the 2008 A Ordinance; and the County Commission (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Issuer or the Authority, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 10.10. Remedies to be Performed by Registered Owner. Notwithstanding any provision in this Article X to the contrary, only the Registered Owner of the Bonds shall have any right to effect any remedy hereunder. The Issuer shall cooperate fully with the Bondholders in performing or effecting any such remedy but shall not have any right to independently effect or perform the same.

ARTICLE XI

GENERAL

Section 11.01. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, return receipt requested, postage prepaid, with proper address as indicated below. The Issuer, the County Commission and the Authority may, by written notice given by each to the others, designate any address or addresses to which notices, certificates or other communications to them shall be sent when required as contemplated hereby. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

ISSUER:
Putnam County Building Commission
89 Winfield Road
Winfield, West Virginia 25213
Attention: Chairman

COUNTY COMMISSION:
The County Commission of Putnam County
89 Winfield Road
Winfield, West Virginia 25213
Attention: President

COMPANY:
West Virginia - American Water Company
1600 Pennsylvania Avenue
Charleston, West Virginia 25302
Attention: President

AUTHORITY:
West Virginia Water Development Authority
180 Association Drive
Charleston, West Virginia 25311
Attention: Director

COUNCIL
West Virginia Infrastructure & Jobs Development Council
300 Summers Street, Suite 980
Charleston, West Virginia 25311
Attention: Executive Director

Section 11.02. Assignment of Lease. The County Commission shall not, without the prior written consent of the Issuer and the Authority, assign this Lease or any portion hereof, subject however, to the provisions of Section 8.11 hereof and the following sentence. Simultaneously with the delivery hereof, this Lease has been assigned by the Issuer, pursuant to and by the Deed of Trust and Security Agreement, to the Authority and the County Commission consents to such assignment by the Issuer to the Authority.

Section 11.03. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the Issuer and the County Commission and their respective successors and permitted assigns.

Section 11.04. Severability. In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.05. Amendments, Changes and Modifications. Except as otherwise provided in this Lease and in the 2008 A Ordinance, but only with the written consent of the Authority subsequent to the issuance of the Bonds and before the 2008 A Ordinance is satisfied and discharged in accordance with its terms, this Lease may not be effectively amended, changed, modified, altered or terminated nor may any provision be waived hereunder.

Section 11.06. Survival. All covenants, representations or warranties contained herein or in any certificates delivered pursuant hereto, shall survive delivery and termination of this Lease and payment of the Bonds.

Section 11.07. Execution Counterparts. This Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.08. Entire Lease. This Lease constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the Issuer and the County Commission with respect to the subject matter hereof.

Section 11.09. Governing Law, Choice of Venue. This Lease shall be governed and construed in accordance with the laws of the State of West Virginia without giving effect to the conflicts-of-law principles thereof. All actions brought in connection with this Lease shall be brought in the Circuit Court of Putnam County, West Virginia.

Section 11.10. Titles, Headings, Etc. The titles and headings of the articles, sections, and subdivisions of this Lease have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms or provisions hereof.

IN WITNESS WHEREOF, the PUTNAM COUNTY BUILDING COMMISSION and THE COUNTY COMMISSION OF PUTNAM COUNTY have caused this Lease to be executed in their respective corporate names, and have caused their corporate seals to be hereunto affixed and attested by their respective officers thereunto duly authorized, all as of the date first above written.

PUTNAM COUNTY BUILDING COMMISSION

[SEAL]

By _____
Chairman

ATTEST:

_____
Secretary

THE COUNTY COMMISSION OF PUTNAM COUNTY

[SEAL]

By _____
President

ATTEST:

_____
Clerk

The foregoing instrument was prepared by John C. Stump, State Bar No. 6385 of Steptoe & Johnson PLLC, P.O. Box 1588, Charleston, West Virginia, 25326.

[Lease Acknowledgment Page]

STATE OF WEST VIRGINIA,

COUNTY OF Putnam, TO-WIT:

The foregoing instrument was acknowledged before me this 15th day of July, 2008, by Frank Armada, Chairman of the PUTNAM COUNTY BUILDING COMMISSION, a public corporation and county building commission, on behalf of such public corporation and county building commission.

My commission expires: Feb. 26, 2016.

NOTARIAL SEAL
OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
SHERYL A. OTEY
PUTNAM COUNTY COMMISSION
3389 WINFIELD ROAD
WINFIELD, WV 25213
My commission expires Feb. 26, 2016

Sheryl A. Otey
Notary Public

STATE OF WEST VIRGINIA,

COUNTY OF Putnam, TO-WIT:

The foregoing instrument was acknowledged before me this 15th day of July, 2008, by Stephen Andes, President of THE COUNTY COMMISSION OF PUTNAM COUNTY, a political subdivision of the State of West Virginia, on behalf of such political subdivision of the State of West Virginia.

My commission expires: Feb. 26, 2016.

NOTARIAL SEAL
OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
SHERYL A. OTEY
PUTNAM COUNTY COMMISSION
3389 WINFIELD ROAD
WINFIELD, WV 25213
My commission expires Feb. 26, 2016

Sheryl A. Otey
Notary Public

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191700.00002

EXHIBIT A - WATERLINE EXTENSIONS

See 2000 B O&M Agreement

THIS 2000 B OPERATION AND MAINTENANCE AGREEMENT is made as of January 26, 2000, by and among WEST VIRGINIA-AMERICAN WATER COMPANY, a West Virginia corporation (hereinafter the "Company"), PUTNAM COUNTY BUILDING COMMISSION, a public corporation ("PCBC") and THE COUNTY COMMISSION OF PUTNAM COUNTY, WEST VIRGINIA (the "County Commission").

WITNESSETH:

WHEREAS, Company, County Commission and PCBC have agreed to enter into a public/private water utility project (the "Project") for the construction of certain water utility assets (a) by PCBC (the "Commission Facilities"), (b) by PCBC and leased to the County (the "County Leased Facilities") and (c) by Company (the "Company Facilities") to provide water service to various areas of Putnam County, West Virginia; and

WHEREAS, after completion of the Project, all as more fully described herein and in the Application (the "Application") by Company, PCBC and County Commission filed or to be filed with the Public Service Commission of West Virginia (the "Public Service Commission"), PCBC will construct and own the County Leased Facilities and lease the same to the County Commission to provide water service to PCBC customers in Putnam County, West Virginia; and

WHEREAS, the County Leased Facilities to be constructed by PCBC are generally shown and described on the series of maps identified and incorporated by reference herein collectively as Appendix A; and

WHEREAS, Company currently provides the supply of potable water to substantial areas of Putnam County from Company's Kanawha Valley Treatment Plant and transmission and distribution system; and

WHEREAS, Company, through its existing water transmission and distribution facilities in Putnam County or through the Company Facilities to be constructed by Company, at its cost, as a part of the Project, will be in a position to serve citizens of Putnam County from Company Facilities or County Leased Facilities; and

WHEREAS, Company has offered to enter into this Agreement and to undertake the operation, maintenance, repair and replacement of the County Leased Facilities and to supply the estimated water needs of the customers to be served from the County Leased Facilities in Putnam County; and

WHEREAS, PCBC and the County Commission believe it is in the best interests of the residents of Putnam County for Company to operate, maintain, repair and replace the County Leased Facilities and to provide water service to the residents of Putnam County served by the Project as provided in this Agreement; and

WHEREAS, the PCBC wants Company to provide potable water directly to PCBC customers served through the County Leased Facilities and to provide assistance in the operation, maintenance, repair and replacement of the County Leased Facilities; and

WHEREAS, all new customers to be served from the Commission Facilities, the County Leased Facilities or the Company Facilities constructed as a part of the Project (all of such new customers being hereinafter referred to as "Project Customers") will be required to

pay a surcharge (the "Surcharge") of $12.00 per month for ten (10) years to the County Commission; and

WHEREAS, the County Commission has leased the County Leased Facilities from PCBC pursuant to the Agreement of Lease dated as of January 21, 2000 (the "Lease").

NOW, THEREFORE, for and in consideration of the premises, which are hereby made an integral part of this Agreement and which are not to be construed as mere recitals, the covenants and agreements contained herein and other good and valuable considerations, the receipt and sufficiency of all of which are hereby acknowledged, the County Commission, the Company and PCBC agree:

I. Supply of Water to Customers Served by the County Leased Facilities.

A. Upon the construction of the County Leased Facilities, Company agrees to provide to the Customers served from the County Leased Facilities (the "Leased Facilities Customers"), subject to the terms, conditions, undertakings, agreements and limitations provided in this Agreement, the total water requirements of the Leased Facilities Customers, said water delivered to the Leased Facilities Customers to be of the same quality as that supplied to Company's Customers in Kanawha and Putnam Counties. Company will be paid for the water supplied to the Customers in the manner set forth in Section V of this Agreement at the rates of Company from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended.

B. Company shall monitor the water quality and be responsible for compliance with all state and federal standards for furnishing water to the public.

C. In the event of an extended shortage of water, or if the supply of water from Company is otherwise diminished or impaired, the supply of water to the Leased Facilities Customers shall be reduced or diminished in approximately the same proportion as the supply of the water to Company's Kanawha and Putnam County customers is reduced or diminished. Any notification given to Company's Kanawha and Putnam County customers of any anticipated shortage of water shall also be given to Leased Facilities Customers.

II. Term of This Agreement.

The term of this Agreement shall extend for forty (40) years from the date hereof and thereafter may continue in effect from year to year by mutual consent of the parties; provided, however, PCBC shall have the right to terminate this Agreement on (i) sixty (60) days' prior written notice and (ii) payment at the time of such termination to Company of the amount calculated as set forth in Section VIII below; provided further, however, that in the event that termination is based upon Company's failure to remit the hereinafter described surcharge to the County Commission upon proper notice, and within a reasonable period to cure such default, no amount will be due Company hereunder, and Company will be obligated to collect service charges and surcharges from PCBC Customers, and remit the same on a monthly basis to the PCBC and to the County Commission, respectively.

III. Future Additions to and Future Extension of County Leased Facilities.

Company and PCBC are aware that there may be written requests by PCBC for future additional use of water by Leased Facilities Customers and that there may be future approved PCBC additions and extensions made to County Leased Facilities. In addition to the other requirements set forth in this Agreement, PCBC and Company hereby specifically agree that such additional use, additions and extensions will be made only if, in the opinion of Company, Company's Kanawha Valley Treatment Plant and, when interconnected, Company's Huntington Treatment Plant, have sufficient treatment capacity and transmission, distribution and pumping facilities, including County Leased Facilities and Company's transmission and distribution mains, adequate to serve PCBC's Customers and if Company believes it otherwise economically feasible to meet the total then present and anticipated needs of both the Leased Facilities Customers and the other customers of Company's Kanawha Valley and Huntington Districts. Further, the County Commission, PCBC and Company agree as follows:

A. Future Additions. All future additions to the County Leased Facilities constructed by PCBC shall be subject to this Agreement; provided, however, that future additions to the system must be approved by the County Commission, Company and PCBC.

B. Future Extension. Customer extensions from the County Leased Facilities and within PCBC boundary lines may be installed by either PCBC or Company. When PCBC receives a request for a Customer extension, PCBC shall notify Company in writing within fifteen (15) days of its receipt of said request whether it will install the Customer extension or desires Company to make the installation.

B. In the event that it becomes necessary to relocate, replace, maintain or repair any condition, defect or malfunction arising from faulty installation of any future additions or extensions for which notice as hereinabove set forth has been given to PCBC by Company, such replacement, relocation, maintenance or repair will be made by a contractor approved by Company or by Company upon notification by PCBC using funds advanced by Company for which Company shall be reimbursed upon termination of this Agreement under the procedures set forth in Section VIII hereof.

C. In the event Company, under the terms of this Agreement, is required to install, relocate or replace any "unit of property" within the County Leased Facilities as defined in the Uniform System of Accounts of the National Association of Regulatory Utility Commissioners ("NARUC"), Company shall make such installation, relocation or replacement at its cost; provided, however, that in every such instance the unit of property shall be, and shall remain, the property of Company (unless purchased by PCBC from Company after termination of this Agreement as provided in Section VIII hereof or constitutes a part of the County Funded Portion, in which event such property will remain the property of the PCBC subject to the Lease) and shall be properly includable in the depreciable utility plant of Company in calculating its cost of service and resulting rates.

D. PCBC agrees that, in those instances in which Company installs, replaces or relocates any unit of property on the County Leased Facilities pursuant to the provisions of Subsection C of this Section IV, PCBC will, simultaneously therewith, convey to Company all related rights of way, easements, licenses or other property interests necessary for Company

to have and own such unit of property in the location and manner in which it is installed, replaced or relocated on the County Leased Facilities.

E. The Company is hereby appointed as the agent for PCBC to design, construct and install the County Leased Facilities in accordance with good utility construction standards, and the Company shall have the right to enter into such contracts with third parties as it deems necessary or desirable to effectuate such design, construction and installation without further act or deed of PCBC.

V. Reading Meters, Billing of Customers and Payments to PCBC, Including Joint Use Payments; Surcharges to Project Customers.

A. All Customers served directly from the County Leased Facilities under this Agreement shall be Leased Facilities Customers and all Customers served directly from Company Facilities shall be the Customers of Company. Company shall read all meters of the Leased Facilities Customers and render bills to those Customers, as agent for and on behalf of PCBC, in a manner consistent with the meter reading and billing practices of Company employed in billing its own Customers, such bills to be rendered and collected by Company on behalf of PCBC and to be computed based on the usage of each PCBC Customer at the rates from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended. It is the understanding and intent of the parties to this Agreement that, except for the Surcharges provided in Section VI of this Agreement, the rates of the PCBC shall reflect or mirror the rates of Company.

B. It is the intent of the County Commission, Company and PCBC under this Agreement that the bills delivered to each Leased Facilities Customer reflect the amount due for the water used (such amount to be determined by applying the rates of PCBC to the consumption of water by Leased Facilities Customers as determined by monthly or estimated meter readings). From the amount of money collected from each Project Customer in payment of each monthly bill, Company will pay to the County Commission on a customer-by-customer basis the amount of the Surcharges approved in Company or PCBC's tariff. Notwithstanding the foregoing, in the event that a Project Customer fails to pay at least the amount of the Surcharge from each bill rendered to that Customer, then monies retained by Company from other Project Customers (exclusive of the Surcharge) shall not be used to pay to the County Commission the difference between the amount of the Surcharge and the actual amount paid by that Project Customer. Company shall be responsible for the collection of delinquent bills on behalf of PCBC. The bills delivered to the Leased Facilities Customers will be delivered by, and be payable to, Company, as agent for PCBC.

C. Company, in consideration of the respective rights, duties, obligations, agreements and undertakings of the parties under this Agreement, shall be entitled to receive from PCBC an amount for water service rendered to Leased Facilities Customers equal to the consumption of each individual Leased Facilities Customer at Company rates from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended. Company shall prepare and deliver monthly statements or schedules to PCBC which shall reflect the total amount collected by Company, as agent for PCBC, and the total amount retained by

Company for the water service provided to Leased Facilities Customers at the respective rates of PCBC and Company, plus the Surcharges as provided in this Section V and Section VI below. A Leased Facilities Customer shall be charged a municipal B & O surcharge on his usage only if that Leased Facilities Customer resides within a municipality which imposes such a surcharge. In addition, the monthly statement to be provided to PCBC and to the County Commission by Company will also include the costs of any additions or extensions, and related refunds, made at the cost of the PCBC under Section III, and the cost of any fire hydrants under Section X installed at the cost of PCBC.

D. County Commission and PCBC agree to have its accountants review, at least annually, at their expense, the system of accounts maintained by Company for PCBC and report the results of that review to PCBC, Company and the County Commission.

VI. Collection of the Surcharge.

Subject to the terms and conditions of this Agreement, County Commission, Company and PCBC agree that Company shall be responsible for collecting the Surcharges imposed on the Project Customers as follows:

A. Company Responsibilities.

(1) Within a reasonable number of days after (i) execution of this Agreement, (ii) receipt by PCBC or the County Commission of the grants, loans or other funding sufficient to cover the cost of the County Leased Facilities, and (iii) receipt of the requisite regulatory approvals, PCBC shall proceed to construct, or contract for the construction of the County Leased Facilities portion of the Project. Except as expressly set forth in this Agreement, the

Company shall treat Project Customers as required by the Water Rules and the tariffs filed with the Public Service Commission by PCBC.

(2) Beginning with the first bills rendered to all Project Customers after the completion of the construction contemplated under this Agreement and the commencement of water service to the Project Customers, Company shall add the Surcharge of $12.00 per month for ten (10) years to all bills rendered to Project Customers. Within thirty (30) days after the end of each monthly billing cycle, Company shall remit to the County Commission all Surcharges collected, along with a list of those Project Customers, if any, who have failed to pay the Surcharges; provided, however, that upon written notification from PCBC to the effect that County Commission has not paid the rent required of it with respect to the County Leased Facilities, then Company shall remit the Surcharges to PCBC until such time as it is notified by PCBC that County Commission is current with respect to such rent.

(3) Company assumes no responsibility for the payment, prompt or otherwise, by the Project Customers of the Surcharges, but shall act solely as collecting agent for the County Commission. In the event of a partial payment of a Company bill by a Project Customer subject to a Surcharge, the amount of such payment shall be applied first to the Surcharge and the balance, if any, shall be applied to the amount due for water service from Company or PCBC.

(4) Surcharges shall be subject to all provisions of the Water Rules and Company and PCBC's tariffs applicable to payments for water service, including terminations for nonpayment thereof. Company shall employ all reasonable means at its disposal consistent

with its general business practices to induce the prompt payment of Surcharges for Project Customers.

B. PCBC Responsibilities.

(1) PCBC shall indemnify and hold Company harmless from and against any and all costs, liabilities or expenses, including reasonable attorney's fees, arising from, in connection with, or related to suits, actions or proceedings related to this Agreement or the erroneous collection or failure to bill Surcharges as a result of a good faith mistake on the part of Company.

(2) All obligations of PCBC hereunder may be satisfied only from its interest in the County Leased Facilities.

C. Adjustment and Termination of Surcharge.

(1) Until such time as Surcharges have been collected by Company and remitted to the County Commission for the time required by this Agreement, all Project Customers and all other applicants for service directly connecting to the Project or any extensions or additions to the Project as provided in Section III of this Agreement shall be assessed the monthly Surcharges as provided under this Agreement.

(2) Surcharges to Project Customers shall terminate when Company has collected and remitted to the County Commission total Surcharges for each new Project Customer for 120 months.

VII. Installation of Domestic Services.

After the proposed construction of the County Leased Facilities has been completed, Company shall install domestic service lines, including the tap on the County Leased Facilities and the service line from the County Leased Facilities to the established curb line or within the public right of way nearest the main in accordance with the Rules and Regulations of the Public Service Commission. This installation shall include the meter setting. All such service lines from the County Leased Facilities to the Customer's property line, meter settings and taps shall be constructed and installed by Company and shall be the property of Company. Company shall install all meters at its cost, shall own the meters, and shall assume the obligation to repair, maintain and replace the meters.

VIII. Termination of the Agreement.

A. At the time of termination of this Agreement, Company will be entitled to receive payment for the termination fee, all water delivered to County Leased Facilities customers through the termination date of this Agreement in accordance with the provisions of Section V of this Agreement, and all water meters installed on County Leased Facilities at the time of such termination will be removed by Company. PCBC agrees that it will either replace those meters, install nipples in place of those meters or buy the meters from Company at the depreciated original cost of those meters as provided in Subsection D of this Section VIII.

B. Upon termination of the Agreement, PCBC also agrees that it will purchase from Company, at the depreciated original cost of those items, all of the units of

property installed, replaced or relocated by Company on the County Leased Facilities under Section IV of this Agreement and all service lines from the County Leased Facilities to the Customers' property line, meter settings and taps installed at the cost of Company and reflected on the books of Company at the time of the termination of the Agreement.

C. Upon termination of the Agreement, Company shall, within thirty (30) days of such termination, provide to PCBC (i) the total cost of all such items described in Subparagraphs A and B of this Section VIII installed at the cost of Company and (ii) the total depreciation accrued on all of such items. PCBC agrees that it will pay to Company the total net depreciated cost (original cost less depreciation) of such items over a three-year period with such payments to be made in thirty-six (36) equal monthly payments of principal, plus accrued interest at the "Prime Rate," as defined below, commencing forty-five (45) days after termination of the Agreement. The Prime Rate shall be the prime rate as shown in The Wall Street Journal being defined therein as the "base rate on corporate loans at large U.S. money center commercial banks" and reported as the "Prime Rate" under the heading "Money Rates," as those terms shall be from time to time changed. The Prime Rate shall change not more often than the first day of each calendar quarter, and for each calendar quarter it shall be determined on the last day of the preceding calendar quarter on which The Wall Street Journal is published with the aforesaid prime rate quotation. In the event that The Wall Street Journal ceases to publish such rates, the Prime Rate shall be the prime rate established by One Valley Bank, National Association, of Charleston, West Virginia, from time to time.

IX. Installation of Private Fire Protection Services.

Fire services, approved by PCBC, may be installed by Company from the County Leased Facilities, but only in accordance with the Rules and Regulations of the Public Service Commission. Fire service will be installed by Company at the expense of the applicant and will be billed by Company to the applicant and paid by the applicant directly to Company at a rate equal to the then approved Company's private protection rate.

X. Installation of Fire Hydrants.

Public fire protection facilities approved by PCBC may be installed on the County Leased Facilities covered by this Agreement at the request of an appropriate governmental unit, and installation shall be made pursuant to the Rules and Regulations of the Public Service Commission, provided that all such fire hydrants shall have a flow capability of at least 500 GPM at 20 psi residential pressure for a sustained period of time.

XI. Water Service Franchise Territories.

It is expressly understood and agreed by Company and PCBC that:

A. Company shall be permitted to own Company Facilities purchased by Company and to serve Company Customers served directly from those Company Facilities within the water service franchise area of PCBC as are necessary to enjoy and fulfill its rights and obligations under this Agreement, subject to the terms and conditions set forth in this Agreement.

B. Except as otherwise provided in this Agreement, all persons residing outside of PCBC's water service franchise area, as defined above, and served, either at present or in the future, by Company shall be considered Customers of Company.

C. PCBC agrees that, as a part of the consideration for this Agreement, Company shall have the right, even after termination of this Agreement, to transfer water through the County Leased Facilities, and all future additions and future extensions thereto, and to serve customers who may be connected, directly or indirectly, to Company water mains, whether inside or outside PCBC's service area.

XII. Conditions Precedent to Effectiveness of Agreement.

Company and PCBC understand and agree that this Agreement, and the obligations of each of them hereunder, are expressly conditioned upon the following, each of which is a condition precedent to the validity and enforceability of this Agreement:

A. Rates and Surcharges The Public Service Commission shall have approved the rates and billing arrangements requested by PCBC in the Application, or any supplements thereto, filed with the Public Service Commission seeking approval of this Agreement.

B. The Public Service Commission shall have approved this Agreement and all of the terms, conditions, undertakings, agreements and limitations of that Agreement. Specifically, and without in anyway limiting the generality of this condition, the Order approving this Agreement and the transactions contemplated thereby shall:

(1) Authorize the inclusion in depreciable utility plant of Company any amounts expended by Company for the cost of installing, replacing or relocating any water lines or facilities on the County Leased Facilities which are defined as a "unit of property," in the NARUC Uniform System of Accounts and which are relocated or replaced by Company at its cost pursuant to Section IV under this Agreement and the cost to Company to install service lines, meter settings and taps on the County Leased Facilities pursuant to Section VII;

(2) Authorize Company to include in depreciable utility plant an amount equal to the tax expense associated with the obligations assumed by Company under the Agreement to the extent that the undertaking by Company to operate, maintain, repair or replace the County Leased Facilities under this Agreement, causes such County Leased Facilities, or any part thereof, to constitute taxable income or to otherwise generate tax expense for Company;

(3) Authorize the recognition in rate base of Company Facilities or other Company Property held by the County Commission and leased to Company under the Capital Lease, all as described in the Application; and

(4) Authorize the implementation of the Surcharges and the other rates requested in the Application.

C. The Public Service Commission shall not have attached to its Order any terms, conditions or limitations which shall adversely affect this Agreement or the economic feasibility of this project between the parties insofar as taking any action or refraining from taking any action which, in the opinion of their respective counsel, might require them, or

either of them, to breach any of their obligations under any Mortgage Indenture, as supplemented, or any other agreement to which either of them might be a party.

XIII. Representations and Warranties.

A. PCBC represents and warrants to Company as follows:

(1) The execution, delivery and performance of this Agreement by PCBC has been duly authorized, and this Agreement constitutes a valid and binding obligation of PCBC enforceable in accordance with its terms; and

(2) The execution and performance of this Agreement in accordance with its terms by PCBC will not violate any provisions of law or violate the terms or conditions of any grants or loans made to PCBC for construction of the County Leased Facilities.

B. Company represents and warrants to PCBC as follows:

(1) The execution, delivery and performance of this Agreement by Company has been duly authorized, and this Agreement constitutes a valid and binding obligation of Company enforceable in accordance with its terms; and

(2) The execution and performance of this Agreement in accordance with its terms by Company will not violate any provisions of Company's indentures.

XIV. Assignability.

This Agreement shall be binding upon the successors and assigns of the respective parties hereto.

XV. Notice.

Any notice, demand or request given hereunder shall be deemed sufficient if in writing and sent by certified mail, postal charges prepaid, to West Virginia-American Water Company, Attention: President, 1600 Pennsylvania Avenue, P. O. Box 1906, Charleston, WV 25327; to PCBC addressed to the Putnam County Building Commission, 3389 Winfield Road, Winfield, West Virginia 25213; and to County Commission, Court House, Winfield, West Virginia 25213, or to such address as the parties shall indicate by written notice to the other parties.

XVI. Captions.

The captions preceding the text of the sections of this Agreement are inserted solely for convenience and reference and shall not be used to construe, interpret or affect any provision of this Agreement.

XVII. Revocation of Prior O&M Agreements. This Agreement replaces in all respects the prior Agreements dated March 4, 1998, and September 9, 1998 (the "Prior Agreements"), between Company and County Commission relating to water projects in Putnam County, and Company and County Commission agree that the Prior Agreements are void and of no force and effect. County Commission has been added as a signatory to this Agreement for purposes of revoking the Prior Agreements.

XVIII. Governing Law. This Agreement shall be governed by West Virginia law.

XIX. Severability. If any provision of this Agreement is, for any reason, determined to be invalid, illegal or unenforceable in any respect, the Parties hereto shall

THIS 2000 A OPERATION AND MAINTENANCE AGREEMENT is made as of January 26, 2000 by and between WEST VIRGINIA-AMERICAN WATER COMPANY, a West Virginia corporation (hereinafter "Company") and PUTNAM COUNTY BUILDING COMMISSION, a public corporation ("PCBC").

W I T N E S S E T H:

WHEREAS, Company, Putnam County, West Virginia, a political subdivision of the State of West Virginia, by and through The County Commission of Putnam County ("County Commission"), and PCBC have agreed to enter into a public/private water utility project ("Project") for the construction of certain water utility assets by PCBC ("PCBC Facilities") and by Company ("Company Facilities") to provide water service to various areas of Putnam County, West Virginia; and

WHEREAS, as a part of the Project, PCBC proposes to construct the PCBC Facilities within Putnam County; and

WHEREAS, after completion of the Project, all as more fully described herein and in the Application ("Application") by Company, PCBC and County Commission filed or to be filed with the Public Service Commission of West Virginia ("Public Service Commission"), PCBC will construct and own the PCBC Facilities to provide water service to its customers in Putnam County, West Virginia; and

WHEREAS, the PCBC Facilities to be constructed and owned by PCBC are generally shown and described on the series of maps identified and incorporated by reference herein collectively as Appendix A; and

WHEREAS, Company currently provides the supply of potable water to substantial areas of Putnam County from Company's Kanawha Valley Treatment Plant and transmission and distribution system; and

WHEREAS, Company, through its existing water transmission and distribution facilities in Putnam County or through the Company Facilities to be constructed by Company, at its cost, as a part of the Project, will be in a position to serve citizens of Putnam County from Company Facilities or PCBC Facilities; and

WHEREAS, Company has offered to enter into this Agreement and to undertake the operation, maintenance, repair and replacement of the PCBC Facilities and to supply the estimated water needs of the customers to be served from the PCBC Facilities in Putnam County; and

WHEREAS, PCBC believes it is in the best interests of the residents of Putnam County for Company to operate, maintain, repair and replace the PCBC Facilities and to provide water service to the residents of Putnam County served by the Project as provided in this Agreement; and

WHEREAS, PCBC wants Company to provide potable water directly to PCBC customers and to provide assistance in the operation, maintenance, repair and replacement of the PCBC Facilities; and

WHEREAS, all new customers to be served from either the PCBC Facilities or from the Company Facilities constructed as a part of the Project under this Agreement (all of such new customers being hereinafter referred to as "Project Customers") will be required to

pay a surcharge (the "Surcharge") of $12.00 per month for ten (10) years to the County Commission.

NOW, THEREFORE, for and in consideration of the premises, which are hereby made an integral part of this Agreement and which are not to be construed as mere recitals, the covenants and agreements contained herein and other good and valuable considerations, the receipt and sufficiency of all of which are hereby acknowledged, the Company and PCBC agree:

I. Supply of Water to Customers Served by the PCBC Facilities.

A. The customers served by the PCBC Facilities (the "PCBC Customers") shall remain the customers of PCBC, and upon the construction of the PCBC Facilities, Company agrees to provide to the PCBC Customers subject to the terms, conditions, undertakings, agreements and limitations provided in this Agreement, the total water requirements of the PCBC Customers, said water delivered to the PCBC Customers to be of the same quality as that supplied to Company's Customers in Kanawha and Putnam Counties. Company will be paid for the water supplied to the Customers in the manner set forth in Section V of this Agreement at the rates of Company from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended.

B. Company shall monitor the water quality and be responsible for compliance with all state and federal standards for furnishing water to the public.

C. In the event of an extended shortage of water, or if the supply of water from Company is otherwise diminished or impaired, the supply of water to the PCBC

Customers shall be reduced or diminished in approximately the same proportion as the supply of the water to Company's Kanawha and Putnam County customers is reduced or diminished. Any notification given to Company's Kanawha and Putnam County customers of any anticipated shortage of water shall also be given to PCBC Customers.

II. Term of This Agreement.

The term of this Agreement shall extend for forty (40) years from the date hereof and thereafter may continue in effect from year to year by mutual consent of the parties; provided, however, PCBC shall have the right to terminate this Agreement on (i) sixty (60) days' prior written notice and (ii) subject to limitations set forth in Section VII below, payment at the time of such termination to Company of the amount calculated pursuant to said Section.

III. Future Additions to and Future Extension of PCBC Facilities.

Company and PCBC are aware that there may be written requests by PCBC for future additional use of water by PCBC Customers and that there may be future approved PCBC additions and extensions made to PCBC Facilities. In addition to the other requirements set forth in this Agreement, PCBC and Company hereby specifically agree that such additional use, additions and extensions will be made only if, in the opinion of Company, Company's Kanawha Valley Treatment Plant and, when interconnected, Company's Huntington Treatment Plant, have sufficient treatment capacity and transmission, distribution and pumping facilities, including PCBC Facilities and Company's transmission and distribution mains, adequate to serve PCBC's Customers and if Company believes it otherwise economically feasible to meet the total then present and anticipated needs of both the PCBC Customers and

the other customers of Company's Kanawha Valley and Huntington Districts. Further, the County Commission, PCBC and Company agree as follows:

A. Future Additions. All future additions to the PCBC Facilities constructed by PCBC shall be subject to this Agreement; provided, however, that future additions to the system must be approved by the County Commission, Company and PCBC.

B. Future Extension. Customer extensions from the PCBC Facilities and within PCBC boundary lines may be installed by either PCBC or Company. When PCBC receives a request for a Customer extension, PCBC shall notify Company in writing within fifteen (15) days of its receipt of said request whether it will install the Customer extension or desires Company to make the installation.

(1) In the event PCBC desires Company to install and own the Customer extension, (i) Company shall contract on its own behalf with the Customer requesting the extension and make the installation pursuant to the Rules and Regulations of the Public Service Commission, (ii) all Customers attaching to the Customer extension shall be considered PCBC Customers for billing purposes at the rates of PCBC in accordance with Section V, and (iii) the Customer extension shall be, without further cost or expense of any kind, the property of Company.

(2) In the event PCBC elects to install and own the Customer extension, the construction for that Customer extension by PCBC will be contracted to a contractor acceptable to Company, and all plans and specifications for that extension shall be submitted to and approved by Company before becoming a part of PCBC's Facilities and being

subject to this Agreement. When that extension is contracted to a contractor acceptable to Company, Company, on behalf of and as agent for PCBC, will contract directly with such contractor to provide the extension. Any extension deposits taken by Company on behalf of and as agent for PCBC pursuant to the Rules and Regulations of the Public Service Commission will be retained by Company and credited against the cost of the extension, and the balance of the deposit above the cost of the extension, if any, will be returned to the contracting Customer. Company, on behalf of and as agent for PCBC, will make refunds to the contracting Customers for the extensions pursuant to the Rules and Regulations of the Public Service Commission based on the rates of Company, using funds advanced to Company by PCBC (to the extent such advances are legally permissible).

(3) Refunds made pursuant to the Rules and Regulations of the Public Service Commission to Customers contracting directly with Company pursuant to subparagraph III B shall be the sole responsibility of Company, and the cost of such extensions, to the extent refunded or reimbursed to Customers pursuant to the Public Service Commission's Rules and Regulations, shall be properly includable in Company's depreciable utility plant in calculating Company's cost of service and resulting rates.

C. Surcharges Applicable. Customers served from future additions or future extensions to the Company Facilities or PCBC Facilities that are not otherwise connected to Company facilities shall be subject to the Surcharges provided in Section V of this Agreement.

IV. Operation and Maintenance of PCBC Facilities by Company; Company as Agent.

A. Company hereby agrees to operate, maintain, repair and replace (i) PCBC Facilities, and (ii) all water lines added thereto as additions and extensions with the written approval of the County Commission, Company and PCBC. Notwithstanding the foregoing, Company shall not be under any obligation to maintain, repair or replace at its expense, any condition, defect or malfunction arising from the installation of future additions or future extensions to the PCBC Facilities which fail to meet the standards of Company, if such discrepancy in design or installation is reported in writing by Company to PCBC within fifteen (15) days of discovery.

B. In the event that it becomes necessary to relocate, replace, maintain or repair any condition, defect or malfunction arising from faulty installation of any future additions or extensions for which notice as hereinabove set forth has been given to PCBC by Company, such replacement, relocation, maintenance or repair will be made by a contractor approved by Company or by Company upon notification by PCBC using funds advanced by Company for which Company shall be reimbursed upon termination of this Agreement under the procedures set forth in Section VIII hereof.

C. In the event Company, under the terms of this Agreement, is required to install, relocate or replace any "unit of property" within the PCBC Facilities as defined in the Uniform System of Accounts of the National Association of Regulatory Utility Commissioners ("NARUC"), Company shall make such installation, relocation or replacement

at its cost; provided, however, that in every such instance the unit of property shall be, and shall remain, the property of Company (unless purchased by PCBC from Company after termination of this Agreement as provided in Section VIII hereof or constitutes a part of the County Funded Portion, in which event such property will remain the property of the PCBC subject to the Lease) and shall be properly includable in the depreciable utility plant of Company in calculating its cost of service and resulting rates. Company shall have an unrestricted license and easement over and through any rights of way or real property owned by PCBC in which such property is located.

D. PCBC agrees that, in those instances in which Company installs, replaces or relocates any unit of property on the PCBC Facilities pursuant to the provisions of Subsection C of this Section IV, PCBC will, simultaneously therewith, convey to Company all related rights of way, easements, licenses or other property interests necessary for Company to have and own such unit of property in the location and manner in which it is installed, replaced or relocated on the PCBC Facilities.

E. The Company is hereby appointed as the agent for PCBC to design, construct and install the PCBC Facilities in accordance with good utility construction standards, and the Company shall have the right to enter into such contracts with third parties as it deems necessary or desirable to effectuate such design, construction and installation without further act or deed of PCBC.

V. Reading Meters, Billing of Customers and Payments to PCBC, Including Use Fee Payments; Surcharges to Project Customers.

A. All Customers served directly from the PCBC Facilities under this Agreement shall be PCBC Customers and all Customers served directly from Company Facilities shall be the Customers of Company. Company shall read all meters of the PCBC Customers and render bills to those Customers, as agent for and on behalf of PCBC, in a manner consistent with the meter reading and billing practices of Company employed in billing its own Customers, such bills to be rendered and collected by Company on behalf of PCBC and to be computed based on the usage of each PCBC Customer at the rates from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended. It is the understanding and intent of the parties to this Agreement that, except for the Surcharges provided in Section VI of this Agreement, the rates of the PCBC shall reflect or mirror the rates of Company.

B. It is the intent of the Company and PCBC under this Agreement that the bills delivered to each PCBC Customer reflect the amount due for the water used (such amount to be determined by applying the rates of PCBC to the consumption of water by PCBC Customers as determined by monthly or estimated meter readings). Company shall be responsible for the collection of delinquent bills on behalf of PCBC. The bills delivered to the PCBC Customers will be delivered by, and be payable to, Company, as agent for PCBC.

C. Company, in consideration of the respective rights, duties, obligations, agreements and undertakings of the parties under this Agreement, shall be entitled to receive

from PCBC an amount for water service rendered to PCBC Customers equal to the consumption of each individual PCBC Customer at Company rates from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended. Company shall prepare and deliver monthly statements or schedules to PCBC which shall reflect the total amount collected by Company, as agent for PCBC, and the total amount retained by Company for the water service provided to PCBC Customers at the respective rates of PCBC and Company, plus the Surcharges as provided in this Section V and Section VI below. A PCBC Customer shall be charged a municipal B & O surcharge on his usage only if that PCBC Customer resides within a municipality which imposes such a surcharge. In addition, the monthly statement to be provided to PCBC and to the County Commission by Company will also include the costs of any additions or extensions, and related refunds, made at the cost of the PCBC under Section III, and the cost of any fire hydrants under Section X installed at the cost of PCBC.

In addition to the other payments to be made under this Section V, Company agrees to pay PCBC a Joint Use Line payment (the "Use Fee") for the use of the PCBC Facilities and the facilities constructed by PCBC and leased to the County Commission (the "Use Fee Facilities"). Such Use Fee shall be sufficient to pay the actual monthly debt service, including principal and interest, on the amount of debt incurred by PCBC with respect to the Use Fee Facilities (the "Series A Bonds"); provided, however, Company's Use Fee shall not exceed $463,372 annually and shall terminate when such debt and the interest thereon has been

paid in full. Payment of the Use Fee shall be made directly to the trustee or paying agent for the Series A Bonds as designated from time to time in writing by PCBC.

In the event Company fails to pay the Use Fee at the times and in the amounts set forth herein, the PCBC shall be entitled to collect for its own account all service charges and surcharges from PCBC customers as may be necessary to pay the principal of and interest on the Series 1999 A Bonds, or at the option of PCBC, to require (through written notification to the Company) that the Company will collect such service charges and surcharges from PCBC Customers, and remit the same on a monthly basis to the PCBC and to the County Commission, respectively. The Company hereby acknowledges and recognizes the lien on and pledge of service charges, as described in the Ordinance adopted by PCBC, pursuant to which the Series A Bonds shall be issued.

D. PCBC agrees to have its accountants review, at least annually, at the expense of PCBC, the system of accounts maintained by Company for PCBC and report the results of that review to PCBC, Company and the County Commission.

E. In addition to such other obligations, duties and responsibilities set forth in this Agreement, Company agrees to pay directly to vendors the reasonable costs of the following three items on behalf of PCBC, up to a maximum aggregate amount for all three items of $8,000 in each calendar year during the term hereof, upon the receipt of an invoice for such costs from the vendor, which has been approved by PCBC for payment and forwarded by PCBC to Company:

1. Legal and Accounting Expenses

2. Liability Insurance and Bonds

3. Regulatory Commission Fees

PCBC agrees that the $8,000 provided under this Agreement shall be the total amount to be paid by Company to PCBC under this Agreement between Company and PCBC after the amount described in paragraph C. In the event that either Company or PCBC determines that the maximum aggregate amount of $8,000 is inadequate or excessive to pay the reasonable costs of the above-mentioned three items, then either party may petition the Utilities Division of the Public Service Commission to audit and review the costs incurred by PCBC for such items and to fix the maximum aggregate amount for said items which Company will pay pursuant to this Subsection E.

VI. Installation of Domestic Services.

After the proposed construction of the PCBC Facilities has been completed, Company shall install domestic service lines, including the tap on the PCBC Facilities and the service line from the PCBC Facilities to the established curb line or within the public right of way nearest the main in accordance with the Rules and Regulations of the Public Service Commission. This installation shall include the meter setting. All such service lines from the PCBC Facilities to the Customer's property line, meter settings and taps shall be constructed and installed by Company and shall be the property of Company. Company shall install all meters at its cost, shall own the meters, and shall assume the obligation to repair, maintain and replace the meters.

VII. Payment to Company Upon Termination of the Agreement.

A. Company and PCBC agree that the annual Use Fee of $463,372 to be made by Company to pay debt service on the Series A Bonds is in anticipation of a forty-year contractual relationship under this Agreement, and if PCBC elects to exercise its right to terminate this Agreement at any time prior to the end of the forty-year term, then PCBC agrees to pay Company as a termination fee ("termination fee") at the time of such termination an amount equal to a portion of the contribution by Company to the cost of the Project on a pro rata basis based on the remaining years in the forty-year agreement, less any depreciation which Company may have recovered through its rates on such amount, such obligation shall be payable solely from the PCBC Facilities. Further, if the Agreement terminates prior to retirement of the Series A Bonds, Company shall have no further obligation to pay any Use Fee after such termination, provided, however, notwithstanding any other provision hereof to the contrary, in the event this Agreement is terminated by PCBC due to the failure of the Company to pay all or any portion of the Use Fee, no termination fee shall be payable by PCBC to the Company.

B. At the time of termination of this Agreement, Company will be entitled to receive payment for the termination fee, all water delivered to PCBC Facilities customers through the termination date of this Agreement in accordance with the provisions of Section V of this Agreement, and all water meters installed on PCBC's distribution system at the time of such termination will be removed by Company. PCBC agrees that it will either replace those meters, install nipples in place of those meters or buy the meters from Company at the depreciated original cost of those meters as provided in Subsection D of this Section VII.

C. Upon termination of the Agreement, PCBC also agrees that it will purchase from Company, at the depreciated original cost of those items, all of the units of property installed, replaced or relocated by Company on the PCBC Facilities under Section IV of this Agreement and all service lines from the PCBC Facilities to the Customers' property line, meter settings and taps installed at the cost of Company and reflected on the books of Company at the time of the termination of the Agreement.

D. Upon termination of the Agreement, Company shall, within thirty (30) days of such termination, provide to PCBC (i) the total cost of all such items described in Subparagraphs B and C of this Section VII installed at the cost of Company and (ii) the total depreciation accrued on all of such items. PCBC agrees that it will pay to Company the total net depreciated cost (original cost less depreciation) of such items over a three-year period with such payments to be made in thirty-six (36) equal monthly payments of principal, plus accrued interest at the "Prime Rate," as defined below, commencing forty-five (45) days after termination of the Agreement. The Prime Rate shall be the prime rate as shown in The Wall Street Journal being defined therein as the "base rate on corporate loans at large U.S. money center commercial banks" and reported as the "Prime Rate" under the heading "Money Rates," as those terms shall be from time to time changed. The Prime Rate shall change not more often than the first day of each calendar quarter, and for each calendar quarter it shall be determined on the last day of the preceding calendar quarter on which The Wall Street Journal is published with the aforesaid prime rate quotation. In the event that The Wall Street Journal

ceases to publish such rates, the Prime Rate shall be the prime rate established by One Valley Bank, National Association, of Charleston, West Virginia, from time to time.

VIII. Installation of Private Fire Protection Services.

Fire services, approved by PCBC, may be installed by Company from the PCBC Facilities, but only in accordance with the Rules and Regulations of the Public Service Commission. Fire service will be installed by Company at the expense of the applicant and will be billed by Company to the applicant and paid by the applicant directly to Company at a rate equal to the then approved Company's private protection rate.

IX. Installation of Fire Hydrants.

Public fire protection facilities approved by PCBC may be installed on the PCBC Facilities covered by this Agreement at the request of an appropriate governmental unit, and installation shall be made pursuant to the Rules and Regulations of the Public Service Commission, provided that all such fire hydrants shall have a flow capability of at least 500 GPM at 20 psi residential pressure for a sustained period of time.

X. Water Service Franchise Territories.

It is expressly understood and agreed by Company and PCBC that:

A. Company shall be permitted to own Company Facilities purchased by Company and to serve Company Customers served directly from those Company Facilities within the water service franchise area of PCBC as are necessary to enjoy and fulfill its rights and obligations under this Agreement, subject to the terms and conditions set forth in this Agreement.

B. Except as otherwise provided in this Agreement, all persons residing outside of PCBC's water service franchise area, as defined above, and served, either at present or in the future, by Company shall be considered Customers of Company.

C. PCBC agrees that, as a part of the consideration for this Agreement, Company shall have the right, even after termination of this Agreement, to transfer water through the PCBC Facilities, and all future additions and future extensions thereto, and to serve customers who may be connected, directly or indirectly, to Company water mains, whether inside or outside PCBC's service area, provided, however, in the event this Agreement is terminated by PCBC for the failure of the Company to pay the Use Fee, Company shall have no right to transfer water or to serve customers as provided in this paragraph.

XI. Conditions Precedent to Effectiveness of Agreement.

Company and PCBC understand and agree that this Agreement, and the obligations of each of them hereunder, are expressly conditioned upon the following, each of which is a condition precedent to the validity and enforceability of this Agreement:

A. Rates and Surcharges. The Public Service Commission shall have approved the rates and billing arrangements requested by PCBC in the Application, or any supplements thereto, filed with the Public Service Commission seeking approval of this Agreement.

B. The Public Service Commission shall have approved this Agreement and all of the terms, conditions, undertakings, agreements and limitations of that Agreement.

Specifically, and without in anyway limiting the generality of this condition, the Order approving this Agreement and the transactions contemplated thereby shall:

(1) Authorize the inclusion in depreciable utility plant of Company any amounts expended by Company for the cost of installing, replacing or relocating any water lines or facilities on the PCBC Facilities which are defined as a "unit of property," in the NARUC Uniform System of Accounts and which are relocated or replaced by Company at its cost pursuant to Section IV under this Agreement and the cost to Company to install service lines, meter settings and taps on the PCBC Facilities pursuant to Section VII;

(2) Authorize Company to include in depreciable utility plant an amount equal to the tax expense associated with the obligations assumed by Company under the Agreement to the extent that the undertaking by Company to operate, maintain, repair or replace the PCBC Facilities under this Agreement, causes such PCBC Facilities, or any part thereof, to constitute taxable income or to otherwise generate tax expense for Company;

(3) Authorize the recognition in rate base of Company Facilities or other Company Property held by the County Commission and leased to Company under the Capital Lease, all as described in the Application; and

(4) Authorize the implementation of the Surcharges and the other rates requested in the Application.

C. The Public Service Commission shall not have attached to its Order any terms, conditions or limitations which shall adversely affect this Agreement or the economic feasibility of this project between the parties insofar as taking any action or refraining from

taking any action which, in the opinion of their respective counsel, might require them, or either of them, to breach any of their obligations under any Mortgage Indenture, as supplemented, or any other agreement to which either of them might be a party.

XII. Representations and Warranties.

A. PCBC represents and warrants to Company as follows:

(1) The execution, delivery and performance of this Agreement by PCBC has been duly authorized, and this Agreement constitutes a valid and binding obligation of PCBC enforceable in accordance with its terms; and

(2) The execution and performance of this Agreement in accordance with its terms by PCBC will not violate any provisions of law or violate the terms or conditions of any grants or loans made to PCBC for construction of the PCBC Facilities.

B. Company represents and warrants to PCBC as follows:

(1) The execution, delivery and performance of this Agreement by Company has been duly authorized, and this Agreement constitutes a valid and binding obligation of Company enforceable in accordance with its terms; and

(2) The execution and performance of this Agreement in accordance with its terms by Company will not violate any provisions of Company's indentures.

XIII. Assignability.

This Agreement shall be binding upon the successors and assigns of the respective parties hereto.

XIV. Notice.

Any notice, demand or request given hereunder shall be deemed sufficient if in writing and sent by certified mail, postal charges prepaid, to West Virginia-American Water Company, Attention: President, 1600 Pennsylvania Avenue, P. O. Box 1906, Charleston, WV 25327; and to PCBC addressed to the Putnam County Building Commission, 3389 Winfield Road, Winfield, West Virginia 25213, or to such address as the parties shall indicate by written notice to the other parties.

XV. Captions.

The captions preceding the text of the sections of this Agreement are inserted solely for convenience and reference and shall not be used to construe, interpret or affect any provision of this Agreement.

XVI. Governing Law. This Agreement shall be governed by West Virginia law.

XVII. Severability. If any provision of this Agreement is, for any reason, determined to be invalid, illegal or unenforceable in any respect, the Parties hereto shall negotiate in good faith and make such amendments, modifications or supplements of or to this Agreement, that to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the Parties as reflected in this Agreement, and the other provisions of this Agreement shall, as so amended, modified or supplemented, or otherwise affected by such action, remain in full force and effect.

XVIII. Amendment. This Agreement may not be amended to change the amount of the Use Fee without the prior written consent of the insurer of (if any), and trustee for the Series A Bonds.

Putnam County Building Commission (West Virginia)

WDA Loan (Loan Program III 2000 Series A)

2000 Series A (Use Fees)

Use Fee and Debt Service Schedules

	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*				Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
February 1, 2000							
March 1, 2000							
April 1, 2000							
May 1, 2000							
June 1, 2000							204,291.88
July 1, 2000							
August 1, 2000							
September 1, 2000							
October 1, 2000	3,888.88	34,048.64	539.89	38,477.41			
November 1, 2000	3,888.89	34,048.65	539.89	38,477.43			
December 1, 2000	3,888.89	34,048.65	539.89	38,477.43		102,145.94	102,145.94
January 1, 2001	3,888.89	34,048.64	539.90	38,477.43			
February 1, 2001	3,888.89	34,048.64	539.90	38,477.43			
March 1, 2001	3,888.89	34,048.65	539.90	38,477.44			
April 1, 2001	3,888.89	34,048.65	539.90	38,477.44			
May 1, 2001	3,888.89	34,048.65	539.90	38,477.44			
June 1, 2001	3,888.89	34,048.65	539.90	38,477.44	35,000.00	204,291.88	
July 1, 2001	4,166.66	33,921.77	285.62	38,374.05			
August 1, 2001	4,166.66	33,921.77	285.62	38,374.05			
September 1, 2001	4,166.66	33,921.77	285.62	38,374.05			
October 1, 2001	4,166.66	33,921.77	285.62	38,374.05			
November 1, 2001	4,166.67	33,921.77	285.62	38,374.06			
December 1, 2001	4,166.67	33,921.78	285.62	38,374.07		203,530.63	
January 1, 2002	4,166.67	33,921.77	285.62	38,374.06			
February 1, 2002	4,166.67	33,921.77	285.62	38,374.06			
March 1, 2002	4,166.67	33,921.77	285.62	38,374.06			
April 1, 2002	4,166.67	33,921.77	285.62	38,374.06			
May 1, 2002	4,166.67	33,921.77	285.62	38,374.06			
June 1, 2002	4,166.67	33,921.78	285.62	38,374.07	50,000.00	203,530.63	
July 1, 2002	4,583.33	33,721.77	285.62	38,590.72			
August 1, 2002	4,583.33	33,721.77	285.62	38,590.72			
September 1, 2002	4,583.33	33,721.77	285.62	38,590.72			
October 1, 2002	4,583.33	33,721.77	285.62	38,590.72			
November 1, 2002	4,583.33	33,721.77	285.62	38,590.72			
December 1, 2002	4,583.33	33,721.78	285.62	38,590.73		202,330.63	
January 1, 2003	4,583.33	33,721.77	285.62	38,590.72			
February 1, 2003	4,583.33	33,721.77	285.62	38,590.72			
March 1, 2003	4,583.34	33,721.77	285.62	38,590.73			
April 1, 2003	4,583.34	33,721.77	285.62	38,590.73			
May 1, 2003	4,583.34	33,721.77	285.62	38,590.73			
June 1, 2003	4,583.34	33,721.78	285.62	38,590.74	55,000.00	202,330.63	

	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*				Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2003	4,583.33	33,492.60	285.62	38,361.55			
August 1, 2003	4,583.33	33,492.60	285.62	38,361.55			
September 1, 2003	4,583.33	33,492.60	285.62	38,361.55			
October 1, 2003	4,583.33	33,492.61	285.62	38,361.56			
November 1, 2003	4,583.33	33,492.61	285.62	38,361.56			
December 1, 2003	4,583.33	33,492.61	285.62	38,361.56		200,955.63	
January 1, 2004	4,583.33	33,492.60	285.62	38,361.55			
February 1, 2004	4,583.33	33,492.60	285.62	38,361.55			
March 1, 2004	4,583.34	33,492.60	285.62	38,361.56			
April 1, 2004	4,583.34	33,492.61	285.62	38,361.57			
May 1, 2004	4,583.34	33,492.61	285.62	38,361.57			
June 1, 2004	4,583.34	33,492.61	285.62	38,361.57	55,000.00	200,955.63	
July 1, 2004	5,000.00	33,263.43	285.62	38,549.05			
August 1, 2004	5,000.00	33,263.44	285.62	38,549.06			
September 1, 2004	5,000.00	33,263.44	285.62	38,549.06			
October 1, 2004	5,000.00	33,263.44	285.62	38,549.06			
November 1, 2004	5,000.00	33,263.44	285.62	38,549.06			
December 1, 2004	5,000.00	33,263.44	285.62	38,549.06		199,580.63	
January 1, 2005	5,000.00	33,263.43	285.62	38,549.05			
February 1, 2005	5,000.00	33,263.44	285.62	38,549.06			
March 1, 2005	5,000.00	33,263.44	285.62	38,549.06			
April 1, 2005	5,000.00	33,263.44	285.62	38,549.06			
May 1, 2005	5,000.00	33,263.44	285.62	38,549.06			
June 1, 2005	5,000.00	33,263.44	285.62	38,549.06	60,000.00	199,580.63	
July 1, 2005	5,000.00	33,007.18	285.62	38,292.80			
August 1, 2005	5,000.00	33,007.19	285.62	38,292.81			
September 1, 2005	5,000.00	33,007.19	285.62	38,292.81			
October 1, 2005	5,000.00	33,007.19	285.62	38,292.81			
November 1, 2005	5,000.00	33,007.19	285.62	38,292.81			
December 1, 2005	5,000.00	33,007.19	285.62	38,292.81		198,043.13	
January 1, 2006	5,000.00	33,007.18	285.62	38,292.80			
February 1, 2006	5,000.00	33,007.19	285.62	38,292.81			
March 1, 2006	5,000.00	33,007.19	285.62	38,292.81			
April 1, 2006	5,000.00	33,007.19	285.62	38,292.81			
May 1, 2006	5,000.00	33,007.19	285.62	38,292.81			
June 1, 2006	5,000.00	33,007.19	285.62	38,292.81	60,000.00	198,043.13	
July 1, 2006	5,416.66	32,744.68	285.62	38,446.96			
August 1, 2006	5,416.66	32,744.69	285.62	38,446.97			
September 1, 2006	5,416.66	32,744.69	285.62	38,446.97			
October 1, 2006	5,416.66	32,744.69	285.62	38,446.97			
November 1, 2006	5,416.67	32,744.69	285.62	38,446.98			
December 1, 2006	5,416.67	32,744.69	285.62	38,446.98		196,468.13	
January 1, 2007	5,416.67	32,744.68	285.62	38,446.97			
February 1, 2007	5,416.67	32,744.69	285.62	38,446.98			
March 1, 2007	5,416.67	32,744.69	285.62	38,446.98			
April 1, 2007	5,416.67	32,744.69	285.62	38,446.98			
May 1, 2007	5,416.67	32,744.69	285.62	38,446.98			
June 1, 2007	5,416.67	32,744.69	285.62	38,446.98	65,000.00	196,468.13	

	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*				Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2007	5,833.33	32,453.54	285.62	38,572.49			
August 1, 2007	5,833.33	32,453.54	285.62	38,572.49			
September 1, 2007	5,833.33	32,453.54	285.62	38,572.49			
October 1, 2007	5,833.33	32,453.54	285.62	38,572.49			
November 1, 2007	5,833.33	32,453.54	285.62	38,572.49			
December 1, 2007	5,833.33	32,453.55	285.62	38,572.50		194,721.25	
January 1, 2008	5,833.33	32,453.54	285.62	38,572.49			
February 1, 2008	5,833.33	32,453.54	285.62	38,572.49			
March 1, 2008	5,833.34	32,453.54	285.62	38,572.50			
April 1, 2008	5,833.34	32,453.54	285.62	38,572.50			
May 1, 2008	5,833.34	32,453.54	285.62	38,572.50			
June 1, 2008	5,833.34	32,453.55	285.62	38,572.51	70,000.00	194,721.25	
July 1, 2008	5,833.33	32,138.54	285.62	38,257.49			
August 1, 2008	5,833.33	32,138.54	285.62	38,257.49			
September 1, 2008	5,833.33	32,138.54	285.62	38,257.49			
October 1, 2008	5,833.33	32,138.54	285.62	38,257.49			
November 1, 2008	5,833.33	32,138.54	285.62	38,257.49			
December 1, 2008	5,833.33	32,138.55	285.62	38,257.50		192,831.25	
January 1, 2009	5,833.33	32,138.54	285.62	38,257.49			
February 1, 2009	5,833.33	32,138.54	285.62	38,257.49			
March 1, 2009	5,833.34	32,138.54	285.62	38,257.50			
April 1, 2009	5,833.34	32,138.54	285.62	38,257.50			
May 1, 2009	5,833.34	32,138.54	285.62	38,257.50			
June 1, 2009	5,833.34	32,138.55	285.62	38,257.51	70,000.00	192,831.25	
July 1, 2009	6,250.00	31,817.70	285.62	38,353.32			
August 1, 2009	6,250.00	31,817.71	285.62	38,353.33			
September 1, 2009	6,250.00	31,817.71	285.62	38,353.33			
October 1, 2009	6,250.00	31,817.71	285.62	38,353.33			
November 1, 2009	6,250.00	31,817.71	285.62	38,353.33			
December 1, 2009	6,250.00	31,817.71	285.62	38,353.33		190,906.25	
January 1, 2010	6,250.00	31,817.70	285.62	38,353.32			
February 1, 2010	6,250.00	31,817.71	285.62	38,353.33			
March 1, 2010	6,250.00	31,817.71	285.62	38,353.33			
April 1, 2010	6,250.00	31,817.71	285.62	38,353.33			
May 1, 2010	6,250.00	31,817.71	285.62	38,353.33			
June 1, 2010	6,250.00	31,817.71	285.62	38,353.33	75,000.00	190,906.25	
July 1, 2010	6,666.66	31,467.70	285.62	38,419.98			
August 1, 2010	6,666.66	31,467.71	285.62	38,419.99			
September 1, 2010	6,666.66	31,467.71	285.62	38,419.99			
October 1, 2010	6,666.66	31,467.71	285.62	38,419.99			
November 1, 2010	6,666.67	31,467.71	285.62	38,420.00			
December 1, 2010	6,666.67	31,467.71	285.62	38,420.00		188,806.25	
January 1, 2011	6,666.67	31,467.70	285.62	38,419.99			
February 1, 2011	6,666.67	31,467.71	285.62	38,420.00			
March 1, 2011	6,666.67	31,467.71	285.62	38,420.00			
April 1, 2011	6,666.67	31,467.71	285.62	38,420.00			
May 1, 2011	6,666.67	31,467.71	285.62	38,420.00			
June 1, 2011	6,666.67	31,467.71	285.62	38,420.00	80,000.00	188,806.25	

Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*					Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2011	7,083.33	31,067.70	285.62	38,436.65			
August 1, 2011	7,083.33	31,067.71	285.62	38,436.66			
September 1, 2011	7,083.33	31,067.71	285.62	38,436.66			
October 1, 2011	7,083.33	31,067.71	285.62	38,436.66			
November 1, 2011	7,083.33	31,067.71	285.62	38,436.66			
December 1, 2011	7,083.33	31,067.71	285.62	38,436.66		186,406.25	
January 1, 2012	7,083.33	31,067.70	285.62	38,436.65			
February 1, 2012	7,083.33	31,067.71	285.62	38,436.66			
March 1, 2012	7,083.34	31,067.71	285.63	38,436.68			
April 1, 2012	7,083.34	31,067.71	285.63	38,436.68			
May 1, 2012	7,083.34	31,067.71	285.63	38,436.68			
June 1, 2012	7,083.34	31,067.71	285.63	38,436.68	85,000.00	186,406.25	
July 1, 2012	7,500.00	30,642.70	285.63	38,428.33			
August 1, 2012	7,500.00	30,642.71	285.63	38,428.34			
September 1, 2012	7,500.00	30,642.71	285.63	38,428.34			
October 1, 2012	7,500.00	30,642.71	285.63	38,428.34			
November 1, 2012	7,500.00	30,642.71	285.63	38,428.34			
December 1, 2012	7,500.00	30,642.71	285.63	38,428.34		183,856.25	
January 1, 2013	7,500.00	30,642.70	285.63	38,428.33			
February 1, 2013	7,500.00	30,642.71	285.63	38,428.34			
March 1, 2013	7,500.00	30,642.71	285.63	38,428.34			
April 1, 2013	7,500.00	30,642.71	285.63	38,428.34			
May 1, 2013	7,500.00	30,642.71	285.63	38,428.34			
June 1, 2013	7,500.00	30,642.71	285.63	38,428.34	90,000.00	183,856.25	
July 1, 2013	7,916.66	30,192.70	285.63	38,394.99			
August 1, 2013	7,916.66	30,192.71	285.63	38,395.00			
September 1, 2013	7,916.66	30,192.71	285.63	38,395.00			
October 1, 2013	7,916.66	30,192.71	285.63	38,395.00			
November 1, 2013	7,916.67	30,192.71	285.63	38,395.01			
December 1, 2013	7,916.67	30,192.71	285.63	38,395.01		181,156.25	
January 1, 2014	7,916.67	30,192.70	285.63	38,395.00			
February 1, 2014	7,916.67	30,192.71	285.63	38,395.01			
March 1, 2014	7,916.67	30,192.71	285.63	38,395.01			
April 1, 2014	7,916.67	30,192.71	285.63	38,395.01			
May 1, 2014	7,916.67	30,192.71	285.63	38,395.01			
June 1, 2014	7,916.67	30,192.71	285.63	38,395.01	95,000.00	181,156.25	
July 1, 2014	8,333.33	29,717.70	285.63	38,336.66			
August 1, 2014	8,333.33	29,717.71	285.63	38,336.67			
September 1, 2014	8,333.33	29,717.71	285.63	38,336.67			
October 1, 2014	8,333.33	29,717.71	285.63	38,336.67			
November 1, 2014	8,333.33	29,717.71	285.63	38,336.67			
December 1, 2014	8,333.33	29,717.71	285.63	38,336.67		178,306.25	
January 1, 2015	8,333.33	29,717.70	285.63	38,336.66			
February 1, 2015	8,333.33	29,717.71	285.63	38,336.67			
March 1, 2015	8,333.34	29,717.71	285.63	38,336.68			
April 1, 2015	8,333.34	29,717.71	285.63	38,336.68			
May 1, 2015	8,333.34	29,717.71	285.63	38,336.68			
June 1, 2015	8,333.34	29,717.71	285.63	38,336.68	100,000.00	178,306.25	

	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*				Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2015	8,750.00	29,217.70	285.63	38,253.33			
August 1, 2015	8,750.00	29,217.71	285.63	38,253.34			
September 1, 2015	8,750.00	29,217.71	285.63	38,253.34			
October 1, 2015	8,750.00	29,217.71	285.63	38,253.34			
November 1, 2015	8,750.00	29,217.71	285.63	38,253.34			
December 1, 2015	8,750.00	29,217.71	285.63	38,253.34		175,306.25	
January 1, 2016	8,750.00	29,217.70	285.63	38,253.33			
February 1, 2016	8,750.00	29,217.71	285.63	38,253.34			
March 1, 2016	8,750.00	29,217.71	285.63	38,253.34			
April 1, 2016	8,750.00	29,217.71	285.63	38,253.34			
May 1, 2016	8,750.00	29,217.71	285.63	38,253.34			
June 1, 2016	8,750.00	29,217.71	285.63	38,253.34	105,000.00	175,306.25	
July 1, 2016	9,583.32	28,670.83	285.63	38,539.78			
August 1, 2016	9,583.32	28,670.83	285.63	38,539.78			
September 1, 2016	9,583.32	28,670.83	285.63	38,539.78			
October 1, 2016	9,583.34	28,670.83	285.63	38,539.80			
November 1, 2016	9,583.34	28,670.84	285.63	38,539.81			
December 1, 2016	9,583.34	28,670.84	285.63	38,539.81		172,025.00	
January 1, 2017	9,583.33	28,670.83	285.63	38,539.79			
February 1, 2017	9,583.33	28,670.83	285.63	38,539.79			
March 1, 2017	9,583.34	28,670.83	285.63	38,539.80			
April 1, 2017	9,583.34	28,670.83	285.63	38,539.80			
May 1, 2017	9,583.34	28,670.84	285.63	38,539.81			
June 1, 2017	9,583.34	28,670.84	285.63	38,539.81	115,000.00	172,025.00	
July 1, 2017	10,000.00	28,071.87	285.63	38,357.50			
August 1, 2017	10,000.00	28,071.87	285.63	38,357.50			
September 1, 2017	10,000.00	28,071.87	285.63	38,357.50			
October 1, 2017	10,000.00	28,071.88	285.63	38,357.51			
November 1, 2017	10,000.00	28,071.88	285.63	38,357.51			
December 1, 2017	10,000.00	28,071.88	285.63	38,357.51		168,431.25	
January 1, 2018	10,000.00	28,071.87	285.63	38,357.50			
February 1, 2018	10,000.00	28,071.87	285.63	38,357.50			
March 1, 2018	10,000.00	28,071.87	285.63	38,357.50			
April 1, 2018	10,000.00	28,071.88	285.63	38,357.51			
May 1, 2018	10,000.00	28,071.88	285.63	38,357.51			
June 1, 2018	10,000.00	28,071.88	285.63	38,357.51	120,000.00	168,431.25	
July 1, 2018	10,416.66	27,446.87	285.63	38,149.16			
August 1, 2018	10,416.66	27,446.87	285.63	38,149.16			
September 1, 2018	10,416.66	27,446.87	285.63	38,149.16			
October 1, 2018	10,416.66	27,446.88	285.63	38,149.17			
November 1, 2018	10,416.67	27,446.88	285.63	38,149.18			
December 1, 2018	10,416.67	27,446.88	285.63	38,149.18		164,681.25	
January 1, 2019	10,416.67	27,446.87	285.63	38,149.17			
February 1, 2019	10,416.67	27,446.87	285.63	38,149.17			
March 1, 2019	10,416.67	27,446.87	285.63	38,149.17			
April 1, 2019	10,416.67	27,446.88	285.63	38,149.18			
May 1, 2019	10,416.67	27,446.88	285.63	38,149.18			
June 1, 2019	10,416.67	27,446.88	285.63	38,149.18	125,000.00	164,681.25	

	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*				Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2019	11,250.00	26,795.83	285.63	38,331.46			
August 1, 2019	11,250.00	26,795.83	285.63	38,331.46			
September 1, 2019	11,250.00	26,795.83	285.63	38,331.46			
October 1, 2019	11,250.00	26,795.83	285.63	38,331.46			
November 1, 2019	11,250.00	26,795.84	285.63	38,331.47			
December 1, 2019	11,250.00	26,795.84	285.63	38,331.47		160,775.00	
January 1, 2020	11,250.00	26,795.83	285.63	38,331.46			
February 1, 2020	11,250.00	26,795.83	285.63	38,331.46			
March 1, 2020	11,250.00	26,795.83	285.63	38,331.46			
April 1, 2020	11,250.00	26,795.83	285.63	38,331.46			
May 1, 2020	11,250.00	26,795.84	285.63	38,331.47			
June 1, 2020	11,250.00	26,795.84	285.63	38,331.47	135,000.00	160,775.00	
July 1, 2020	12,083.33	26,092.70	285.63	38,461.66			
August 1, 2020	12,083.33	26,092.71	285.63	38,461.67			
September 1, 2020	12,083.33	26,092.71	285.63	38,461.67			
October 1, 2020	12,083.33	26,092.71	285.63	38,461.67			
November 1, 2020	12,083.33	26,092.71	285.63	38,461.67			
December 1, 2020	12,083.33	26,092.71	285.63	38,461.67		156,556.25	
January 1, 2021	12,083.33	26,092.70	285.63	38,461.66			
February 1, 2021	12,083.33	26,092.71	285.63	38,461.67			
March 1, 2021	12,083.34	26,092.71	285.63	38,461.68			
April 1, 2021	12,083.34	26,092.71	285.63	38,461.68			
May 1, 2021	12,083.34	26,092.71	285.63	38,461.68			
June 1, 2021	12,083.34	26,092.71	285.63	38,461.68	145,000.00	156,556.25	
July 1, 2021	12,916.66	25,352.60	285.63	38,554.89			
August 1, 2021	12,916.66	25,352.60	285.63	38,554.89			
September 1, 2021	12,916.66	25,352.60	285.63	38,554.89			
October 1, 2021	12,916.66	25,352.61	285.63	38,554.90			
November 1, 2021	12,916.67	25,352.61	285.63	38,554.91			
December 1, 2021	12,916.67	25,352.61	285.63	38,554.91		152,115.63	
January 1, 2022	12,916.67	25,352.60	285.63	38,554.90			
February 1, 2022	12,916.67	25,352.60	285.63	38,554.90			
March 1, 2022	12,916.67	25,352.60	285.63	38,554.90			
April 1, 2022	12,916.67	25,352.61	285.63	38,554.91			
May 1, 2022	12,916.67	25,352.61	285.63	38,554.91			
June 1, 2022	12,916.67	25,352.61	285.63	38,554.91	155,000.00	152,115.63	
July 1, 2022	13,333.33	24,561.45	285.63	38,180.41			
August 1, 2022	13,333.33	24,561.46	285.63	38,180.42			
September 1, 2022	13,333.33	24,561.46	285.63	38,180.42			
October 1, 2022	13,333.33	24,561.46	285.63	38,180.42			
November 1, 2022	13,333.33	24,561.46	285.63	38,180.42			
December 1, 2022	13,333.33	24,561.46	285.63	38,180.42		147,368.75	
January 1, 2023	13,333.33	24,561.45	285.63	38,180.41			
February 1, 2023	13,333.33	24,561.46	285.63	38,180.42			
March 1, 2023	13,333.34	24,561.46	285.63	38,180.43			
April 1, 2023	13,333.34	24,561.46	285.63	38,180.43			
May 1, 2023	13,333.34	24,561.46	285.63	38,180.43			
June 1, 2023	13,333.34	24,561.46	285.63	38,180.43	160,000.00	147,368.75	

Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*					Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2023	14,166.66	23,744.79	285.63	38,197.08			
August 1, 2023	14,166.66	23,744.79	285.63	38,197.08			
September 1, 2023	14,166.66	23,744.79	285.63	38,197.08			
October 1, 2023	14,166.66	23,744.79	285.63	38,197.08			
November 1, 2023	14,166.67	23,744.79	285.63	38,197.09			
December 1, 2023	14,166.67	23,744.80	285.63	38,197.10		142,468.75	
January 1, 2024	14,166.67	23,744.79	285.63	38,197.09			
February 1, 2024	14,166.67	23,744.79	285.63	38,197.09			
March 1, 2024	14,166.67	23,744.79	285.63	38,197.09			
April 1, 2024	14,166.67	23,744.79	285.63	38,197.09			
May 1, 2024	14,166.67	23,744.80	285.63	38,197.10			
June 1, 2024	14,166.67	23,744.79	285.63	38,197.09	170,000.00	142,468.75	
July 1, 2024	15,416.66	22,877.08	285.63	38,579.37			
August 1, 2024	15,416.66	22,877.08	285.63	38,579.37			
September 1, 2024	15,416.66	22,877.08	285.63	38,579.37			
October 1, 2024	15,416.66	22,877.08	285.63	38,579.37			
November 1, 2024	15,416.67	22,877.09	285.63	38,579.39			
December 1, 2024	15,416.67	22,877.09	285.63	38,579.39		137,262.50	
January 1, 2025	15,416.67	22,877.08	285.63	38,579.38			
February 1, 2025	15,416.67	22,877.08	285.63	38,579.38			
March 1, 2025	15,416.67	22,877.08	285.63	38,579.38			
April 1, 2025	15,416.67	22,877.08	285.63	38,579.38			
May 1, 2025	15,416.67	22,877.09	285.63	38,579.39			
June 1, 2025	15,416.67	22,877.09	285.63	38,579.39	185,000.00	137,262.50	
July 1, 2025	16,250.00	21,932.81	285.63	38,468.44			
August 1, 2025	16,250.00	21,932.81	285.63	38,468.44			
September 1, 2025	16,250.00	21,932.81	285.63	38,468.44			
October 1, 2025	16,250.00	21,932.81	285.63	38,468.44			
November 1, 2025	16,250.00	21,932.82	285.63	38,468.45			
December 1, 2025	16,250.00	21,932.82	285.63	38,468.45		131,596.88	
January 1, 2026	16,250.00	21,932.81	285.63	38,468.44			
February 1, 2026	16,250.00	21,932.81	285.63	38,468.44			
March 1, 2026	16,250.00	21,932.81	285.63	38,468.44			
April 1, 2026	16,250.00	21,932.81	285.63	38,468.44			
May 1, 2026	16,250.00	21,932.82	285.63	38,468.45			
June 1, 2026	16,250.00	21,932.82	285.63	38,468.45	195,000.00	131,596.88	
July 1, 2026	17,083.33	20,917.18	285.63	38,286.14			
August 1, 2026	17,083.33	20,917.19	285.63	38,286.15			
September 1, 2026	17,083.33	20,917.19	285.63	38,286.15			
October 1, 2026	17,083.33	20,917.19	285.63	38,286.15			
November 1, 2026	17,083.33	20,917.19	285.63	38,286.15			
December 1, 2026	17,083.33	20,917.19	285.63	38,286.15		125,503.13	
January 1, 2027	17,083.33	20,917.18	285.63	38,286.14			
February 1, 2027	17,083.33	20,917.19	285.63	38,286.15			
March 1, 2027	17,083.34	20,917.19	285.63	38,286.16			
April 1, 2027	17,083.34	20,917.19	285.63	38,286.16			
May 1, 2027	17,083.34	20,917.19	285.63	38,286.16			
June 1, 2027	17,083.34	20,917.19	285.63	38,286.16	205,000.00	125,503.13	

	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*				Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2027	18,333.33	19,849.48	285.63	38,468.44			
August 1, 2027	18,333.33	19,849.48	285.63	38,468.44			
September 1, 2027	18,333.33	19,849.48	285.63	38,468.44			
October 1, 2027	18,333.33	19,849.48	285.63	38,468.44			
November 1, 2027	18,333.33	19,849.48	285.63	38,468.44			
December 1, 2027	18,333.33	19,849.48	285.63	38,468.44		119,096.88	
January 1, 2028	18,333.33	19,849.48	285.63	38,468.44			
February 1, 2028	18,333.33	19,849.48	285.63	38,468.44			
March 1, 2028	18,333.34	19,849.48	285.63	38,468.45			
April 1, 2028	18,333.34	19,849.48	285.63	38,468.45			
May 1, 2028	18,333.34	19,849.48	285.63	38,468.45			
June 1, 2028	18,333.34	19,849.48	285.63	38,468.45	220,000.00	119,096.88	
July 1, 2028	19,166.66	18,703.64	285.63	38,155.93			
August 1, 2028	19,166.66	18,703.64	285.63	38,155.93			
September 1, 2028	19,166.66	18,703.65	285.63	38,155.94			
October 1, 2028	19,166.66	18,703.65	285.63	38,155.94			
November 1, 2028	19,166.67	18,703.65	285.63	38,155.95			
December 1, 2028	19,166.67	18,703.65	285.63	38,155.95		112,221.88	
January 1, 2029	19,166.67	18,703.64	285.63	38,155.94			
February 1, 2029	19,166.67	18,703.64	285.63	38,155.94			
March 1, 2029	19,166.67	18,703.65	285.63	38,155.95			
April 1, 2029	19,166.67	18,703.65	285.63	38,155.95			
May 1, 2029	19,166.67	18,703.65	285.63	38,155.95			
June 1, 2029	19,166.67	18,703.65	285.63	38,155.95	230,000.00	112,221.88	
July 1, 2029	20,416.66	17,505.73	285.63	38,208.02			
August 1, 2029	20,416.66	17,505.73	285.63	38,208.02			
September 1, 2029	20,416.66	17,505.73	285.63	38,208.02			
October 1, 2029	20,416.66	17,505.73	285.63	38,208.02			
November 1, 2029	20,416.67	17,505.73	285.63	38,208.03			
December 1, 2029	20,416.67	17,505.73	285.63	38,208.03		105,034.38	
January 1, 2030	20,416.67	17,505.73	285.63	38,208.03			
February 1, 2030	20,416.67	17,505.73	285.63	38,208.03			
March 1, 2030	20,416.67	17,505.73	285.63	38,208.03			
April 1, 2030	20,416.67	17,505.73	285.63	38,208.03			
May 1, 2030	20,416.67	17,505.73	285.63	38,208.03			
June 1, 2030	20,416.67	17,505.73	285.63	38,208.03	245,000.00	105,034.38	
July 1, 2030	21,666.66	16,229.68	285.63	38,181.97			
August 1, 2030	21,666.66	16,229.69	285.63	38,181.98			
September 1, 2030	21,666.66	16,229.69	285.63	38,181.98			
October 1, 2030	21,666.66	16,229.69	285.63	38,181.98			
November 1, 2030	21,666.67	16,229.69	285.63	38,181.99			
December 1, 2030	21,666.67	16,229.69	285.63	38,181.99		97,378.13	
January 1, 2031	21,666.67	16,229.68	285.63	38,181.98			
February 1, 2031	21,666.67	16,229.69	285.63	38,181.99			
March 1, 2031	21,666.67	16,229.69	285.63	38,181.99			
April 1, 2031	21,666.67	16,229.69	285.63	38,181.99			
May 1, 2031	21,666.67	16,229.69	285.63	38,181.99			
June 1, 2031	21,666.67	16,229.69	285.63	38,181.99	260,000.00	97,378.13	

	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*				Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2031	23,333.33	14,848.43	285.63	38,467.39			
August 1, 2031	23,333.33	14,848.44	285.63	38,467.40			
September 1, 2031	23,333.33	14,848.44	285.63	38,467.40			
October 1, 2031	23,333.33	14,848.44	285.63	38,467.40			
November 1, 2031	23,333.33	14,848.44	285.63	38,467.40			
December 1, 2031	23,333.33	14,848.44	285.63	38,467.40		89,090.63	
January 1, 2032	23,333.33	14,848.43	285.63	38,467.39			
February 1, 2032	23,333.33	14,848.44	285.63	38,467.40			
March 1, 2032	23,333.34	14,848.44	285.63	38,467.41			
April 1, 2032	23,333.34	14,848.44	285.63	38,467.41			
May 1, 2032	23,333.34	14,848.44	285.63	38,467.41			
June 1, 2032	23,333.34	14,848.44	285.63	38,467.41	280,000.00	89,090.63	
July 1, 2032	24,583.33	13,360.93	285.63	38,229.89			
August 1, 2032	24,583.33	13,360.94	285.63	38,229.90			
September 1, 2032	24,583.33	13,360.94	285.63	38,229.90			
October 1, 2032	24,583.33	13,360.94	285.63	38,229.90			
November 1, 2032	24,583.33	13,360.94	285.63	38,229.90			
December 1, 2032	24,583.33	13,360.94	285.63	38,229.90		80,165.63	
January 1, 2033	24,583.33	13,360.93	285.63	38,229.89			
February 1, 2033	24,583.33	13,360.94	285.63	38,229.90			
March 1, 2033	24,583.34	13,360.94	285.63	38,229.91			
April 1, 2033	24,583.34	13,360.94	285.63	38,229.91			
May 1, 2033	24,583.34	13,360.94	285.63	38,229.91			
June 1, 2033	24,583.34	13,360.94	285.63	38,229.91	295,000.00	80,165.63	
July 1, 2033	26,250.00	11,793.75	285.63	38,329.38			
August 1, 2033	26,250.00	11,793.75	285.63	38,329.38			
September 1, 2033	26,250.00	11,793.75	285.63	38,329.38			
October 1, 2033	26,250.00	11,793.75	285.63	38,329.38			
November 1, 2033	26,250.00	11,793.75	285.63	38,329.38			
December 1, 2033	26,250.00	11,793.75	285.63	38,329.38		70,762.50	
January 1, 2034	26,250.00	11,793.75	285.63	38,329.38			
February 1, 2034	26,250.00	11,793.75	285.63	38,329.38			
March 1, 2034	26,250.00	11,793.75	285.63	38,329.38			
April 1, 2034	26,250.00	11,793.75	285.63	38,329.38			
May 1, 2034	26,250.00	11,793.75	285.63	38,329.38			
June 1, 2034	26,250.00	11,793.75	285.63	38,329.38	315,000.00	70,762.50	
July 1, 2034	27,916.66	10,120.31	285.63	38,322.60			
August 1, 2034	27,916.66	10,120.31	285.63	38,322.60			
September 1, 2034	27,916.66	10,120.31	285.63	38,322.60			
October 1, 2034	27,916.66	10,120.32	285.63	38,322.61			
November 1, 2034	27,916.67	10,120.32	285.63	38,322.62			
December 1, 2034	27,916.67	10,120.31	285.63	38,322.61		60,721.88	
January 1, 2035	27,916.67	10,120.31	285.63	38,322.61			
February 1, 2035	27,916.67	10,120.31	285.63	38,322.61			
March 1, 2035	27,916.67	10,120.31	285.63	38,322.61			
April 1, 2035	27,916.67	10,120.31	285.63	38,322.61			
May 1, 2035	27,916.67	10,120.32	285.63	38,322.62			
June 1, 2035	27,916.67	10,120.32	285.63	38,322.62	335,000.00	60,721.88	

	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*				Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2035	29,583.33	8,340.62	285.63	38,209.58			
August 1, 2035	29,583.33	8,340.62	285.63	38,209.58			
September 1, 2035	29,583.33	8,340.62	285.63	38,209.58			
October 1, 2035	29,583.33	8,340.63	285.63	38,209.59			
November 1, 2035	29,583.33	8,340.63	285.63	38,209.59			
December 1, 2035	29,583.33	8,340.63	285.63	38,209.59		50,043.75	
January 1, 2036	29,583.33	8,340.62	285.63	38,209.58			
February 1, 2036	29,583.33	8,340.62	285.63	38,209.58			
March 1, 2036	29,583.34	8,340.62	285.63	38,209.59			
April 1, 2036	29,583.34	8,340.63	285.63	38,209.60			
May 1, 2036	29,583.34	8,340.63	285.63	38,209.60			
June 1, 2036	29,583.34	8,340.63	285.63	38,209.60	355,000.00	50,043.75	
July 1, 2036	31,666.66	6,454.68	285.63	38,406.97			
August 1, 2036	31,666.66	6,454.69	285.63	38,406.98			
September 1, 2036	31,666.66	6,454.69	285.63	38,406.98			
October 1, 2036	31,666.66	6,454.69	285.63	38,406.98			
November 1, 2036	31,666.67	6,454.69	285.63	38,406.99			
December 1, 2036	31,666.67	6,454.69	285.63	38,406.99		38,728.13	
January 1, 2037	31,666.67	6,454.68	285.63	38,406.98			
February 1, 2037	31,666.67	6,454.69	285.63	38,406.99			
March 1, 2037	31,666.67	6,454.69	285.63	38,406.99			
April 1, 2037	31,666.67	6,454.69	285.63	38,406.99			
May 1, 2037	31,666.67	6,454.69	285.63	38,406.99			
June 1, 2037	31,666.67	6,454.69	285.63	38,406.99	380,000.00	38,728.13	
July 1, 2037	33,750.00	4,435.93	285.63	38,471.56			
August 1, 2037	33,750.00	4,435.94	285.63	38,471.57			
September 1, 2037	33,750.00	4,435.94	285.63	38,471.57			
October 1, 2037	33,750.00	4,435.94	285.63	38,471.57			
November 1, 2037	33,750.00	4,435.94	285.63	38,471.57			
December 1, 2037	33,750.00	4,435.94	285.63	38,471.57		26,615.63	
January 1, 2038	33,750.00	4,435.93	285.63	38,471.56			
February 1, 2038	33,750.00	4,435.94	285.63	38,471.57			
March 1, 2038	33,750.00	4,435.94	285.63	38,471.57			
April 1, 2038	33,750.00	4,435.94	285.63	38,471.57			
May 1, 2038	33,750.00	4,435.94	285.63	38,471.57			
June 1, 2038	33,750.00	4,435.94	285.63	38,471.57	405,000.00	26,615.63	
July 1, 2038	35,833.33	2,284.37	285.63	38,403.33			
August 1, 2038	35,833.33	2,284.37	285.63	38,403.33			
September 1, 2038	35,833.33	2,284.37	285.63	38,403.33			
October 1, 2038	35,833.33	2,284.38	285.63	38,403.34			
November 1, 2038	35,833.33	2,284.38	285.63	38,403.34			
December 1, 2038	35,833.33	2,284.38	285.63	38,403.34		13,706.25	
January 1, 2039	35,833.33	2,284.37	285.63	38,403.33			
February 1, 2039	35,833.33	2,284.37	285.63	38,403.33			
March 1, 2039	35,833.34	2,284.38	285.63	38,403.35			
April 1, 2039	35,833.34	2,284.38	285.63	38,403.35			
May 1, 2039	35,833.34	2,284.38	285.63	38,403.35			
June 1, 2039	35,833.34	2,284.37	285.63	38,403.34	430,000.00	13,706.25	

	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*				Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
TOTALS	6,610,000.00	11,097,548.00	135,105.07	17,842,653.07	6,610,000.00	11,097,548.00	306,437.82

(1) Deposits are due with the Municipal Bond Commission two (2) working day prior to the first of each month.

(2) Excludes Accrued Interest of $28,373.87 deposited with the Trustee on January 26, 2000, and Capitalized Interest of $270,913.80 deposited with the Municipal Bond Commission. Assumes Capitalized Interest was net-funded at an earnings rate of 4.0%. Capitalized Interest was paid for from Bond proceeds and is a pre-paid Use Fee payment.

(3) Includes Accrued Interest of $28,373.87 deposited with the Trustee on January 26, 2000 and will require approximately $175,918.01 in Capitalized Interest funds for the June 1, 2000, deposit with the Trustee and $102,145.94 for the December 1, 2000, deposit with the Trustee. The final amounts of the deposits will need to be finalized on May 31, 2000, and November 29, 2000, by the West Virginia Water Development Authority and the Municipal Bond Commission.

Putnam County Building Commission (West Virginia)

WDA Loans (Loan Program III)

Series A (Use Fees)

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
6/01/2000	-	-	204,291.88	204,291.88
12/01/2000	-	-	204,291.88	204,291.88
6/01/2001	35,000.00	4.350%	204,291.88	239,291.88
12/01/2001	-	-	203,530.63	203,530.63
6/01/2002	50,000.00	4.800%	203,530.63	253,530.63
12/01/2002	-	-	202,330.63	202,330.63
6/01/2003	55,000.00	5.000%	202,330.63	257,330.63
12/01/2003	-	-	200,955.63	200,955.63
6/01/2004	55,000.00	5.000%	200,955.63	255,955.63
12/01/2004	-	-	199,580.63	199,580.63
6/01/2005	60,000.00	5.125%	199,580.63	259,580.63
12/01/2005	-	-	198,043.13	198,043.13
6/01/2006	60,000.00	5.250%	198,043.13	258,043.13
12/01/2006	-	-	196,468.13	196,468.13
6/01/2007	65,000.00	5.375%	196,468.13	261,468.13
12/01/2007	-	-	194,721.25	194,721.25
6/01/2008	70,000.00	5.400%	194,721.25	264,721.25
12/01/2008	-	-	192,831.25	192,831.25
6/01/2009	70,000.00	5.500%	192,831.25	262,831.25
12/01/2009	-	-	190,906.25	190,906.25
6/01/2010	75,000.00	5.600%	190,906.25	265,906.25
12/01/2010	-	-	188,806.25	188,806.25
6/01/2011	80,000.00	6.000%	188,806.25	268,806.25
12/01/2011	-	-	186,406.25	186,406.25
6/01/2012	85,000.00	6.000%	186,406.25	271,406.25
12/01/2012	-	-	183,856.25	183,856.25
6/01/2013	90,000.00	6.000%	183,856.25	273,856.25
12/01/2013	-	-	181,156.25	181,156.25
6/01/2014	95,000.00	6.000%	181,156.25	276,156.25
12/01/2014	-	-	178,306.25	178,306.25
6/01/2015	100,000.00	6.000%	178,306.25	278,306.25
12/01/2015	-	-	175,306.25	175,306.25
6/01/2016	105,000.00	6.250%	175,306.25	280,306.25
12/01/2016	-	-	172,025.00	172,025.00
6/01/2017	115,000.00	6.250%	172,025.00	287,025.00
12/01/2017	-	-	168,431.25	168,431.25
6/01/2018	120,000.00	6.250%	168,431.25	288,431.25
12/01/2018	-	-	164,681.25	164,681.25
6/01/2019	125,000.00	6.250%	164,681.25	289,681.25
12/01/2019	-	-	160,775.00	160,775.00
6/01/2020	135,000.00	6.250%	160,775.00	295,775.00
12/01/2020	-	-	156,556.25	156,556.25
6/01/2021	145,000.00	6.125%	156,556.25	301,556.25
12/01/2021	-	-	152,115.63	152,115.63
6/01/2022	155,000.00	6.125%	152,115.63	307,115.63

Putnam County Building Commission (West Virginia)

WDA Loans (Loan Program III)

Series A (Use Fees)

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
12/01/2022	-	-	147,368.75	147,368.75
6/01/2023	160,000.00	6.125%	147,368.75	307,368.75
12/01/2023	-	-	142,468.75	142,468.75
6/01/2024	170,000.00	6.125%	142,468.75	312,468.75
12/01/2024	-	-	137,262.50	137,262.50
6/01/2025	185,000.00	6.125%	137,262.50	322,262.50
12/01/2025	-	-	131,596.88	131,596.88
6/01/2026	195,000.00	6.250%	131,596.88	326,596.88
12/01/2026	-	-	125,503.13	125,503.13
6/01/2027	205,000.00	6.250%	125,503.13	330,503.13
12/01/2027	-	-	119,096.88	119,096.88
6/01/2028	220,000.00	6.250%	119,096.88	339,096.88
12/01/2028	-	-	112,221.88	112,221.88
6/01/2029	230,000.00	6.250%	112,221.88	342,221.88
12/01/2029	-	-	105,034.38	105,034.38
6/01/2030	245,000.00	6.250%	105,034.38	350,034.38
12/01/2030	-	-	97,378.13	97,378.13
6/01/2031	260,000.00	6.375%	97,378.13	357,378.13
12/01/2031	-	-	89,090.63	89,090.63
6/01/2032	280,000.00	6.375%	89,090.63	369,090.63
12/01/2032	-	-	80,165.63	80,165.63
6/01/2033	295,000.00	6.375%	80,165.63	375,165.63
12/01/2033	-	-	70,762.50	70,762.50
6/01/2034	315,000.00	6.375%	70,762.50	385,762.50
12/01/2034	-	-	60,721.88	60,721.88
6/01/2035	335,000.00	6.375%	60,721.88	395,721.88
12/01/2035	-	-	50,043.75	50,043.75
6/01/2036	355,000.00	6.375%	50,043.75	405,043.75
12/01/2036	-	-	38,728.13	38,728.13
6/01/2037	380,000.00	6.375%	38,728.13	418,728.13
12/01/2037	-	-	26,615.63	26,615.63
6/01/2038	405,000.00	6.375%	26,615.63	431,615.63
12/01/2038	-	-	13,706.25	13,706.25
6/01/2039	430,000.00	6.375%	13,706.25	443,706.25
Total	**6,610,000.00**	**-**	**11,403,985.82**	**18,013,985.82**

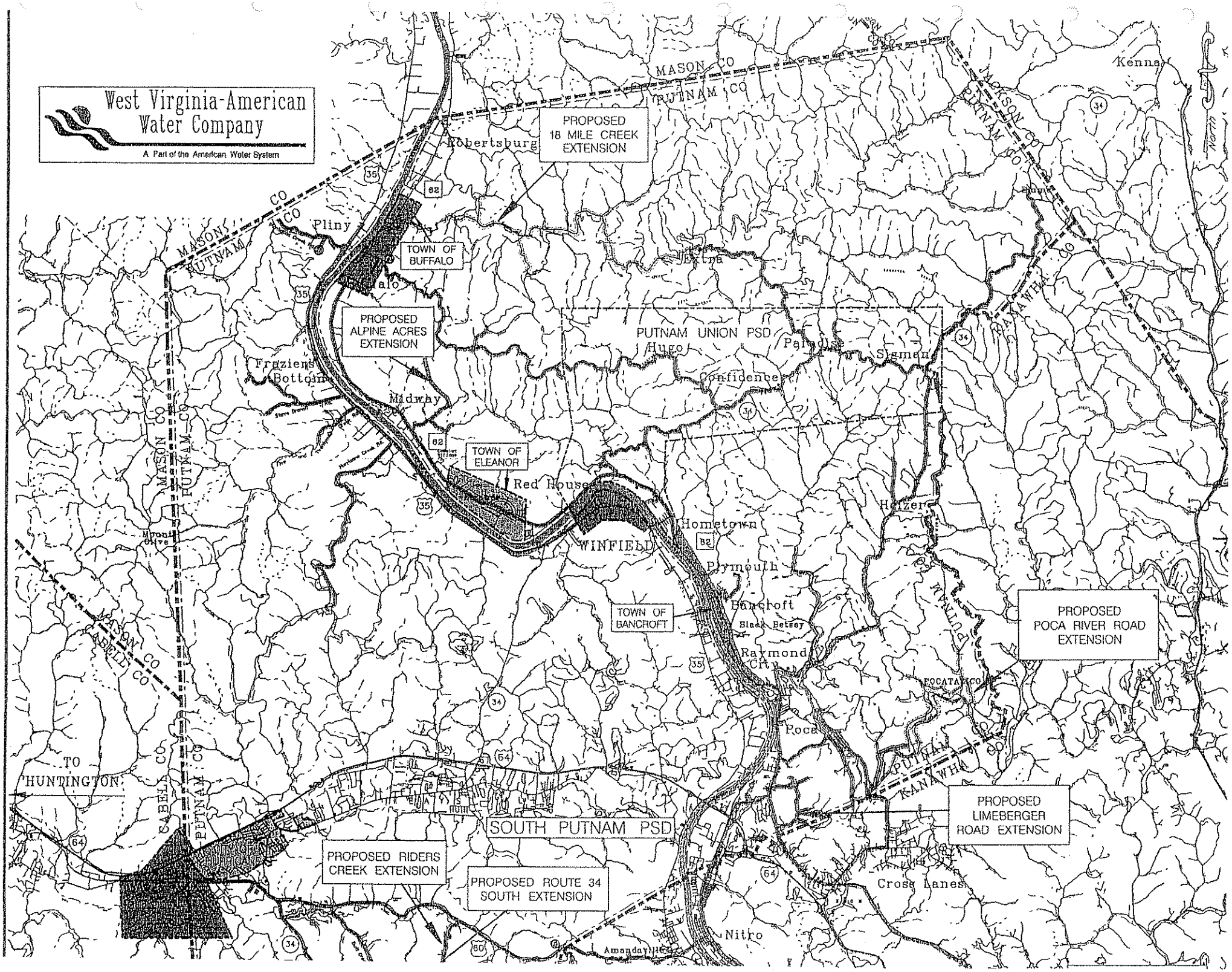

West Virginia-American Water Company
A Part of the American Water System
PROPOSED 18 MILE CREEK EXTENSION
TOWN OF BUFFALO
PROPOSED ALPINE ACRES EXTENSION
TOWN OF ELEANOR
TOWN OF BANCROFT
PUTNAM UNION PSD
PROPOSED POCA RIVER ROAD EXTENSION
PROPOSED LIMEBERGER ROAD EXTENSION
SOUTH PUTNAM PSD
PROPOSED RIDERS CREEK EXTENSION
PROPOSED ROUTE 34 SOUTH EXTENSION
MASON CO
PUTNAM CO
JACKSON CO
KANAWHA CO
CABELL CO
Robertsburg
Pliny
Buffalo
Fraziers Bottom
Midway
Red House
WINFIELD
Hometown
Plymouth
Bancroft
Black Betsey
Raymond City
Poca
Hugo
Confidence
Paradise
Sigman
Holzer
Kenna
Cross Lanes
Nitro
TO HUNTINGTON

EXHIBIT B - PROPERTY DESCRIPTION

See that Deed of Trust, Security Agreement and Fixture Filing filed in Deed of Trust Book 879, at page 68, with the Clerk of The County Commission of Putnam County.

EXHIBIT A

The water line will be constructed within the West Virginia Department of Highways ("DOH") right-of-way, more particularly described as follows:

Line 1 – Beech Hill Road (County Route 31/1) running approximately 5,920 feet along Beech Hill Road, within the DOH right-of-way for its entire length.

Line 2 – Dry Branch (County Route 7/12) beginning at the WVAW Heizer Creek Booster Station located on Heizer Creek Road, then following the existing stone and asphalt road due east up hill, through a private right-of-way twenty (20) feet in width and approximately 2,200 feet in length granted by Carolyn Hayford (Tax Map 178 – Parcel 6), Putnam County, Deed Book No. 199 – Page No. 146, to its intersection with Dry Ridge Road, then turning south and following along Dry Ridge road within the DOH right-of-way for approximately 6,747 feet, then continuing for another 5,382 feet within the DOH right-of-way to its point of termination. A short length of water line will be constructed off of the main line, thru a private easement 20 feet in width and approximately 250 feet in length granted by Junior C. Lane and Margaret K. Lane (Tax Map Union 3 – Parcel 38), Kanawha County, Deed Book No. 2427, Page No. 544.

Line 3 – Lake Hollow / Sycamore Ridge begins at the end of the existing WVAW water line in Lake Hollow Road and runs southwest within the DOH right-of-way for approximately 1,070 feet where it enters a private right-of-way twenty (20) feet in width and approximately 150 feet in length granted by Nathan Easter (Tax Map 251 – Parcel 31), Putnam County, Deed Book No. 403 – Page No. 222. The line then returns to DOH right-of-way and continues west along Lake Hollow Road for approximately 1,375 feet to the intersection with Sycamore Ridge Road. The main line then turns north and runs along Sycamore Ridge Road staying in the DOH right-of-way for approximately 6,305 feet to its point of termination.

Line 3A – Sycamore Ridge is a branch line off of Line 3. It begins at the intersection of Lake Hollow Road and Sycamore Ridge Road and runs south along Sycamore Ridge Road within the DOH right-of-way for approximately 2,330 feet to the end of the line.

Line 4 – Lime Kiln Road begins at the end of the existing water line in Lime Kiln Road approximately 0.43 miles south of the intersection with Steel Ridge Road and runs due south within the DOH right-of-way for approximately 3,647 feet to a point where the water line enters a private right-of-way twenty (20) feet in width and approximately 425 feet in length granted by Kelly S. Good (Tax Map No. 164 – Parcel 7), Putnam County, Deed Book No. 346 – Page No. 570. The line then returns to DOH right-of-way and continues south for approximately 1,525 feet where it turns east, staying in the DOH right-of-way for approximately 3,617 feet to a point where the line again enters a private right-of-way twenty (20) feet in width and approximately 100 feet in length granted by Greg W. Bane (Tax Map No. 164 – Parcel 9), Putnam County, Deed Book No. 353 – Page No. 292. The line then returns to DOH right-of-way and continues east for 783 feet to another private right-of-way 20 feet in width and approximately 50 feet in length granted by Greg W. Bane (Tax Map No. 164 – Parcel 9), Putnam County, Deed Book No. 353 – Page No. 292. The water line then returns to DOH right-of-way for about 900 feet before again entering private right-of-way 20 feet in width and approximately 100 feet in length granted by Danny P. Wolfe and Mary L. Wolfe (Tax Map 164 – Parcel 12), Putnam County, Deed Book No. 457 – Page No. 576, to get around an existing 36-inch CMP culvert. The line then continues southeast within the DOH right-of-way for approximately 550 feet to another private right-of-way 20 feet in width and approximately 100 feet in length granted by Danny P. Wolfe and Mary L. Wolfe (Tax Map 164 – Parcel 12), Putnam County, Deed Book No. 457 – Page No. 576. The water main then continues south for approximately 1,355 feet to its point of termination.

Line 4A is a branch line off of Line 4 where 825 feet of PVC will be installed entirely within private right-of-way granted by Kelly S. Good and Joseph T. Good (Tax Map 164 – Parcel 7), Putnam County, Deed Book No. 346 – Page No. 570; Clayton Goddard (Tax Map 163 – Parcel 12), Putnam County, Deed Book No. AB53 – Page No. 767; and

Danny Joe Hughes (Tax Map 163 – Parcel 22), Putnam County, Deed Book No.205 – Page 170.

Line 4B is also a branch line off of Line 4 where 500 feet of PVC will be installed entirely within private right-of-way granted by Greg W. Bane (Tax Map 164 – Parcel 9), Putnam County, Deed Book No. 353 – Page No. 292.

Line 5 – Old Delta Road begins at the point of connection to WVAW's existing water main in WV Route 62, then running due north within the existing DOH right-of-way of WV County Route 18 (Paul Davis Road) for approximately 470 feet where it turns west and enters into a private right-of-way 20 feet in width and approximately 890 feet in length granted by Martin Properties LLC, c/o C. Gates (Tax Map 216D – Parcels 131-135, 124-128,110-121, 123, and 129), Putnam County, Deed Book 475, Page 125. The main line returns to DOH right-of-way for approximately 25 feet, then enters Norfolk Southern Railway right-of-way for approximately 66 feet and continues due west to North Glen Street where it turns north and enters private right-of-way, 20 feet in width and approximately 550 feet in length granted by the following: Vernon Clark, Tax Map 216D – Parcel 105, Deed Book No. 227 – Page 195; Mamie L. Devore, Tax Map 216D – Parcel 79, Deed Book 37 – Page 160; Mark E. Parsons, Tax Map 216D – Parcels 60, 77, & 78, Deed Book 421 – Page 689; and Martin Properties LLC, Tax Map 216D – Parcel 35, Deed Book 475 – Page 125, to its point of termination.

Line 5A is a spur line off of Line 5, running along South Glenn St. for a distance of 850 feet all within a 20 foot wide private right-of-way obtained from the following: Martin Properties LLC, Tax Map 216D – Parcels 61 thru 64, 80 thru 84, and 106 thru 109, in Deed Book 475 – Page 125.

Line 6 – Panther Lick Drive begins at the connection point to WVAW's existing water main in WV County Route 54 and runs nearly due north for approximately 5,225 feet along WV County Route 50/1 (Panther Lick Road), all within the WV DOH right-of-way.

EXHIBIT D - LEASE AND DEBT SERVICE SCHEDULES

Putnam County Building Commission - 2005W-847

Compound Period: Quarterly

Nominal Annual Rate: 0.000%

CASH FLOW DATA

	Event	Date	Amount	Number	Period	End Date
1	Loan	7/23/2008	2,914,000.00	1		
2	Payment	3/1/2010	18,922.08	154	Quarterly	6/1/2048

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	7/23/2008				2,914,000.00
1	3/1/2010	18,922.08	0.00	18,922.08	2,895,077.92
2	6/1/2010	18,922.08	0.00	18,922.08	2,876,155.84
3	9/1/2010	18,922.08	0.00	18,922.08	2,857,233.76
4	12/1/2010	18,922.08	0.00	18,922.08	2,838,311.68
5	3/1/2011	18,922.08	0.00	18,922.08	2,819,389.60
6	6/1/2011	18,922.08	0.00	18,922.08	2,800,467.52
7	9/1/2011	18,922.08	0.00	18,922.08	2,781,545.44
8	12/1/2011	18,922.08	0.00	18,922.08	2,762,623.36
9	3/1/2012	18,922.08	0.00	18,922.08	2,743,701.28
10	6/1/2012	18,922.08	0.00	18,922.08	2,724,779.20
11	9/1/2012	18,922.08	0.00	18,922.08	2,705,857.12
12	12/1/2012	18,922.08	0.00	18,922.08	2,686,935.04
13	3/1/2013	18,922.08	0.00	18,922.08	2,668,012.96
14	6/1/2013	18,922.08	0.00	18,922.08	2,649,090.88
15	9/1/2013	18,922.08	0.00	18,922.08	2,630,168.80
16	12/1/2013	18,922.08	0.00	18,922.08	2,611,246.72
17	3/1/2014	18,922.08	0.00	18,922.08	2,592,324.64
18	6/1/2014	18,922.08	0.00	18,922.08	2,573,402.56
19	9/1/2014	18,922.08	0.00	18,922.08	2,554,480.48
20	12/1/2014	18,922.08	0.00	18,922.08	2,535,558.40
21	3/1/2015	18,922.08	0.00	18,922.08	2,516,636.32
22	6/1/2015	18,922.08	0.00	18,922.08	2,497,714.24
23	9/1/2015	18,922.08	0.00	18,922.08	2,478,792.16
24	12/1/2015	18,922.08	0.00	18,922.08	2,459,870.08
25	3/1/2016	18,922.08	0.00	18,922.08	2,440,948.00
26	6/1/2016	18,922.08	0.00	18,922.08	2,422,025.92
27	9/1/2016	18,922.08	0.00	18,922.08	2,403,103.84
28	12/1/2016	18,922.08	0.00	18,922.08	2,384,181.76
29	3/1/2017	18,922.08	0.00	18,922.08	2,365,259.68
30	6/1/2017	18,922.08	0.00	18,922.08	2,346,337.60
31	9/1/2017	18,922.08	0.00	18,922.08	2,327,415.52
32	12/1/2017	18,922.08	0.00	18,922.08	2,308,493.44

33	3/1/2018	18,922.08	0.00	18,922.08	2,289,571.36
34	6/1/2018	18,922.08	0.00	18,922.08	2,270,649.28
35	9/1/2018	18,922.08	0.00	18,922.08	2,251,727.20
36	12/1/2018	18,922.08	0.00	18,922.08	2,232,805.12
37	3/1/2019	18,922.08	0.00	18,922.08	2,213,883.04
38	6/1/2019	18,922.08	0.00	18,922.08	2,194,960.96
39	9/1/2019	18,922.08	0.00	18,922.08	2,176,038.88
40	12/1/2019	18,922.08	0.00	18,922.08	2,157,116.80
41	3/1/2020	18,922.08	0.00	18,922.08	2,138,194.72
42	6/1/2020	18,922.08	0.00	18,922.08	2,119,272.64
43	9/1/2020	18,922.08	0.00	18,922.08	2,100,350.56
44	12/1/2020	18,922.08	0.00	18,922.08	2,081,428.48
45	3/1/2021	18,922.08	0.00	18,922.08	2,062,506.40
46	6/1/2021	18,922.08	0.00	18,922.08	2,043,584.32
47	9/1/2021	18,922.08	0.00	18,922.08	2,024,662.24
48	12/1/2021	18,922.08	0.00	18,922.08	2,005,740.16
49	3/1/2022	18,922.08	0.00	18,922.08	1,986,818.08
50	6/1/2022	18,922.08	0.00	18,922.08	1,967,896.00
51	9/1/2022	18,922.08	0.00	18,922.08	1,948,973.92
52	12/1/2022	18,922.08	0.00	18,922.08	1,930,051.84
53	3/1/2023	18,922.08	0.00	18,922.08	1,911,129.76
54	6/1/2023	18,922.08	0.00	18,922.08	1,892,207.68
55	9/1/2023	18,922.08	0.00	18,922.08	1,873,285.60
56	12/1/2023	18,922.08	0.00	18,922.08	1,854,363.52
57	3/1/2024	18,922.08	0.00	18,922.08	1,835,441.44
58	6/1/2024	18,922.08	0.00	18,922.08	1,816,519.36
59	9/1/2024	18,922.08	0.00	18,922.08	1,797,597.28
60	12/1/2024	18,922.08	0.00	18,922.08	1,778,675.20
61	3/1/2025	18,922.08	0.00	18,922.08	1,759,753.12
62	6/1/2025	18,922.08	0.00	18,922.08	1,740,831.04
63	9/1/2025	18,922.08	0.00	18,922.08	1,721,908.96
64	12/1/2025	18,922.08	0.00	18,922.08	1,702,986.88
65	3/1/2026	18,922.08	0.00	18,922.08	1,684,064.80
66	6/1/2026	18,922.08	0.00	18,922.08	1,665,142.72
67	9/1/2026	18,922.08	0.00	18,922.08	1,646,220.64
68	12/1/2026	18,922.08	0.00	18,922.08	1,627,298.56
69	3/1/2027	18,922.08	0.00	18,922.08	1,608,376.48
70	6/1/2027	18,922.08	0.00	18,922.08	1,589,454.40
71	9/1/2027	18,922.08	0.00	18,922.08	1,570,532.32
72	12/1/2027	18,922.08	0.00	18,922.08	1,551,610.24
73	3/1/2028	18,922.08	0.00	18,922.08	1,532,688.16
74	6/1/2028	18,922.08	0.00	18,922.08	1,513,766.08
75	9/1/2028	18,922.08	0.00	18,922.08	1,494,844.00
76	12/1/2028	18,922.08	0.00	18,922.08	1,475,921.92
77	3/1/2029	18,922.08	0.00	18,922.08	1,456,999.84
78	6/1/2029	18,922.08	0.00	18,922.08	1,438,077.76
79	9/1/2029	18,922.08	0.00	18,922.08	1,419,155.68
80	12/1/2029	18,922.08	0.00	18,922.08	1,400,233.60
81	3/1/2030	18,922.08	0.00	18,922.08	1,381,311.52
82	6/1/2030	18,922.08	0.00	18,922.08	1,362,389.44

83	9/1/2030	18,922.08	0.00	18,922.08	1,343,467.36
84	12/1/2030	18,922.08	0.00	18,922.08	1,324,545.28
85	3/1/2031	18,922.08	0.00	18,922.08	1,305,623.20
86	6/1/2031	18,922.08	0.00	18,922.08	1,286,701.12
87	9/1/2031	18,922.08	0.00	18,922.08	1,267,779.04
88	12/1/2031	18,922.08	0.00	18,922.08	1,248,856.96
89	3/1/2032	18,922.08	0.00	18,922.08	1,229,934.88
90	6/1/2032	18,922.08	0.00	18,922.08	1,211,012.80
91	9/1/2032	18,922.08	0.00	18,922.08	1,192,090.72
92	12/1/2032	18,922.08	0.00	18,922.08	1,173,168.64
93	3/1/2033	18,922.08	0.00	18,922.08	1,154,246.56
94	6/1/2033	18,922.08	0.00	18,922.08	1,135,324.48
95	9/1/2033	18,922.08	0.00	18,922.08	1,116,402.40
96	12/1/2033	18,922.08	0.00	18,922.08	1,097,480.32
97	3/1/2034	18,922.08	0.00	18,922.08	1,078,558.24
98	6/1/2034	18,922.08	0.00	18,922.08	1,059,636.16
99	9/1/2034	18,922.08	0.00	18,922.08	1,040,714.08
100	12/1/2034	18,922.08	0.00	18,922.08	1,021,792.00
101	3/1/2035	18,922.08	0.00	18,922.08	1,002,869.92
102	6/1/2035	18,922.08	0.00	18,922.08	983,947.84
103	9/1/2035	18,922.08	0.00	18,922.08	965,025.76
104	12/1/2035	18,922.08	0.00	18,922.08	946,103.68
105	3/1/2036	18,922.08	0.00	18,922.08	927,181.60
106	6/1/2036	18,922.08	0.00	18,922.08	908,259.52
107	9/1/2036	18,922.08	0.00	18,922.08	889,337.44
108	12/1/2036	18,922.08	0.00	18,922.08	870,415.36
109	3/1/2037	18,922.08	0.00	18,922.08	851,493.28
110	6/1/2037	18,922.08	0.00	18,922.08	832,571.20
111	9/1/2037	18,922.08	0.00	18,922.08	813,649.12
112	12/1/2037	18,922.08	0.00	18,922.08	794,727.04
113	3/1/2038	18,922.08	0.00	18,922.08	775,804.96
114	6/1/2038	18,922.08	0.00	18,922.08	756,882.88
115	9/1/2038	18,922.08	0.00	18,922.08	737,960.80
116	12/1/2038	18,922.08	0.00	18,922.08	719,038.72
117	3/1/2039	18,922.08	0.00	18,922.08	700,116.64
118	6/1/2039	18,922.08	0.00	18,922.08	681,194.56
119	9/1/2039	18,922.08	0.00	18,922.08	662,272.48
120	12/1/2039	18,922.08	0.00	18,922.08	643,350.40
121	3/1/2040	18,922.08	0.00	18,922.08	624,428.32
122	6/1/2040	18,922.08	0.00	18,922.08	605,506.24
123	9/1/2040	18,922.08	0.00	18,922.08	586,584.16
124	12/1/2040	18,922.08	0.00	18,922.08	567,662.08
125	3/1/2041	18,922.08	0.00	18,922.08	548,740.00
126	6/1/2041	18,922.08	0.00	18,922.08	529,817.92
127	9/1/2041	18,922.08	0.00	18,922.08	510,895.84
128	12/1/2041	18,922.08	0.00	18,922.08	491,973.76
129	3/1/2042	18,922.08	0.00	18,922.08	473,051.68
130	6/1/2042	18,922.08	0.00	18,922.08	454,129.60
131	9/1/2042	18,922.08	0.00	18,922.08	435,207.52
132	12/1/2042	18,922.08	0.00	18,922.08	416,285.44

133	3/1/2043	18,922.08	0.00	18,922.08	397,363.36
134	6/1/2043	18,922.08	0.00	18,922.08	378,441.28
135	9/1/2043	18,922.08	0.00	18,922.08	359,519.20
136	12/1/2043	18,922.08	0.00	18,922.08	340,597.12
137	3/1/2044	18,922.08	0.00	18,922.08	321,675.04
138	6/1/2044	18,922.08	0.00	18,922.08	302,752.96
139	9/1/2044	18,922.08	0.00	18,922.08	283,830.88
140	12/1/2044	18,922.08	0.00	18,922.08	264,908.80
141	3/1/2045	18,922.08	0.00	18,922.08	245,986.72
142	6/1/2045	18,922.08	0.00	18,922.08	227,064.64
143	9/1/2045	18,922.08	0.00	18,922.08	208,142.56
144	12/1/2045	18,922.08	0.00	18,922.08	189,220.48
145	3/1/2046	18,922.08	0.00	18,922.08	170,298.40
146	6/1/2046	18,922.08	0.00	18,922.08	151,376.32
147	9/1/2046	18,922.08	0.00	18,922.08	132,454.24
148	12/1/2046	18,922.08	0.00	18,922.08	113,532.16
149	3/1/2047	18,922.08	0.00	18,922.08	94,610.08
150	6/1/2047	18,922.08	0.00	18,922.08	75,688.00
151	9/1/2047	18,922.08	0.00	18,922.08	56,765.92
152	12/1/2047	18,922.08	0.00	18,922.08	37,843.84
153	3/1/2048	18,922.08	0.00	18,922.08	18,921.76
154	6/1/2048	18,921.76	0.00	18,921.76	0.00
Grand Totals		2,914,000.00	0.00	2,914,000.00	

STATE OF WEST VIRGINIA, Putnam County Commission Clerk's Office 08/26/2008. The foregoing Lease together with the certificate of its acknowledgment, was this day presented in said office and admitted to record.

Teste: _____ Clerk

Doc ID: 002500200020 Type: DTR
Recorded: 08/26/2008 at 09:21:29 AM
Fee Amt: $0.00 Page 1 of 20
Putnam County Clerk
Brian Wood County Clerk
BK879 PG68-87

A DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING

"THIS INSTRUMENT CONTAINS AFTER ACQUIRED PROPERTY PROVISIONS"

"THIS DEED OF TRUST IS FILED FOR RECORD IN THE REAL ESTATE RECORDS AS A FIXTURE FILING PURSUANT TO WEST VIRGINIA CODE SECTION 46-9-402"

THIS DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING (the "Deed of Trust"), made as of July 23, 2008, by and among THE PUTNAM COUNTY BUILDING COMMISSION, a public corporation and county building commission (hereinafter called "Grantor"), whose address is 89 Winfield Road, Winfield, West Virginia, 25213, Attention: Chairman, party of the first part, CHRIS JARRETT, whose address is set forth below, (hereinafter called the "Trustee"), party of the second part, and the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia, as beneficiary (hereinafter called "Beneficiary"), whose address is 180 Association Drive, Charleston, West Virginia 25311, Attention: Director, party of the third part.

WITNESSETH: That for and in consideration of the indebtedness, obligations and trusts hereinafter set forth and the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant and convey unto Trustee and, other than the Premises, as hereinafter defined, to the Beneficiary:

(A) All that certain real estate more particularly set forth and described in "SCHEDULE A - REAL ESTATE," attached hereto and made a part hereof, together with all rights, privileges, easements, hereditaments and appurtenances thereunto belonging or appertaining (the "Premises");

(B) All right, title and interest of the Grantor in and to all buildings, structures and improvements of every kind or character now or at any time hereafter erected, constructed or placed upon the Premises or any part thereof (the "Improvements"), and all fixtures attached to or contained in and used in connection with the Premises, including, but not limited to, all lighting, heating, ventilating, air conditioning, plumbing, water and power systems, equipment and apparatus, engines and machinery, boilers, furnaces, gas, electrical or electronic equipment, furniture, furnishings, carpeting and appliances, equipment, inventory (the "Fixtures"), and all other tangible personal property of every kind and character whatsoever, used in connection with

John Stump P.O. Box 1588 Chas. WV 25326 - 1588

or otherwise appertaining to the Premises, including all equipment and items now or hereafter affixed or attached to said buildings, structures or improvements or as shall now or hereafter be used or procured in connection with the use, occupancy, operation or maintenance of said buildings, improvements and structures and/or the Premises (the "Equipment"), together with any and all substitutions or replacements thereof;

(C) All right, title and interest of the Grantor, as lessee or sublessee, in and to any and all leases and subleases of equipment, furniture, personal property and facilities located on or used in connection with the Premises, now existing or hereafter executed by the Grantor (the "Leasehold Estates");

(D) All right, title and interest of the Grantor in and to all income, rents, revenues, security and other deposits, issues, profits, earnings, products and proceeds from any and all of the Premises, Improvements, Fixtures, Equipment and/or Leasehold Estates (all of the foregoing being collectively referred to as the "Rents, Issues and Profits"), together with the right to collect and apply the same to any indebtedness secured hereunder but subject, however, to the right of the Grantor to collect the Rents, Issues and Profits as long as Grantor is not in default hereunder. The foregoing assignment shall be fully operative without any further action on the part of any party hereto. The Beneficiary shall be entitled, at its option upon the occurrence of an Event of Default, as hereinafter defined, to all Rents, Issues and Profits from the Premises, Improvements, Fixtures, Equipment and/or Leasehold Estate whether or not Beneficiary takes possession of the Premises. Upon the occurrence of an Event of Default, the permission hereby given to the Grantor to collect such Rents, Issues and Profits shall terminate, and such permission shall not be reinstated, upon a cure of the default without Beneficiary's specific consent. Neither the exercise of any rights under this paragraph by the Beneficiary nor the application of any such Rents, Issues and Profits, to the Secured Debt, as hereinafter defined, shall cure or waive any Event of Default or notice of any Event of Default hereunder or invalidate any act done pursuant hereto or to any such notice, but shall be cumulative of all other rights and remedies.

The foregoing provisions hereof shall constitute an absolute and present assignment of the rents, income and other benefits from the property described in the granting clauses above, subject, however, to the conditional permission given to the Grantor to collect and use such rents, income and other benefits as hereinabove provided; and the existence or exercise of such right of the Grantor shall not operate to subordinate this assignment to any subsequent assignment, in whole or in part, by the Grantor, and any such subsequent assignment by the Grantor shall be subject to the rights of Beneficiary hereunder; and

(E) All proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including, but not limited to (i) all proceeds of insurance or condemnation awards or other guaranties or warranties which Grantor now has or may hereafter acquire with respect to the Premises, Improvements, Fixtures, Equipment and Leasehold Estates and/or the Rents, Issues and Profits and all proceeds of any sales or other dispositions of the property comprising any part thereof; and Beneficiary is hereby authorized to collect and receive

said awards and proceeds and to give proper receipts and acquittances therefor, and (if it so elects) to apply the same toward the payment of the indebtedness and other sums secured hereby, notwithstanding the fact that the amount owing thereon may not then be due and payable; (ii) all contract rights, general intangibles, actions and rights in action, including without limitation all rights to insurance proceeds and unearned premiums arising from or relating to the Premises, Improvements, Fixtures, Equipment and Leasehold Estates above; and (iii) all proceeds, products, replacements, additions, substitutions, renewals and accessions of and to the Premises, Improvements, Fixtures, Equipment and Leasehold Estates.

All of the foregoing are sometimes hereinafter collectively referred to as the "Secured Property" and shall secure the indebtedness described hereinbelow.

TO HAVE AND TO HOLD the Secured Property unto the Trustee or the Beneficiary, or both, as the case may be, and their successors in trust forever; and Grantor does hereby covenant to and with Trustee and Beneficiary, their successors and assigns, that Grantor will warrant specially the Secured Property hereby conveyed; that Grantor has the right to grant and convey the Secured Property to Trustee or the Beneficiary, or both, as the case may be; that the same is free from any and all liens and encumbrances other than Permitted Encumbrances as defined in the Ordinance of the Grantor enacted June 17, 2008, (the "Ordinance"); that Trustee shall have quiet possession thereof and that Grantor will execute and deliver such other and further assurances of the Secured Property as may be requisite, including, but not limited to, the execution and delivery of financing statements, continuation statements and such other instruments as Beneficiary may require to impose the lien and security interest hereof more specifically upon any item or items of property, or rights or interests therein, covered by this Deed of Trust, and will do such other and further reasonable acts as Beneficiary or Trustee may require to carry out more effectually the purposes of this Deed of Trust.

IN TRUST NEVERTHELESS to secure the payment of the Waterworks Lease Revenue Bond, Series 2008 A (West Virginia Water Development Authority) of Grantor, of even date herewith, purchased by Beneficiary, in the original principal amount of $2,914,000 (the "Bond"), which sum is the amount secured by this Deed of Trust, as provided under the terms of a Loan Agreement by and between the Grantor and the Beneficiary, of even date herewith (the "Loan Agreement"). The address of said Beneficiary, the beneficial owner of the indebtedness secured hereby at the time of execution and delivery hereof, is the West Virginia Water Development Authority, a governmental instrumentality and body corporate of the State of West Virginia, whose address is 180 Associate Drive, Charleston, West Virginia, 25311, Attention: Director. This Deed of Trust also secures any and all replacements, extensions, modifications and/or renewals of said Bond, or any part thereof, however changed in form, manner or amount, and all other indebtedness of Grantor to Beneficiary or Trustee or otherwise, at any time and from time to time arising hereunder or under the Loan Agreement, and any and all replacements, extensions, modifications and/or renewals of such other indebtedness (all of which indebtedness, together with the interest thereon, is sometimes hereinafter collectively referred to as the "Secured Debt"). The Secured Debt matures on June 1, 2048.

ALL NOTICES OF LIENS OR CLAIMS PURSUANT TO WEST VIRGINIA CODE '38-1-14(b) AGAINST THE SECURED PROPERTY COVERED HEREBY SHALL BE SENT TO THE BENEFICIARY, AS PRIMARY LIENHOLDER, AT THE ADDRESS SET FORTH IN PARAGRAPH 12 HEREOF.

Grantor, for and in the consideration aforesaid, covenants, represents, warrants and agrees as follows:

1. That it will, so long as the Secured Debt, or any part thereof, remains unpaid: (a) pay as and when due and payable all taxes, assessments, impositions and other governmental charges, fines and fees that may be levied or assessed against the Secured Property or any part thereof, including the buildings and improvements now situate on the Premises, or that may hereafter be erected thereon, and any improvements and additions made therein or thereto from time to time, all as provided in the Loan Agreement and subject to the terms thereof; (b) have and keep the buildings and improvements now situate on the Premises or that may hereafter be erected thereon, and all other insurable property covered by this Deed of Trust, constantly insured against loss or damage by fire and such other casualties, contingencies and hazards as set forth in the Loan Agreement and subject to the terms thereof; (c) keep and maintain the Secured Property in good condition and repair and not abandon the same, or any part thereof, as provided in the Loan Agreement and subject to the terms thereof, nor commit or permit the commission of waste on or in the Secured Property, or any part thereof, or permit any building or improvement to be removed, destroyed, demolished or structurally altered in whole or in part except as permitted by the Loan Agreement, and Grantor shall comply with all leases and subleases of any part of the Secured Property, including, without limitation, the payment of all leasehold payments thereunder, and shall, as provided in the Loan Agreement and subject to the terms thereof, comply, and cause all occupants of the Secured Property or those in possession thereof to comply, with all laws, ordinances, orders, rules, regulations and requirements relating to the use or maintenance of the Secured Property and with all requirements, directions and orders and notices of violations thereof issued by any governmental agency, body or officer; (d) permit Trustee or Beneficiary, or either of them, or their agents, to enter and inspect the Secured Property at all reasonable times; (e) pay to Trustee, or to Beneficiary, upon demand, any and all sums of money, including all costs, expenses and reasonable attorneys' fees, which Trustee or Beneficiary, or any of them, may incur or expend in any action or proceeding that may concern the Secured Property, or any part thereof or interest therein, including without limitation any eminent domain proceeding, or any action or proceeding to sustain the lien of this Deed of Trust, or its priority, or in defending any party thereto, or any party secured hereby, against the liens, demands or claims of title of any person, firm or corporation, asserting priority over this Deed of Trust, or asserting title adverse to the title under which Trustee holds, or in the discharge of any such liens, demands or claims, or in connection with any action to foreclose this Deed of Trust, or to recover any indebtedness secured hereby or any other payments made on behalf of the Grantor pursuant to the Loan Agreement.

2. The terms "hazardous waste," "hazardous substance," "disposal," "release," and "threatened release," as used in this Deed of Trust, shall have the same meanings as set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act. 42 U.S.C. Section 6901, et seq., or other applicable state or Federal laws, rules, or regulations adopted pursuant to any of the foregoing. The terms "hazardous waste" and "hazardous substance" shall also include, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos. Grantor represents, covenants, and warrants to Beneficiary that: (a) During the period of Grantor's ownership of the Secured Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous waste or substance by any person on, under, about or from the property; (b) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Beneficiary in writing, (i) any use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any hazardous waste or substance on, under, about or from the Secured Property by any prior owners or occupants of the Secured Property or (ii) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (c) Except as previously disclosed to and acknowledged by Beneficiary in writing, (i) neither Grantor nor any tenant, contractor, agent or other authorized user of the Secured Property shall use, generate, manufacture, store, treat, dispose of, or release any hazardous waste or substance on, under, about or from the Secured Property and (ii) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation those laws, regulations, and ordinances described above. Grantor authorizes Beneficiary and its agents to enter upon the Secured Property to make such inspections and tests, at Grantor's expense, as Beneficiary may deem appropriate to determine compliance of the Secured Property with this Section of the Deed of Trust. Any inspections or tests made by Beneficiary shall be for Beneficiary's purposes only and shall not be construed to create any responsibility or liability on the part of Beneficiary to Grantor or to any other person. The representations, covenants, and warranties contained herein are based on Grantor's due diligence in investigating the Secured Property for hazardous waste and hazardous substances. Grantor hereby (a) releases and waives any future claims against Beneficiary and Trustee for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws, and (b) agrees to indemnify and hold harmless Beneficiary and Trustee against any and all claims, losses, liabilities, damages, penalties, and expenses which Beneficiary or Trustee may directly or indirectly sustain or suffer resulting from a breach of this Section of this Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Secured Property, whether or not the same was or should have been known to Grantor.

The Secured Property, or some substratum of the Secured Property, does not contain an underground storage tank or tanks. To the extent that there may be some obligation

under state or federal law imposed upon the Beneficiary or the Trustee with respect to any such underground storage tank, the Grantor warrants that such tank or tanks, and all lines and connections thereto have been property inspected and tested, and all such tanks, lines and connections are tight such that there is no leakage therefrom. Grantor hereby (a) releases and waives any future claims against Beneficiary and Trustee for indemnity or contribution in the event Grantor becomes liable for clean-up or other costs associated with such tanks, lines and connections, and (b) agrees to indemnify and hold harmless Beneficiary and Trustee against any and all claims, losses, liabilities, damages, penalties, and expenses which Beneficiary or Trustee may directly or indirectly sustain or suffer resulting from a breach of this Section of this Deed of Trust or as a consequence of any use, storage, disposal, release or threatened release from such tanks, lines and connections, whether or not the same was or should have been known to Grantor.

The provisions of this Section of this Deed of Trust, including the obligations to indemnify and hold harmless, shall survive the payment of the Secured Debt and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Beneficiary's acquisition of any interest in the property, whether by foreclosure or otherwise.

3. The Bond secured by this Deed of Trust is in the principal amount of $2,914,000, plus interest, if any, thereon, and is purchased by the Beneficiary pursuant to the terms of the Loan Agreement, the proceeds of which are being used by Grantor pursuant to the terms of the Loan Agreement for the purposes of financing the acquisition, construction and equipping of new waterworks facilities, together with all appurtenant facilities, in Putnam County, West Virginia (the "Project"). The Loan Agreement is hereby incorporated into and made a part of this Deed of Trust as if set forth in full herein.

4. In the event Grantor fails (a) to make any payment required, or fails to comply with, perform or carry out any of the provisions of paragraphs 1 or 2 hereof, or (b) to perform any of the terms, covenants or agreements by Grantor to be performed under the Loan Agreement or is otherwise in default under the Loan Agreement, then, and in any such event, Beneficiary shall have the right, without notice to or demand upon Grantor or any other person, to make any such payment, take any such action or do any such thing as, in the exercise of Beneficiary's discretion, may be determined to be reasonably necessary to protect the lien and security hereof as fully and completely as if Grantor made each and every such payment when due, and kept, complied with, performed and carried out the provisions of said paragraphs 1 and 2. Without limiting the generality of the foregoing, Beneficiary may, in any such event, (i) obtain the required insurance covering the Secured Property and pay the premiums thereon or pay any unpaid premiums on any insurance procured by Grantor; (ii) pay said taxes, assessments, impositions and other governmental charges, fines and fees together with any penalties and interest accrued thereon, and redeem the Secured Property from a tax sale if it has been sold, and shall be subrogated to the lien of the governmental body to which such payment was made; (iii) make and pay for any and all repairs which Beneficiary deems necessary to place or keep the Secured Property in good condition and repair; (iv) stop or mitigate waste on or in the Secured

Property or any part thereof; (v) stop or prevent the removal, destruction, demolition or structural alteration of any building or improvement on the Secured Property; (vi) stop or prevent the violation of any law, ordinance, rule or regulation relating to the use or maintenance of the Secured Property or of any requirement, direction or order or notice of violation thereof issued by any governmental agency, body or officer; (vii) pay all or any part of any sum or sums of money that may be due or payable under the provisions of subparagraph (e) of paragraph 1 hereof; and (viii) pay all or any part of the leasehold payments due and payable under any leases or subleases of any of the Secured Property; and Grantor hereby promises to pay to Beneficiary, or to Trustee, as the case may be, upon demand, any and all sums of money paid out or expended by them, or any of them, for any of the purposes set out in this paragraph 4, together with interest thereon from the date of payment at the highest rate provided in the Loan Agreement, and agrees that any sum or sums of money so paid by Beneficiary or by Trustee, or any of them, shall thereupon be and become a part of the Secured Debt, including those moneys expended on behalf of the Grantor pursuant to the Loan Agreement, and shall be collectible as such, all without waiver of any right arising from the breach of or default in the performance of any warranty, covenant, condition, provision or agreement herein contained or contained in the Loan Agreement, including, without limitation, the right to enter and take possession of the Secured Property, and rent and manage the same, and the right to foreclose this Deed of Trust; but nothing herein contained shall be construed as imposing any duty or obligation upon Beneficiary, or upon Trustee, to pay any such sum or sums of money herein authorized to be paid, or to take any other action authorized hereunder.

5. Upon the occurrence of an Event of Default as defined in the Loan Agreement or default by Grantor in any of its covenants hereunder (hereinafter collectively called an "Event of Default"), the Secured Debt shall at the option of Beneficiary immediately become due and payable without notice to or demand on Grantor or any other person.

6. If any one or more Events of Default shall occur and be continuing, any one or more of the following rights and remedies shall exist, any two or more of which may be exercised concurrently:

(A) Without notice to or demand on Grantor or any other person, Trustee or Beneficiary may forthwith, separately or jointly: (i) enter into and upon all of the Secured Property, or any part or portion thereof, either in person or by agent, and take possession of the Secured Property, or any part or portion thereof, without process of law, and without liability to Grantor or other owner or owners of the Secured Property, and manage and rent the same, collect and receive the rents, issues and profits thereof (past due, due or to become due) and apply the same to the payment of the Secured Debt, after first deducting the costs and expenses incurred in managing the Secured Property and in collecting said rents, issues and profits (including reasonable compensation for managing the same and collecting and disbursing said rents, issues and profits accruing therefrom), and after deducting such further amount or amounts as may be necessary to pay or reimburse the Beneficiary and Trustee for any sum or sums of money paid by them, or any of them, under the provisions hereof, together with interest at the highest rate provided in the Loan Agreement to the date of payment; or (ii) have a receiver appointed by any court having jurisdiction to take charge of the Secured Property, or any part or portion thereof, and collect, receive and apply the rents, issues and profits thereof. In either case, any person or persons in possession of the Secured Property, or any part or portion thereof, shall be deemed a tenant at will and shall at once surrender such possession on demand of Beneficiary or Trustee or a receiver. It is understood and agreed by and between the parties hereto that nothing herein contained shall be construed as a substitute for, or in derogation of, the right to foreclose this Deed of Trust or as imposing any duty or obligation upon Beneficiary or upon Trustee, or any of them, to take charge of the Secured Property, or any part or portion thereof, to collect said rents, issues or profit or to have a receiver appointed for such purposes.

(B) Without notice to or demand on Grantor or any other person, Beneficiary may at its option declare the Secured Debt to be immediately due and payable and upon the exercise of said option the Secured Debt may be collected by proper action, foreclosure of this Deed of Trust, or any other legal or equitable proceeding.

(C) At any time after the exercise by Beneficiary of the option to declare the Secured Debt to be immediately due and payable, Trustee, upon the written request of Beneficiary, shall foreclose upon and sell the Secured Property, or any part or portion

thereof, at one or more successive sales, as an entirety or otherwise, both as the Trustee may deem expedient, to satisfy the Secured Debt at public auction or auctions at the front door of the courthouse of the county in which the Secured Property is situate, for cash in hand on the day of sale. The Trustee shall publish a Notice of Trustee's Sale once a week for two (2) successive weeks in a newspaper of general circulation whose publication area shall be or include the county or counties where the Secured Property is located, or by such other public advertisement as may be prescribed by applicable law. A copy of the Notice of Trustee's Sale shall be served on the Grantor, or his agent or personal representative, by certified mail, return receipt requested, addressed in accordance with the provisions of Section 4.5 hereof. Notice of such sale shall be deemed complete when such Notice of Trustee's Sale is sent to the Grantor in the aforesaid manner, notwithstanding the fact that such mail or courier package may be returned as refused or undeliverable. A copy of such Notice of Trustee's Sale shall be served by certified mail, at least twenty (20) days prior to the sale, upon any subordinate lien holder who has previously notified Beneficiary by certified mail of the existence of a subordinate lien. Notice to a subordinate lienholder shall be complete when such Notice is mailed in accordance with the provisions of this paragraph, directed to the address of the subordinate lienholder as provided by such subordinate lienholder in the notice of existence of a subordinate lien.

The Trustee, without demand on Grantor, shall sell the Secured Property at the time and place and under the terms designated in the Notice of Trustee's Sale. The Trustee may sell the Secured Property, real and personal, at any place within any county in which any of the Secured Property is located, in one or more parcels or lots and in such order as the Trustee may determine. The sale of the Secured Property shall be by public auction, to the highest bidder, for cash, or upon such other lawful terms as the Beneficiary may designate. The sale of the Secured Property may be at the same time of or otherwise in conjunction with a sale of any other real or personal property serving as collateral for the indebtedness secured hereby or any other debts or obligations owed by the Grantor or others to the Beneficiary or to other creditors, all of which may be sold in one or more parcels or lots and in such order as the Trustee may determine. The Trustee may employ such surveyors, engineers, appraisers, auctioneers, attorneys, and other persons as he may reasonably determine are necessary or desirable

to assist the Trustee in execution of this trust. Trustee may postpone sale of all or any lot or parcel of the Secured Property by public announcement at the time and place of any previously scheduled sale or at the time and place of any adjourned sale. Beneficiary or Beneficiary's designee shall be entitled to bid on all or any portion of the Secured Property and to purchase all or any portion of the Secured Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Secured Property so sold with covenants of specialty warranty. The recitals in the Trustee's deed shall be prima facie evidence of the statements therein. The Trustee shall apply the proceeds of the sale in the following order: (a) to all costs and expenses of the sale, including, but not limited to, a reasonable Trustee's fee not to exceed five percent (5%) of the gross proceeds of sale, the Trustee's expenses, and reasonable attorneys' fees and expenses; (b) cost of title evidence; (c) to the payment of the indebtedness secured hereby; and (d) the excess, if any, to any subordinate lienholders in their order of priority, including the Beneficiary, and then to the Grantor or any successors or assigns of Grantor as their interests may appear. Within two months after a sale is made, the Trustee shall file a Report of Trustee's Sale Under Deed of Trust, containing an inventory of the property sold and on account of the sale as well as such other matters as the Trustee may deem appropriate, in all offices in which this Deed of Trust is recorded. The recitals in the Trustee's report shall be prima facie evidence of the statements therein.

(D) In addition to the rights, remedies and powers hereinabove set forth, Beneficiary and Trustee shall have as to the Secured Property and any and all other fixtures and personal property covered by this Deed of Trust, all rights, remedies and powers of a secured party under the Uniform Commercial Code of West Virginia, as the same may now be in effect or hereafter amended (the "Code").

7. As to any of such property as is personal property or fixtures subject to the Code, this instrument shall constitute a security agreement, and the Grantor does hereby grant a security interest therein to Beneficiary. This instrument is to be filed for record in the real estate records of Putnam County, West Virginia, so as to serve as a fixture filing pursuant to Code ' 46-9-402.

Notwithstanding the release of any property that is deemed real property or any proceedings to have released this Deed of Trust or its satisfaction of record, the terms hereof shall survive as a security agreement with respect to the security interest created hereby until the repayment or satisfaction in full of the obligation of Grantor under the Loan Agreement. Nothing herein shall preclude Beneficiary or Trustee from proceeding as to both real and personal property in accordance with the Beneficiary's or Trustee's rights and remedies in respect of property as provided in Article 9 of the Code.

8. Grantor hereby waives personal service of notice of any sale made hereunder, but not any notice by mailing as prescribed in paragraph 5(C) hereof, upon it, its successors or assigns, and also waives the posting of notice of sale at the courthouse, and agrees that any sale made hereunder may be adjourned from time to time without notice other than oral proclamation of such adjournment at the time and place of sale, or at the time and place of any adjourned sale. The Grantor does hereby, to the full extent permitted by applicable law, waive any right to require the Trustee and/or the Beneficiary to post a bond or any like security in connection with the performance of the Trustee's duties pursuant to the terms of this instrument.

9. In the event that foreclosure proceedings are instituted hereunder but are not completed, Trustee shall be reimbursed for all costs and expenses incurred by them in commencing such proceedings and, in addition, shall be entitled to, and paid, as a commission, reasonable compensation therefor; and all costs and expenses so incurred by Trustee, and such commission, together with interest thereon until paid at the highest rate of interest provided in the Loan Agreement, shall be payable by Grantor on demand, and shall be and become a part of the Secured Debt and shall be collectible as such.

10. Trustee, or either of them, or the successors or survivors thereof, may act in the execution of this trust, and in the event any Trustee shall act alone, the authority and power of the Trustee so acting shall be as full and complete as if the powers and authority granted to any Trustees herein jointly had been granted to such Trustee alone; and the Trustee, or any successor trustee, is hereby authorized to act by agent or attorney in the execution of this trust and need not be present in person at any foreclosure sale.

11. It is hereby expressly covenanted and agreed by all parties hereto that Beneficiary may, at any time and from time to time hereafter, without notice and with or without cause, appoint and substitute another Trustee or Trustees, corporations or persons, in place of the Trustee or Trustees herein named to execute the trust herein created. Upon such appointment, either with or without a conveyance to said substituted Trustee or Trustees by the Trustee herein named, or by any substituted Trustee in case the said right of appointment is exercised more than once, the new and substituted Trustee or Trustees in each instance shall be vested with all the rights, titles, interests, powers, duties and trusts in the premises which are vested in and conferred upon the Trustees herein named; and such new and substituted Trustee or Trustees shall be considered the successors and assigns of the Trustees who are named herein within the meaning of this instrument, and substituted in their place and stead. Each such appointment and

substitution shall be evidenced by an instrument in writing which shall recite the parties to, and the book and page of record of, this Deed of Trust, and the description of the Premises, which instrument, executed and acknowledged by Beneficiary and recorded in the office of the Clerk of The County Commission of Putnam County, West Virginia, shall be conclusive proof of the proper substitution and appointment of such successor Trustee or Trustees, and notice of such proper substitution and appointment to all parties in interest.

12. Any notice required or permitted to be given under this Deed of Trust shall, except to the extent expressly otherwise required or provided herein and except as otherwise required by applicable law, be effective upon the deposit of such notice, in writing, in the regular United States mail, certified, return receipt requested, postage paid, addressed to the party or parties to receive such notice at the following addresses or at such other address as any such party may give the other parties in the manner for giving notice herein prescribed:

TO GRANTOR:
Putnam County Building Commission
3389 Winfield Road
Winfield, West Virginia 25213
Attention: Chairman

TO BENEFICIARY:
West Virginia Water Development Authority
180 Association Drive
Charleston, West Virginia 25311
Attention: Director

TO TRUSTEE:
Chris Jarrett, Director
West Virginia Water Development Authority
180 Association Drive
Charleston, West Virginia 25311

The address of the Beneficiary set forth above shall be the address to which notice of the existence of a subordinate lien shall be mailed to the primary lienholder as hereinbefore set forth.

13. All rights and remedies herein contained shall be cumulative and not exclusive. No failure or delay of Beneficiary or Trustee to exercise any option, right or power herein contained shall constitute a waiver of any right, power or privilege herein given or granted to Beneficiary or Trustee, or an acquiescence therein, and a waiver by Beneficiary or Trustee of the right to exercise any option, right or power as to any breach or default shall not constitute a waiver of the right to exercise the same option, right or power, or any other option, right or power herein contained, as to another or any continuing or subsequent breach or default.

Neither Grantor nor any other person now or hereafter obligated for payment of all or any part of the sums now or hereafter secured by this Deed of Trust shall be relieved of such obligation by reason of the failure of Trustee to comply with any request of Beneficiary or of any other person so obligated to take action to foreclose on this Deed of Trust or otherwise enforce any provision of this Deed of Trust or the Loan Agreement or by reason of the release regardless of consideration of all or any part of the security held for the indebtedness secured by this Deed of Trust or by reason of any agreement or stipulation between any subsequent owner of the Secured Property and Beneficiary extending the time of payment or modifying the terms of this Deed of Trust, and Grantor and all such other persons shall continue to be liable to make payments according to the terms of any such agreement, unless expressly released and discharged in writing by Beneficiary or otherwise in accordance with the provisions of the Loan Agreement.

14. If all or any part of the Secured Property or an interest therein is sold or transferred by Grantor (except as may be permitted by the Loan Agreement and the Indenture of Trust herein described) without the prior written consent of the Beneficiary, the Beneficiary may, at its option, declare all sums secured by this Deed of Trust to be immediately due and payable.

15. It is further understood and agreed between the parties hereto that if any term or provision of this Deed of Trust or of the Loan Agreement hereby secured shall contravene or be in conflict with any law of the State of West Virginia or any other applicable law or regulation, such term or provision is amended and modified to conform with such law.

16. It is further understood and agreed by and between the parties hereto that all of the representations, covenants, conditions, agreements, warranties and provisions of said parties herein contained shall extend to and bind Grantor, its successors and assigns, and shall inure to the benefit of Beneficiary and Trustee, their successors and assigns. It is further understood and agreed by Grantor that Beneficiary shall have the right to pledge and assign its rights, title and interests under this Deed of Trust without obtaining the consent of Grantor.

17. Unless the context shall otherwise indicate, words importing the singular shall include the plural, words importing persons shall include firms, associations and corporations, and vice versa, words importing the masculine, feminine and neuter gender shall be deemed to include all such genders, and the terms "hereof," "hereby," "hereunder" and "herein" shall refer to this Deed of Trust.

18. This Deed of Trust may be executed in any number of counterparts, each of which shall be an original and constitute but one and the same.

[Remainder of Page Intentionally Blank]

WITNESS the following signature:

[SEAL]

PUTNAM COUNTY BUILDING COMMISSION

By _____
Its Chairman

STATE OF WEST VIRGINIA,

COUNTY OF PUTNAM, TO WIT:

The foregoing instrument was acknowledged before me this 15th day of July, 2008, by Frank Armada, Chairman of PUTNAM COUNTY BUILDING COMMISSION, a West Virginia public corporation, on behalf of such corporation.

My commission expires: Feb. 26, 2016.

[SEAL]
OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
SHERYL A. OTEY
PUTNAM COUNTY COMMISSION
3389 WINFIELD ROAD
WINFIELD, WV 25213
My commission expires Feb. 26, 2016

Sheryl A. Otey
Notary Public

This foregoing instrument was prepared by John C. Stump, Attorney at Law, of Steptoe & Johnson PLLC, Charleston, West Virginia.

07.14.08
191700.00002

"SCHEDULE A - REAL ESTATE"

EXHIBIT A

The water line will be constructed within the West Virginia Department of Highways ("DOH") right-of-way, more particularly described as follows:

Line 1 – Beech Hill Road (County Route 31/1) running approximately 5,920 feet along Beech Hill Road, within the DOH right-of-way for its entire length.

Line 2 – Dry Branch (County Route 7/12) beginning at the WVAW Heizer Creek Booster Station located on Heizer Creek Road, then following the existing stone and asphalt road due east up hill, through a private right-of-way twenty (20) feet in width and approximately 2,200 feet in length granted by Carolyn Hayford (Tax Map 178 – Parcel 6), Putnam County, Deed Book No. 199 – Page No. 146, to its intersection with Dry Ridge Road, then turning south and following along Dry Ridge road within the DOH right-of-way for approximately 6,747 feet, then continuing for another 5,382 feet within the DOH right-of-way to its point of termination. A short length of water line will be constructed off of the main line, thru a private easement 20 feet in width and approximately 250 feet in length granted by Junior C. Lane and Margaret K. Lane (Tax Map Union 3 – Parcel 38), Kanawha County, Deed Book No. 2427, Page No. 544.

Line 3 – Lake Hollow / Sycamore Ridge begins at the end of the existing WVAW water line in Lake Hollow Road and runs southwest within the DOH right-of-way for approximately 1,070 feet where it enters a private right-of-way twenty (20) feet in width and approximately 150 feet in length granted by Nathan Easter (Tax Map 251 – Parcel 31), Putnam County, Deed Book No. 403 – Page No. 222. The line then returns to DOH right-of-way and continues west along Lake Hollow Road for approximately 1,375 feet to the intersection with Sycamore Ridge Road. The main line then turns north and runs along Sycamore Ridge Road staying in the DOH right-of-way for approximately 6,305 feet to its point of termination.

Line 3A – Sycamore Ridge is a branch line off of Line 3. It begins at the intersection of Lake Hollow Road and Sycamore Ridge Road and runs south along Sycamore Ridge Road within the DOH right-of-way for approximately 2,330 feet to the end of the line.

Line 4 – Lime Kiln Road begins at the end of the existing water line in Lime Kiln Road approximately 0.43 miles south of the intersection with Steel Ridge Road and runs due south within the DOH right-of-way for approximately 3,647 feet to a point where the water line enters a private right-of-way twenty (20) feet in width and approximately 425 feet in length granted by Kelly S. Good (Tax Map No. 164 – Parcel 7), Putnam County, Deed Book No. 346 – Page No. 570. The line then returns to DOH right-of-way and continues south for approximately 1,525 feet where it turns east, staying in the DOH right-of-way for approximately 3,617 feet to a point where the line again enters a private right-of-way twenty (20) feet in width and approximately 100 feet in length granted by Greg W. Bane (Tax Map No. 164 – Parcel 9), Putnam County, Deed Book No. 353 – Page No. 292. The line then returns to DOH right-of-way and continues east for 783 feet to another private right-of-way 20 feet in width and approximately 50 feet in length granted by Greg W. Bane (Tax Map No. 164 – Parcel 9), Putnam County, Deed Book No. 353 – Page No. 292. The water line then returns to DOH right-of-way for about 900 feet before again entering private right-of-way 20 feet in width and approximately 100 feet in length granted by Danny P. Wolfe and Mary L. Wolfe (Tax Map 164 – Parcel 12), Putnam County, Deed Book No. 457 – Page No. 576, to get around an existing 36-inch CMP culvert. The line then continues southeast within the DOH right-of-way for approximately 550 feet to another private right-of-way 20 feet in width and approximately 100 feet in length granted by Danny P. Wolfe and Mary L. Wolfe (Tax Map 164 – Parcel 12), Putnam County, Deed Book No. 457 – Page No. 576. The water main then continues south for approximately 1,355 feet to its point of termination.

Line 4A is a branch line off of Line 4 where 825 feet of PVC will be installed entirely within private right-of-way granted by Kelly S. Good and Joseph T. Good (Tax Map 164 – Parcel 7), Putnam County, Deed Book No. 346 – Page No. 570; Clayton Goddard (Tax Map 163 – Parcel 12), Putnam County, Deed Book No. AB53 – Page No. 767; and

Danny Joe Hughes (Tax Map 163 – Parcel 22), Putnam County, Deed Book No.205 – Page 170.

Line 4B is also a branch line off of Line 4 where 500 feet of PVC will be installed entirely within private right-of-way granted by Greg W. Bane (Tax Map 164 – Parcel 9), Putnam County, Deed Book No. 353 – Page No. 292.

Line 5 – Old Delta Road begins at the point of connection to WVAW's existing water main in WV Route 62, then running due north within the existing DOH right-of-way of WV County Route 18 (Paul Davis Road) for approximately 470 feet where it turns west and enters into a private right-of-way 20 feet in width and approximately 890 feet in length granted by Martin Properties LLC, c/o C. Gates (Tax Map 216D – Parcels 131-135, 124-128,110-121, 123, and 129), Putnam County, Deed Book 475, Page 125. The main line returns to DOH right-of-way for approximately 25 feet, then enters Norfolk Southern Railway right-of-way for approximately 66 feet and continues due west to North Glen Street where it turns north and enters private right-of-way, 20 feet in width and approximately 550 feet in length granted by the following: Vernon Clark, Tax Map 216D – Parcel 105, Deed Book No. 227 – Page 195; Mamie L. Devore, Tax Map 216D – Parcel 79, Deed Book 37 – Page 160; Mark E. Parsons, Tax Map 216D – Parcels 60, 77, & 78, Deed Book 421 – Page 689; and Martin Properties LLC, Tax Map 216D – Parcel 35, Deed Book 475 – Page 125, to its point of termination.

Line 5A is a spur line off of Line 5, running along South Glenn St. for a distance of 850 feet all within a 20 foot wide private right-of-way obtained from the following: Martin Properties LLC, Tax Map 216D – Parcels 61 thru 64, 80 thru 84, and 106 thru 109, in Deed Book 475 – Page 125.

Line 6 – Panther Lick Drive begins at the connection point to WVAW's existing water main in WV County Route 54 and runs nearly due north for approximately 5,225 feet along WV County Route 50/1 (Panther Lick Road), all within the WV DOH right-of-way.

Line 7 – Woods Drive begins at the connection point near the end of WVAW's existing water main in Woods Drive and runs due west for approximately 545 feet within the WV DOH right-of-way to a private easement 20 feet in width and approximately 60 feet in length obtained from Lisle E. Burns, Tax Map 274 – Parcel 1, Deed Book 337 – Page 549. The main then continues west for approximately 2,705 feet within the DOH right-of-way until it again enters a private right-of-way 20 feet in width and approximately 100 feet in length, and then to a 25 x 25 foot easement all granted by William D. Saul, Tax Map 273 – Parcel 17, Deed Book 447 – Page 418. The line then returns to DOH right-of-way and runs southeast for 637 feet before turning west and continuing within the DOH right-of-way for approximately 2,545 feet to its point of termination.

STATE OF WEST VIRGINIA, Putnam County Commission Clerk's Office 08/26/2008. The foregoing Trust Deed together with the certificate of its acknowledgment, was this day presented in said office and admitted to record.

Teste: _____ Clerk

10

Doc ID: 002500210010 Type: ASC
Recorded: 08/26/2008 at 09:23:13
Fee Amt: $0.00 Page 1 of 10
Putnam County Clerk
Brian Wood County Clerk
BK 47 PG 300-309

John Stump P.O. Box 1588 Chas. WV 25326-1588

ASSIGNMENT OF LEASE AND RENTS

THIS ASSIGNMENT is made as of the 23rd day of July, 2008, by the PUTNAM COUNTY BUILDING COMMISSION, a public corporation and county building commission under the laws of the State of West Virginia, having an address of 89 Winfield Road, Winfield, West Virginia 25213 (hereinafter referred to as the "Assignor"), to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia, having a mailing address of 180 Association Drive, Charleston, West Virginia, 25311 (hereinafter referred to as the "Assignee").

WITNESSETH

WHEREAS, the Assignee has purchased the Assignor's Waterworks Lease Revenue Bonds, Series 2008 A, in the aggregate principal amount of $2,914,000, of even date herewith (hereinafter referred to as the "Bond");

WHEREAS, the Bond is referred to in that certain Loan Agreement of even date herewith by and between the Assignor and the Assignee (hereinafter referred to as the "Loan Agreement") and is in all respects subject to the provisions thereof;

WHEREAS, the payment of the indebtedness evidenced by the Bond is secured, in part, by a Deed of Trust, Security Agreement and Fixture Filing (hereinafter referred to as the "Deed of Trust") of even date herewith, executed by the Assignor in favor of the Assignee, encumbering real property and the improvements located thereon and certain personal property in Putnam County, West Virginia (hereinafter referred to as the "Mortgaged Property");

WHEREAS, the Mortgaged Property is to be operated and maintained by West Virginia-American Water Company (hereinafter referred to as the "Company") under and pursuant to an Agreement by and among the Assignor, the Company and The County Commission of Putnam County (hereinafter referred to as the "Series 2000 B O & M Agreement");

WHEREAS, the Bond, the Loan Agreement, the Deed of Trust, this Assignment and all other documents and instruments evidencing or securing repayment of, or otherwise pertaining to and executed and delivered in connection with, the Assignee's purchase of the Bond are hereinafter collectively referred to as the "Bond Documents"; and

WHEREAS, the Assignee requires, as additional security for the complete payment of the Bond and the performance, observance and fulfillment of all of the indebtedness, covenants, obligations, conditions, warranties, agreements and undertakings (hereinafter sometimes referred to as the "Mortgaged Indebtedness") contained in the Bond Documents, an assignment of Assignor's interest in that certain Agreement and Lease of Series 2008 A Facilities (the "Lease"), dated July 23, 2008, between Assignor, as Lessor (hereinafter sometimes referred to as the "Lessor"), and The County Commission of Putnam County, as Lessee (hereinafter referred to as the "Lessee"), and which will be recorded in the office of the Clerk of The County Commission of Putnam County, West Virginia.

NOW THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby transfer, assign, deliver and grant a security interest to the Assignee as follows:

1. Assignment of Lease. The Assignor hereby presently and irrevocably assigns and transfers to the Assignee all of the Assignor's right, title, and interest in and to the Lease, together with all extensions, renewals, amendments, modifications and replacements thereof. This Assignment is a present, absolute and unconditional assignment, and immediately upon the execution and delivery hereof, this Assignment shall give the Assignee the right to collect all rents, revenues, royalties, issues, profits, insurance proceeds, condemnation awards, license fees, concession fees and all other income and security of every kind and nature (hereinafter collectively referred to as "the Rents") due to the Assignor under or by virtue of the Lease.

2. License to Collect. The Assignee hereby grants to the Assignor a license to collect the Rents as such Rents respectively become due and to enforce the Lease, so long as there is no Event of Default hereunder or under any of the other Bond Documents. The Assignor shall hold the Rents, or such portion of the Rents as is sufficient to discharge all sums currently due under the Bond Documents, in trust for use in satisfaction of the Mortgaged Indebtedness. The Assignor hereby irrevocably authorizes and directs the Lessee, upon receipt of a written notice from the Assignee so demanding, to pay all Rents due or which become due under the Lease to the Assignee and to continue to do so until otherwise notified by the Assignee. The Lessee shall not have any obligation to determine whether or not an Event of Default does in fact exist.

Notwithstanding anything contained herein to the contrary, the Assignor agrees that the Assignee, and not the Assignor, shall be and is deemed to be the creditor of the Lessee under the Lease with respect to any and all of the Rents which may be payable on account of a default by the Lessee under the Lease, including, without limitation, any damages or further rentals payable on account of or after such default, and in respect of all assignments for the benefit of creditors and bankruptcy, reorganization, insolvency, dissolution or receivership proceedings affecting the Lessee (without any obligation on the part of the Assignee, however, to file or make timely filings of claims in such proceedings or otherwise to pursue creditor's rights thereon), and the Assignee shall have the option to apply any money received or receivable by the Assignee as such creditor in reduction of the Mortgaged Indebtedness, whether or not an Event of Default under any of the Bond Documents shall then exist.

3. Warranties of Assignor. The Assignor hereby warrants and represents the following:

(i) The Assignor is the sole holder of the Lessor's or owner's interest in and under the Lease and has the legal right to sell, assign, transfer and set over the Lease and the Rents to the Assignee;

(ii) The Lease submitted to the Assignee is a true, accurate and complete copy of the Lease, and all addenda thereto;

(iii) The Lease submitted to the Assignee constitutes the entire agreement between the parties thereto, and there are no agreements, amendments, modifications, undertakings, representations or warranties, either oral or written, which have not been submitted to the Assignee;

(iv) The Lease is valid, in full force and effect, and enforceable in accordance with its terms;

(v) Neither the Assignor nor the Lessee has commenced any action or given or served any notice for the purpose of terminating the Lease; and

(vi) No rental concession nor any other waiver, release, reduction, discount or other alteration of the Rents due or to become due has been granted to the Lessee for any period subsequent to the effective date of this Assignment.

4. Covenants of the Assignor. The Assignor hereby covenants and agrees that the Assignor:

(i) Shall fulfill, perform and observe (or cause to be fulfilled, observed and performed) all of the duties, covenants and obligations of the Assignor under the Lease;

(ii) Shall give prompt written notice to the Assignee of any default or claim of default by the Assignor or the Lessee under the Lease, along with a complete copy of any written notice of such default or claim of default;

(iii) Shall enforce (in a manner satisfactory to the Assignee and short of termination of the Lease) the performance by the Lessee of all of its duties, covenants and obligations under the Lease;

(iv) Shall appear in and defend any action or proceeding arising under the Lease;

(v) Shall not alter, modify, amend, release, replace, terminate or cancel the Lease, nor accept a surrender of the Lease, nor waive any term or condition of the Lease without the prior written consent of Assignee, which consent may be withheld in the Assignee's sole and absolute discretion;

(vi) Shall not collect nor accept any Rents more than one (1) month in advance of the time any such Rents becomes due;

(vii) Shall not consent to the assignment of the Lessee's interest under the Lease, nor consent to any subletting thereunder, without the prior written consent of the Assignee, which consent may be withheld in the Assignee's sole and absolute discretion;

(viii) Shall not take any action (or allow any action to be taken) that may impair the security of the Lease;

(ix) Shall not subordinate the Lease to any lien other than the lien of the Deed of Trust, nor permit, consent or agree to any such subordination;

(x) Shall not take any action which may cause or permit the estate of the Lessee under the Lease to merge with the Assignor's interest in the Mortgaged Property;

(xi) Shall not commit or suffer any violation of law in connection with the Lease;

(xii) Shall not allow the premises demised under the Lease to be abandoned or vacated; and

(xiii) Shall not execute any further assignment of the Assignor's interest under the Lease, nor any assignment of the Rents or any interest therein and shall not suffer or permit any such assignment to occur by operation of law.

5. Covenant of the Assignee. Upon the complete payment of the Bond and payment of the Mortgaged Indebtedness, this Assignment shall be deemed terminated and released by the Assignee without further action and shall thereupon be of no further force or effect. The Assignor agrees that an affidavit, certificate, letter or statement of any officer, agent or attorney of the Assignee indicating that any part of the Mortgaged Indebtedness remains outstanding shall be deemed conclusive evidence of the validity, effectiveness and continuing force of this Assignment and any Person may and is hereby authorized to rely thereon. Notwithstanding the foregoing, the recording of a duly authorized and executed release of the Deed of Trust shall likewise discharge this Assignment.

6. Events of Default. Each of the following shall constitute an Event of Default hereunder:

(i) The occurrence of an Event of Default under any of the Bond Documents;

(ii) Any breach by the Assignor of any covenant, agreement, duty, obligation or condition of this Assignment; and

(iii) If any representation or warranty by the Assignor contained in this Assignment proves to be false or misleading in any respect.

7. Remedies. Upon an Event of Default hereunder and at any time thereafter (without in any way waiving such Event of Default), at the Assignee's option and without notice or demand of any kind, and without regard to the adequacy of security for the complete payment and performance of the Mortgaged Indebtedness, the Assignee may exercise any or all of the following remedies, either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court:

(i) Declare all of the Mortgaged Indebtedness immediately due and payable;

(ii) Take physical possession of the Mortgaged Property and of all books, records, documents and accounts relating to the Mortgaged Property and the Assignor's business thereon, and (at the Assignor's sole cost and expense) hold, lease, manage, maintain and operate the Mortgaged Property and the Assignor's business thereon (on such terms and for such period of time as the Assignee, in its sole and absolute discretion, may deem proper) without any interference whatsoever from the Assignor;

(iii) With or without taking possession of the Mortgaged Property, collect the Rents (including those past due and unpaid) and any other sums owing under the Lease and, in the Assignee's sole and absolute discretion, apply such Rents to the payment of (a) all expenses of managing the Mortgaged Property, including, without limitation, the salaries, fees and wages of a managing agent and such other employees as the Assignee, in its sole and absolute discretion, may deem necessary or desirable, and all expenses of operating and maintaining the Mortgaged Property, including, without limitation, all taxes, charges, claims, assessments, water rents, sewer rents and any other liens, and premiums for all insurance which the Assignee, in its sole and absolute discretion, may deem necessary or desirable, and the cost of all alternations, renovations, repairs or replacements, and all expenses incident to taking and retaining possession of the Mortgaged Property; and (b) the Mortgaged Indebtedness;

(iv) Institute any legal or equitable action (in either the Assignor's or the Assignee's name) which the Assignee, in its sole and absolute discretion, deems desirable to collect any or all of the Rents;

(v) Perform any or all obligations of the Assignor under the Lease or this Assignment and to take such actions as the Assignee deems appropriate to protect its security, including, without limitation:

(a) Appearing in any action or proceeding affecting the Lease or the Mortgaged Property;

(b) Executing a new Lease, and modifying, terminating or cancelling the existing Lease;

(c) Collecting, modifying and compromising any Rents payable under the Lease; and

(vi) Exercise any other rights and remedies permitted to the Assignee under applicable law.

All costs and expenses incurred by the Assignee in connection with any actions taken pursuant to this Section 7, including, without limitation, attorneys' fees and expenses and court costs, shall be a demand obligation of the Assignor to the Assignee, shall bear interest at the rate specified in the Bond and shall be secured hereby and by the Deed of Trust as fully and effectively and with the same priority as every other obligation of the Assignor hereunder.

The foregoing rights and remedies are in addition to all other rights and remedies afforded to the Assignee under any of the other Bond Documents or at law or in equity, by statute or otherwise, all of which are hereby reserved by the Assignee, and this Assignment is made and accepted without prejudice to any such rights and remedies. The exercise by the Assignee of any of the rights or remedies granted to it in this Assignment, including, without limitation, the collection of the Rents and the application thereof as herein provided, shall not be considered a waiver of any default hereunder or under any of the Bond Documents. All of the rights and remedies of the Assignee under the Bond Documents shall be separate and cumulative and may be exercised concurrently or successively in the Assignee's sole and absolute discretion. The exercise of any right or remedy by the Assignee hereunder shall not be considered to be a waiver or any of the Assignee's other rights or remedies hereunder or under any of the other Bond Documents; in particular, but without limitation, the Assignee's exercise of its rights to collect and receive Rents shall not preclude the Assignee from simultaneously or subsequently electing to take possession of the Mortgaged Property, nor shall the Assignee's exercise of its rights or remedies with respect to the Lease, or any portion of the Mortgaged Property (which exercise shall be expressly permitted, at the Assignee's option) preclude the Assignee from simultaneously or subsequently electing to exercise any of its rights or remedies with respect to any other portion of the Mortgaged Property. No failure or delay on the part of the Assignee to exercise any such right or remedy shall operate as a wavier thereof. Notwithstanding the foregoing, nothing contained in this Assignment and no entry by the Assignee upon the Mortgaged Property as herein provided shall be construed so that the Assignee shall be deemed to be a mortgagee in possession.

Any failure or delay by the Assignee to insist upon the strict performance of or compliance with any of the terms, conditions, covenants or warranties hereof shall not be deemed to be a waiver of any of the terms, conditions, covenants and provisions hereof, and the Assignee, notwithstanding any such failure or delay, shall have the right thereafter to insist upon the strict performance of and compliance with any and all of the terms and provisions hereof. No waiver at any time of any of the terms, conditions, covenants or provisions of this Assignment shall be construed as a waiver of any other term, condition, covenant or provision of this Assignment; nor shall such a waiver in any one instance be construed as a waiver of the same term, condition, covenant or provision in any subsequent instance or circumstance. The Assignee shall not, by any act, delay, omission or otherwise, be deemed to have waived any of its rights or remedies hereunder or under any of the other Bond Documents unless such waiver is in writing and signed by the Assignee, and then, only to the extent specifically set forth therein.

The Assignor does hereby make, constitute and appoint the Assignee, or any officer or agent designated by the Assignee, the Assignor's true and lawful attorney-in-fact, with power of substitution, at any time after an Event of Default, to

(i) Endorse the name of the Assignor upon any notes, checks, drafts, money orders, or other instruments of payment with respect to the Lease and with respect to all Rents in connection therewith;

(ii) Give such notice and directions, in writing or otherwise, to the United States Post Office as may be necessary to effect delivery to the Assignee or any of its designated agents of all mail addressed to the Assignor; and

(iii) Take possession of the Mortgaged Property, and to have, hold, manage, lease and operate the same, subject to Series 2000 B O & M Agreement, hereby granting unto the Assignor's said attorney full power to do any and all things necessary to be done in and about the Mortgaged Property as fully and effectually as the Assignor might or could do, and hereby ratifying all that said attorney shall do or cause to be done by virtue hereof.

The power of attorney conferred on the Assignee pursuant to the provisions of this Section 7, being coupled with an interest, shall be irrevocable until all of the Mortgaged Indebtedness is fully paid and performed and shall not be affected by any disability or incapacity which the Assignor may suffer and shall survive the same. Such power of attorney is provided solely to protect the interests of the Assignee and shall not impose any duty on the Assignee to exercise any such power, and neither the Assignee nor such attorney-in-fact shall be liable for any act, omission, error in judgment or mistake of law, except as the same may result from its gross negligence or wilful misconduct.

8. Application of Proceeds. Any amounts collected by the Assignee hereunder shall be applied by the Assignee, without marshaling of assets, towards the payment of the Mortgaged Indebtedness in such order as the Assignee shall determine in its sole and absolute discretion.

9. No Liability. Nothing in this Assignment shall be construed to impose any obligation on or responsibility from the Assignee to the Assignor, nor from the Assignee to the Lessee or any other third party, for:

(i) The control, care, management or repair of the Mortgaged Property;

(ii) The performance of any of the Assignor's obligations under the Lease;

(iii) For any waste committed on the Mortgaged Property;

(iv) For any dangerous or defective condition on or under the Mortgaged Property;

(v) The Assignee's failure to let the Mortgaged Property after an Event of Default hereunder or from any other act or omission of the Assignee in managing the Mortgaged Property after an Event of Default hereunder; or

(vi) For any negligence in the management, upkeep, repair or control of the Mortgaged Property resulting in loss or injury or death to any Lessee, licensee, employee or other party.

10. Indemnification. To the extent permissible under the Constitution and laws of the State, the Assignor shall indemnify and hold the Assignee harmless from and against all obligations, liabilities, losses, costs, claims, expenses, fines, penalties and damages (including, without limitation, attorneys' fees and expenses and court costs) which the Assignee may incur:

(i) By reason of this Assignment including without limitation the exercise of any right or remedy hereunder;

(ii) In connection with the Lease (including, without limitation, all claims and demands which may be asserted against the Assignee by reason of any alleged obligation or undertaking on its part to perform or discharge any of the terms, covenants or agreements contained in the Lease); and

(iii) With regard to the Mortgaged Property.

The Assignor shall defend the Assignee against any claim or litigation involving the Assignee for the same, with counsel approved by the Assignee, and should the Assignee incur any such obligation, liability, loss, cost, expense, fine, penalty or damage, then the Assignor shall reimburse the Assignee for such amounts upon demand, and upon the failure of the Assignor so to do, the Assignee may, at its option, declare the entire Mortgaged Indebtedness immediately due and payable. Notwithstanding anything to the contrary contained herein, the Assignee shall have the option of conducting its own defense with counsel of the Assignee's selection, but at the expense of the Assignor. The foregoing indemnification agreement shall also include all costs incurred by the Assignee in connection with the enforcement of said indemnification agreement.

Any amounts owed to the Assignee under this Section 10 shall be a demand obligation, shall bear interest at the rate specified in the Bond, and, to the extent permitted by law, shall be added to the Mortgaged Indebtedness and shall be secured by the lien of this Assignment as fully and effectively and with the same priority as every other obligation of the Assignor secured hereby. The provisions of this Section 10 shall survive the complete payment and performance of the Mortgaged Indebtedness and the foreclosure of the Deed of Trust.

11. Modifications, Etc. The Assignor hereby consents and agrees that, at any time and from time to time, without notice to or further consent from the Assignor and either with or without consideration, the Assignee may surrender any property or other security of any kind or nature whatsoever held by the Assignee or by any Person on the Assignee's behalf or for the Assignee's account, securing the

Mortgaged Indebtedness; substitute for any collateral so held by the Assignee, other collateral of like kind, or of any kind; agree to modification of the terms of and of the Bond Documents; extend or renew Bond Documents (for any period and upon such terms and conditions as Assignee, in its sole and absolute discretion, may deem desirable), grant releases, compromises and indulgences with respect to any of the Bond Documents to any person now or hereafter liable thereunder or hereunder; release any guarantor or endorser of any of the Bond Documents; or take or fail to take any action of any type whatsoever; and no such action which the Assignee shall take or fail to take in connection with any of the Bond Documents, or any security for the payment and performance of the Mortgaged Indebtedness, nor any course of dealing with the Assignor or any other person, shall release the Assignor's obligations hereunder, affect this Assignment in any way or afford the Assignor any recourse against the Assignee.

12. Successors and Assigns. This Assignment shall (i) be binding on the Assignor and the Assignor's successors and assigns and (ii) inure to the benefit of the Assignee or any other Person who may now or hereafter hold any interest in the Bond and their respective successors and assigns.

13. Severability. If any section, paragraph, clause or provision of the Assignment should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Assignment.

14. Notices. Any notice, request, demand, statement or consent made hereunder shall be given as provided in the Lease.

15. Governing Law. This Assignment shall be construed, and the rights and obligations of the Assignee and the Assignor shall be determined, in accordance with the laws of the State of West Virginia.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their proper officers thereunto duly authorized all as of the day and year first hereinabove written.

PUTNAM COUNTY BUILDING COMMISSION

By: _____
Its Chairman

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By: _____
Its Director

STATE OF WEST VIRGINIA
COUNTY OF Putnam, to-wit:

I, Sheryl A. Otey, a Notary Public in and for said State and County, do hereby certify that Frank Armada, Chairman of the PUTNAM COUNTY BUILDING COMMISSION, whose name is signed to the writing above, has this day acknowledged the same before me on behalf of said corporation.

Given under my hand this 15th day of July, 2008.

My commission expires Feb. 26, 2016.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
SHERYL A. OTEY
PUTNAM COUNTY COMMISSION
3389 WINFIELD ROAD
WINFIELD, WV 25213
My commission expires Feb. 26, 2016

Sheryl A. Otey
Notary Public

STATE OF WEST VIRGINIA
COUNTY OF KANAWHA, to-wit:

I, BARBARA J. PAULEY, a Notary Public in and for said State and County, do hereby certify that Chris Jarrett, Director of the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, whose name is signed to the writing above, has this day acknowledged the same before me on behalf of said corporation.

Given under my hand this 23RD day of July, 2008.

My commission expires December 21, 2017.

Official Seal
Notary Public
State of West Virginia
Barbara J. Pauley
Water Development Authority
180 Association Drive
Charleston, WV 25311
My commission expires December 21, 2017

Barbara J. Pauley
Notary Public

This instrument was prepared by: John C. Stump, Esquire, Steptoe & Johnson PLLC, Charleston, West Virginia

07.14.08
191700.00002

STATE OF WEST VIRGINIA, Putnam County Commission Clerk's Office
08/26/2008. The foregoing Assignment together with the certificate of its acknowledgment, was this day presented in said office and admitted to record.

Teste: _____ Clerk

IC-1
(11/01/04)

LOAN AGREEMENT

THIS LOAN AGREEMENT, made and entered into in several counterparts, by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), acting on behalf of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council"), and the governmental agency designated below (the "Governmental Agency").

PUTNAM COUNTY BUILDING COMMISSION

(Governmental Agency)

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 31, Article 15A of the Code of West Virginia, 1931, as amended (the "Act"), the Authority is empowered upon request of the Council to make loans to governmental agencies for the acquisition or construction of projects by such governmental agencies, subject to such provisions and limitations as are contained in the Act;

WHEREAS, the Governmental Agency constitutes a governmental agency as defined by the Act;

WHEREAS, the Governmental Agency is authorized and empowered by the statutes of the State to acquire, construct, improve, operate and maintain a project, as defined by the Act, and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by revenue bonds issued by the Governmental Agency;

WHEREAS, the Governmental Agency intends to construct, is constructing or has constructed such a project at the location and as more particularly described and set forth in the Application, as hereinafter defined (the "Project");

WHEREAS, the Governmental Agency has completed and filed with the Authority an Application for a Construction Loan with attachments and exhibits and an Amended Application for a Construction Loan also with attachments and exhibits (together,

1.7 "Local Bonds" means the revenue bonds to be issued by the Governmental Agency pursuant to the provisions of the Local Statute, as hereinafter defined, to evidence the Loan and to be purchased by the Authority, all in accordance with the provisions of this Loan Agreement.

1.8 "Local Statute" means the specific provisions of the Code of West Virginia, 1931, as amended, pursuant to which the Local Bonds are issued.

1.9 "Operating Expenses" means the reasonable, proper and necessary costs of operation and maintenance of the System, as hereinafter defined, as should normally and regularly be included as such under generally accepted accounting principles.

1.10 "Project" means the project hereinabove referred to, to be constructed or being constructed by the Governmental Agency in whole or in part with the net proceeds of the Local Bonds.

1.11 "System" means the project owned by the Governmental Agency, of which the Project constitutes all or to which the Project constitutes an improvement, and any improvements thereto hereafter constructed or acquired from any sources whatsoever.

1.12 Additional terms and phrases are defined in this Loan Agreement as they are used.

ARTICLE II

The Project and the System

2.1 The Project shall generally consist of the construction and acquisition of the facilities described in the Application, to be, being or having been constructed in accordance with plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers, the Authority and Council having found, to the extent applicable, that the Project is consistent with the Act.

2.2 Subject to the terms, conditions and provisions of this Loan Agreement and the Local Act, the Governmental Agency has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers.

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency, subject to any mortgage lien or other security interest as is provided for in the Local Statute unless a sale or transfer of all or a portion of said property or any interest therein is approved by the Authority and Council.

2.4 The Governmental Agency agrees that the Authority and the Council and their duly authorized agents shall have the right at all reasonable times to enter upon the Project site and Project facilities and to examine and inspect the same. The Governmental Agency further agrees that the Authority and the Council and their duly authorized agents and representatives shall, prior to, during and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the Council with respect to the System pursuant to the pertinent provisions of the Act.

2.5 The Governmental Agency shall keep complete and accurate records of the cost of acquiring the Project site and the costs of constructing, acquiring and installing the Project. The Governmental Agency shall permit the Authority and the Council, acting by and through their directors or their duly authorized agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at any and all reasonable times for the purpose of audit and examination, and the Governmental Agency shall submit to the Authority and the Council such documents and information as they may reasonably require in connection with the construction, acquisition and installation of the Project, the operation and maintenance of the System and the administration of the Loan or of any State and federal grants or other sources of financing for the Project.

2.6 The Governmental Agency agrees that it will permit the Authority and the Council and their agents and representatives to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operation thereof or if the Project is an improvement to an existing system at any reasonable time following commencement of construction.

2.7 The Governmental Agency shall require that each construction contractor furnish a performance bond and a payment bond, each in an amount at least equal to one hundred percent (100%) of the contract price of the portion of the Project covered by the particular contract as security for the faithful performance of such contract and shall verify or have verified such bonds prior to commencement of construction.

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Council and the Authority and shall verify or have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Governmental Agency, the Governmental Agency or (at the option of the Governmental Agency) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime

contractor and all subcontractors, as their interests may appear. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Governmental Agency on or before the Date of Loan Closing, as hereinafter defined, and maintained so long as any of the Local Bonds is outstanding. Prior to commencing operation of the Project, the Governmental Agency must also obtain, and maintain so long as any of the Local Bonds are outstanding, business interruption insurance if available at a reasonable cost.

2.9 The Governmental Agency shall provide and maintain competent and adequate engineering services satisfactory to the Council and the Authority covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the Authority, the Council and the Governmental Agency at the completion of construction that construction is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

2.10 The Governmental Agency shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Governmental Agency shall employ qualified operating personnel properly certified by the State to operate the System during the entire term of this Loan Agreement.

2.11 The Governmental Agency hereby covenants and agrees to comply with all applicable laws, rules and regulations issued by the Council, the Authority or other State, federal or local bodies in regard to the construction of the Project and operation, maintenance and use of the System.

2.12 The Governmental Agency, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project, shall each month complete a Monthly Financial Report, the form of which is attached hereto as Exhibit C and incorporated herein by reference, and forward a copy by the 10th of each month to the Authority and Council.

ARTICLE III

Conditions to Loan;
Issuance of Local Bonds

3.1 The agreement of the Authority and Council to make the Loan is subject to the Governmental Agency's fulfillment, to the satisfaction of the Authority and the Council, of each and all of those certain conditions precedent on or before the delivery date for the Local Bonds, which shall be the date established pursuant to Section 3.4 hereof. Said conditions precedent are as follows:

(a) The Governmental Agency shall have performed and satisfied all of the terms and conditions to be performed and satisfied by it in this Loan Agreement;

(b) The Governmental Agency shall have authorized the issuance of and delivery to the Authority of the Local Bonds described in this Article III and in Article IV hereof;

(c) The Governmental Agency shall either have received bids or entered into contracts for the construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application; provided that, if the Loan will refund an interim construction financing, the Governmental Agency must either be constructing or have constructed its Project for a cost and as otherwise compatible with the plan of financing described in the Application; and, in either case, the Authority and the Council shall have received a certificate of the Consulting Engineers to such effect, the form of which certificate is attached hereto as Exhibit A;

(d) The Governmental Agency shall have obtained all permits required by the laws of the State and the federal government necessary for the construction of the Project, and the Authority and the Council shall have received a certificate of the Consulting Engineers to such effect;

(e) The Governmental Agency shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") and the Council necessary for the construction of the Project and operation of the System, with all requisite appeal periods having expired without successful appeal, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority and the Council, to such effect;

(f) The Governmental Agency shall have obtained any and all approvals for the issuance of the Local Bonds required by State law, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

(g) The Governmental Agency shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to establish and impose such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project), with all requisite appeal periods having expired without successful appeal, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority and the Council, to such effect;

(h) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority and the Council shall have received a certificate of the accountant for the Governmental Agency, or such other person or firm experienced in the finances of governmental agencies and satisfactory to the Authority and the Council, to such effect; and

(i) The net proceeds of the Local Bonds, together with all moneys on deposit or to be simultaneously deposited (or, with respect to proceeds of grant anticipation notes or other indebtedness for which a binding purchase contract has been entered, to be deposited on a date certain) and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, shall be sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and the Authority shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of projects and satisfactory to the Authority and the Council, to such effect, such certificate to be in form and substance satisfactory to the Authority and the Council, and evidence satisfactory to the Authority and the Council of such irrevocably committed grants.

3.2 Subject to the terms and provisions of this Loan Agreement, the rules and regulations promulgated by the Authority, the Council or any other appropriate State agency and any applicable rules, regulations and procedures promulgated from time to time by the federal government, it is hereby agreed that the Authority shall make the Loan to the Governmental Agency and the Governmental Agency shall accept the Loan from the Authority, and in furtherance thereof it is agreed that the Governmental Agency shall sell to the Authority and the Authority shall make the Loan by purchasing the Local Bonds in the principal amount and at the price set forth in Schedule X hereto. The Local Bonds shall have such further terms and provisions as described in Article IV hereof.

3.3 The Loan shall be secured and shall be repaid in the manner hereinafter provided in this Loan Agreement.

3.4 The Local Bonds shall be delivered to the Authority, at the offices of the Authority, on a date designated by the Governmental Agency by written notice to the Authority, which written notice shall be given not less than ten (10) business days prior to the date designated; provided, however, that if the Authority is unable to accept delivery on the date designated, the Local Bonds shall be delivered to the Authority on a date as close as

possible to the designated date and mutually agreeable to the Authority, the Council and the Governmental Agency. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of Loan Closing." Notwithstanding the foregoing, the Date of Loan Closing shall in no event occur more than ninety (90) days after the date of execution of this Loan Agreement by the Authority or such later date as is agreed to in writing by the Council.

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Council for loans from the Infrastructure Fund to finance projects and that the obligation of the Authority to make any such loan is subject to the Council=s authorization and the Governmental Agency's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing. The Governmental Agency specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Infrastructure Fund to purchase all the Local Bonds and that, prior to execution of this Loan Agreement, the Authority may commit to and purchase the revenue bonds of other governmental agencies for which it has sufficient funds available.

ARTICLE IV

Local Bonds; Security for Loan; Repayment of Loan; Interest on Loan; Fees and Charges

4.1 The Governmental Agency shall, as one of the conditions of the Authority to make the Loan, authorize the issuance of and issue the Local Bonds pursuant to an official action of the Governmental Agency in accordance with the Local Statute, which shall, as adopted or enacted, contain provisions and covenants in substantially the form as follows, unless the specific provision or covenant is modified or waived by the Council:

(a) That the gross revenues of the System shall always be used for purposes of the System. Such gross revenues shall be used monthly, in the order of priority listed below:

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document and beginning on the date set forth in Schedule X, to provide debt service on the Local Bonds by depositing in a sinking fund one-third (1/3) of the interest payment next coming due on the Local Bonds and one-third (1/3) of the principal payment next coming due on the Local Bonds and, beginning three (3) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds (the AReserve Account@) was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof (which, with an approving opinion of bond counsel to the Governmental Agency, may be with a letter of credit or surety) in an amount

equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the AReserve Requirement@), by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) of the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

(iii) to create a renewal and replacement, or similar, fund in an amount equal to two and one-half percent (2-1/2%) of the gross revenues from the System, exclusive of any payments into the Reserve Account, for the purpose of improving or making emergency repairs or replacements to the System or eliminating any deficiencies in the Reserve Account; and

(iv) for other legal purposes of the System, including payment of debt service on other obligations junior, subordinate and inferior to the Local Bonds.

Provided, that if the Governmental Agency has existing outstanding indebtedness which has greater coverage or renewal and replacement fund requirements, then the greater requirements will prevail until said existing indebtedness is paid in full.

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the gross or net revenues of the System, as more fully set forth in Schedule X attached hereto and in the Local Act;

(ii) That the schedule of rates or charges for the services of the System shall be sufficient to provide funds which, along with other revenues of the System, will pay all Operating Expenses and leave a balance each year equal to at least one hundred fifteen percent (115%) of the maximum amount required in any year for debt service on the Local Bonds and all other obligations secured by a lien on or payable from the revenues of the System prior to or on a parity with the Local Bonds or, if the Reserve Account is funded (whether by Local Bond proceeds, monthly deposits or otherwise) at an amount equal to the Reserve Requirement and any reserve account for any such prior or parity obligations is funded at least at the requirement therefor, equal to at least one hundred ten percent (110%) of the maximum amount required in any year for debt service on the Local Bonds and any such prior or parity obligations;

(iii) That the Governmental Agency shall complete the Project and operate and maintain the System in good condition;

(iv) That, except as otherwise required by State law or with the written consent of the Council and the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Local Bonds

outstanding, with further restrictions on the disposition of portions of the System as are normally contained in such covenants;

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority and the Council; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

(vi) That the Governmental Agency will carry such insurance as is customarily carried with respect to works and properties similar to the System, including those specified by Section 2.8 hereof;

(vii) That the Governmental Agency will not render any free services of the System;

(viii) That the Authority may, by proper legal action, compel the performance of the duties of the Governmental Agency under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or construction of the Project, or both, as provided by law;

(ix) That, to the extent authorized by the laws of the State and the rules and regulations of the PSC, all delinquent rates and charges, if not paid when due, shall become a lien on the premises served by the System;

(x) That, to the extent legally allowable, the Governmental Agency will not grant any franchise to provide any services which would compete with the System;

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority and the Council, which report shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Governmental Agency's

revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(xii) That the Governmental Agency shall annually adopt a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding fiscal year and shall submit a copy of such budget to the Authority and the Council within 30 days of adoption thereof;

(xiii) That, to the extent authorized by the laws of the State and the rules and regulations of the PSC, prospective users of the System shall be required to connect thereto;

(xiv) That the proceeds of the Local Bonds, advanced from time to time, must (a) be deposited in a construction fund, which, except as otherwise agreed to in writing by the Authority, shall be held separate and apart from all other funds of the Governmental Agency and on which the owners of the Local Bonds shall have a lien until such proceeds are applied to the construction of the Project (including the repayment of any incidental interim financing) and/or (b) be used to pay (or redeem) bond anticipation notes or other interim financing of such Governmental Agency, the proceeds of which were used to finance the construction of the Project; provided that, with the prior written consent of the Authority and the Council, the proceeds of the Local Bonds may be used to fund all or a portion of the Reserve Account, on which the owner of the Local Bonds shall have a lien as provided herein;

(xv) That, as long as the Authority is the owner of any of the Local Bonds, the Governmental Agency may not redeem any Local Bonds by it without the written consent of the Authority and the Council and otherwise in compliance with this Loan Agreement;

(xvi) That the West Virginia Municipal Bond Commission (the "Commission") shall serve as paying agent for the Local Bonds;

(xvii) That the Governmental Agency shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required interest, principal and reserve account payment. The Governmental Agency shall complete the Monthly Payment Form, attached hereto as Exhibit D and incorporated herein by reference, and submit a copy of said form along with a copy of the check or electronic transfer to the Authority by the 5th day of such calendar month;

(xviii) That, unless it qualifies for an exception to the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, which exception shall be set forth in an opinion of bond counsel, the Governmental Agency will furnish to the Authority, annually, at such time as it is required to perform its rebate calculations under the

Internal Revenue Code of 1986, as amended, a certificate with respect to its rebate calculations and, at any time, any additional information requested by the Authority;

(xix) That the Governmental Agency shall take any and all action, or shall refrain from taking any action regarding the use of the proceeds of the Local Bonds, as shall be deemed necessary by the Authority to maintain the exclusion from gross income for federal income tax purposes of interest on the State=s general obligation bonds or any bonds secured by the Local Bonds;

(xx) That the Governmental Agency shall have obtained the certificate of the Consulting Engineer in the form attached hereto as Exhibit A, to the effect that the Project has been or will be constructed in accordance with the approved plans, specifications and design as submitted to the Authority and the Council, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of acquisition and construction of the Project and all permits required by federal and State laws for construction of the Project have been obtained;

(xxi) That the Governmental Agency shall, to the full extent permitted by applicable law and the rules and regulations of the PSC, terminate the services of any water facility owned by it to any customer of the System who is delinquent in payment of charges for services provided by the System and will not restore the services of the water facility until all delinquent charges for the services of the System have been fully paid or, if the water facility is not owned by the Governmental Agency, then the Governmental Agency shall enter into a termination agreement with the water provider;

(xxii) That the Governmental Agency shall furnish to the Authority such information with respect to earnings on all funds constituting "gross proceeds" of the Local Bonds (as that term is defined in the Internal Revenue Code of 1986, as amended) from time to time as the Authority may request;

(xxiii) That the Governmental Agency shall submit all proposed change orders to the Council for written approval. The Governmental Agency shall obtain the written approval of the Council before expending any proceeds of the Local Bonds held in Acontingency@ as set forth in the final Schedule B attached to the certificate of the Consulting Engineer. The Governmental Agency shall obtain the written approval of the Council before expending any proceeds of the Local Bonds available due to bid/construction/project underruns;

(xxiv) That the Governmental Agency shall list the funding provided by the Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any groundbreaking or dedication of the Project; and

(xxv) That, unless it qualifies for an exception, the Governmental Agency shall comply with all the requirements of Chapter 21, Article 1C of the Code of West Virginia, 1931, as amended (the AWest Virginia Jobs Act@) and shall require its contractors and subcontractors to comply with the West Virginia Jobs Act. The Governmental Agency shall provide the Council and the Authority with a certificate stating that (I) the Governmental Agency will comply with all the requirements of the West Virginia Jobs Act; (II) the Governmental Agency has included the provisions of the West Virginia Jobs Act in each contract and subcontract for the Project; (III) the Governmental Agency has received or will receive, prior to entering into contracts or subcontracts, from each contractor or subcontractor a certificate demonstrating compliance with Section 4 of the West Virginia Jobs Act or waiver certificates from the West Virginia Division of Labor (ADOL@); and (IV) the Governmental Agency will file with the DOL and the Council copies of the waiver certificates and certified payrolls or comparable documents that include the number of employees, the county and state wherein the employees reside and their occupation, following the procedures established by the DOL. The monthly requisitions submitted to the Council shall also certify that the Governmental Agency is monitoring compliance by its contractors and subcontractors and that the required information has been submitted.

The Governmental Agency hereby represents and warrants that the Local Act has been or shall be duly adopted in compliance with all necessary corporate and other action and in accordance with applicable provisions of law. All legal matters incident to the authorization, issuance, validity, sale and delivery of the Local Bonds shall be approved without qualification by recognized bond counsel acceptable to the Authority in substantially the form of legal opinion attached hereto as Exhibit B.

4.2 The Loan shall be secured by the pledge and assignment by the Governmental Agency, as effected by the Local Act, of the fees, charges and other revenues of the Governmental Agency from the System as further set forth by and subject only to such reservations and exceptions as are described in Schedules X and Y hereto or are otherwise expressly permitted in writing by the Authority and the Council.

4.3 The principal of the Loan shall be repaid by the Governmental Agency on the days and in the years provided in Schedule X hereto. Interest payments on the Loan shall be made by the Governmental Agency on a quarterly basis as provided in said Schedule X.

4.4 The Loan shall bear interest from the date and at the rate or rates per annum set forth on Schedule X hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

4.5 The Local Bonds shall be delivered to the Authority in fully registered form, transferable and exchangeable as provided in the Local Act at the expense of the Governmental Agency. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series, as reflected by Schedule X hereto.

4.6 The Governmental Agency agrees to expend the net proceeds of the Local Bonds for the Project within 3 years of the issuance of the bonds which are the source of money used to purchase the Local Bonds, unless otherwise agreed to by the Council.

ARTICLE V

Certain Covenants of the Governmental Agency; Imposition and Collection of User Charges; Payments To Be Made by Governmental Agency to the Authority

5.1 The Governmental Agency hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Loan Agreement and the Local Act. The Governmental Agency hereby further irrevocably covenants and agrees that, as one of the conditions of the Authority to make the Loan, it has fixed and collected, or will fix and collect, the rates, fees and other charges for the use of the System and will take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and in compliance with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof.

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Local Bonds shall prove to be insufficient to produce the required sums set forth in the Local Act and this Loan Agreement, the Governmental Agency hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges (or where applicable, immediately file with the PSC for a rate increase) and take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and this Loan Agreement.

5.3 In the event the Governmental Agency defaults in the payment due to the Authority pursuant to this Loan Agreement, the amount of such default shall bear interest at the interest rate of the installment of the Loan next due, from the date of the default until the date of the payment thereof.

5.4 The Governmental Agency hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Governmental Agency, the Authority may exercise any or all of the rights and powers granted under the Act and State law, including, without limitation, the right to an appointment of a receiver.

ARTICLE VI

Other Agreements of the Governmental Agency

6.1 The Governmental Agency hereby warrants and represents that all information provided to the Authority and the Council in this Loan Agreement, in the Application or in any other application or documentation with respect to financing the Project was at the time, and now is, true, correct and complete, and such information does not omit any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Prior to the Authority's making the Loan and receiving the Local Bonds, the Authority and the Council shall have the right to cancel all or any of their obligations under this Loan Agreement if (a) any representation made to the Authority and the Council by the Governmental Agency in connection with the Loan shall be incorrect or incomplete in any material respect or (b) the Governmental Agency has violated any commitment made by it in its Application or in any supporting documentation or has violated any of the terms of the Act or this Loan Agreement.

6.2 The Governmental Agency hereby covenants that it will rebate any amounts required by Section 148 of the Internal Revenue Code of 1986, as amended, and will take all steps necessary to make any such rebates. In the event the Governmental Agency fails to make any such rebates as required, then the Governmental Agency shall pay any and all penalties, obtain a waiver from the Internal Revenue Service and take any other actions necessary or desirable to preserve the exclusion from gross income for federal income tax purposes of interest on the Local Bonds.

6.3 Notwithstanding Section 6.2, the Authority may at any time, in its sole discretion, cause the rebate calculations prepared by or on behalf of the Governmental Agency to be monitored or cause the rebate calculations for the Governmental Agency to be prepared, in either case at the expense of the Governmental Agency.

6.4 The Governmental Agency hereby agrees to give the Authority and the Council prior written notice of the issuance by it of any other obligations to be used for the System, payable from the revenues of the System or from any grants for the Project or otherwise related to the Project or the System.

6.5 The Governmental Agency hereby agrees to file with the Authority and the Council upon completion of acquisition and construction of the Project a schedule in substantially the form of Amended Schedule B to the Application, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE VII

Miscellaneous

7.1 Additional definitions, additional terms and provisions of the Loan and additional covenants and agreements of the Governmental Agency, if any, may be set forth in Schedule Z attached hereto and incorporated herein by reference, with the same effect as if contained in the text of this Loan Agreement.

7.2 Schedules X and Y shall be attached to this Loan Agreement by the Authority as soon as practicable after the Date of Loan Closing is established and shall be approved by an official action of the Governmental Agency supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority and the Council.

7.3 The Authority shall take all actions required by the Council in making and enforcing this Loan Agreement.

7.4 If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement, and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

7.5 This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments and take such other actions as may be necessary to give effect to the terms of this Loan Agreement.

7.6 No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

7.7 This Loan Agreement supersedes all prior negotiations, representations and agreements between the parties hereto relating to the Loan and constitutes the entire agreement between the parties hereto in respect thereof.

7.8 The Authority acknowledges that certain terms and requirements in this Loan Agreement may not be applicable when the Project is financed in part by the West Virginia Department of Environmental Protection, Office of Abandoned Mine Lands and under that circumstance those terms and requirements are specifically waived or modified as agreed to by the Authority and set forth in the Local Act.

7.9 By execution and delivery of this Loan Agreement, notwithstanding the date hereof, the Governmental Agency specifically recognizes that it is hereby agreeing to sell its Local Bonds to the Authority and that such obligation may be specifically enforced or subject to a similar equitable remedy by the Authority.

7.10 This Loan Agreement shall terminate upon the earlier of:

(i) the end of ninety (90) days after the date of execution hereof by the Authority or such later date as is agreed to in writing by the Council if the Governmental Agency has failed to deliver the Local Bonds to the Authority;

(ii) termination by the Authority and the Council pursuant to Section 6.1 hereof; or

(iii) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Governmental Agency to the Authority, acting on behalf of the Council.

IN WITNESS WHEREOF, the parties hereto have caused this Loan Agreement to be executed by their respective duly authorized officers as of the date executed below by the Authority.

PUTNAM COUNTY BUILDING COMMISSION

(SEAL)

By: _____
Its: Chairman
Date: July 23, 2008

Attest:

_____
Its: Secretary

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: Executive Director
Date: July 23, 2008

Attest:

_____
Its: Secretary-Treasurer

{C1378842.1}

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

I, _____, Registered Professional Engineer, West Virginia License No. _____, of _____, Consulting Engineers,_____, _____ hereby certify as follows:

1. My firm is engineer for the acquisition and construction of _____ to the _____ system (the "Project") of _____ (the "Issuer"), to be constructed primarily in _____ County, West Virginia, which acquisition and construction are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the same meanings set forth in the bond _____ adopted or enacted by the Issuer on _____, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated _____.

2. The Bonds are being issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by [DEP/BPH/PSC] and any change orders approved by the Issuer, the Council and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least ___years if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B attached hereto as Exhibit A and my firm[1] has ascertained that all

[1]If another responsible party, such as the Issuer=s attorney, reviews the insurance and payment bonds, then insert the following: [and in reliance upon the opinion of _____,

successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the [DEP/BPH/PSC] and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) as of the effective date thereof, [2]the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project set forth in the Schedule B attached hereto and approved by the Council; and (xi) attached hereto as Exhibit A is the final amended ASchedule B - Final Total Cost of Project, Sources of Funds and Costs of Financing@ for the Project.

WITNESS my signature and seal on this ____ day of _____, ___.

[SEAL]

_____

By: _____
West Virginia License No. _____

Esq.] and delete Amy firm has ascertained that@.

[2]If the Rule 42 Exhibit and/or rate structure was prepared by an accountant, then insert the following: AIn reliance upon the certificate of _____ of even date herewith,@ at the beginning of (ix).

EXHIBIT B

OPINION OF BOND COUNSEL FOR GOVERNMENTAL AGENCY

[To Be Dated as of Date of Loan Closing]

West Virginia Infrastructure and
Jobs Development Council
300 Summers Street, Suite 980
Charleston, West Virginia 25301

West Virginia Water Development Authority
180 Association Drive
Charleston, West Virginia 25311

Ladies and Gentlemen:

We are bond counsel to _____ (the "Governmental Agency"), a _____.

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a loan agreement dated _____, _____, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and (ii) the issue of a series of revenue bonds of the Governmental Agency, dated _____, (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are issued in the principal amount of $_____, in the form of one bond, registered as to principal and interest to the Authority, with interest and principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, beginning _____, 1, _____, and ending _____, 1, _____, as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

The Local Bonds are issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond _____ duly adopted or enacted by the Governmental Agency on _____, as supplemented by the supplemental resolution duly adopted by the Governmental Agency on _____ (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Loan Agreement has been undertaken. The Local Bonds are subject to redemption prior

to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

Based upon the foregoing and upon our examination of such other documents as we have deemed necessary, we are of the opinion as follows:

1. The Loan Agreement has been duly authorized by and executed on behalf of the Governmental Agency and is a valid and binding special obligation of the Governmental Agency, enforceable in accordance with the terms thereof.

2. The Loan Agreement inures to the benefit of the Authority and the Council and cannot be amended so as to affect adversely the rights of the Authority or the Council or diminish the obligations of the Governmental Agency without the consent of the Authority and the Council.

3. The Governmental Agency is a duly organized and validly existing _____, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt or enact the Local Act and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Local Act and all other necessary orders and resolutions have been legally and effectively adopted or enacted by the Governmental Agency and constitute valid and binding obligations of the Governmental Agency, enforceable against the Governmental Agency in accordance with their terms. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Local Bonds have been duly authorized, issued, executed and delivered by the Governmental Agency to the Authority and are valid, legally enforceable and binding special obligations of the Governmental Agency, payable from the net or gross revenues of the System set forth in the Local Act and secured by a first lien on and pledge of the net or gross revenues of the System, all in accordance with the terms of the Local Bonds and the Local Act.

6. The Local Bonds are, by statute, exempt _____, and under existing statutes and court decisions of the United States of America, as presently written and applied, the interest on the Local Bonds is excludable from the gross income of the recipients thereof for federal income tax purposes.

No opinion is given herein as to the effect upon enforceability of the Local Bonds of bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights or in the exercise of judicial discretion in appropriate cases.

We have examined the executed and authenticated Local Bond numbered R-1, and in our opinion the form of said bond and its execution and authentication are regular and proper.

Very truly yours,

EXHIBIT C

MONTHLY FINANCIAL REPORT

Name of Governmental Agency _____
Name of Bond Issue(s) _____
Type of Project _____ **Water** _____ **Wastewater**
Fiscal Year _____ **Report Month** _____

Item	Current Month	Total Year To Date	Budget Year To Date	Budget Year To Date Minus Total Year To Date
1. Gross Revenues				
2. Operating Expenses				
3. Bond Payments:				
Type of Issue				
Clean Water SRF				
Drinking Water TRF				
Infrastructure Fund				
Water Development Authority				
Rural Utilities Service				
Economic Development Administration				
Other (Identify)				
_____				
_____				
4. Renewal and Replacement Fund Deposits				

_____
Name of Person Completing Form

_____
Address

_____
Telephone

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

Item 1 You will need a copy of the current fiscal year budget adopted by the Governmental Agency to complete Items 1 and 2. In Item 1, provide the amount of actual **Gross Revenues** for the current month and the total amount year-to-date in the respective columns. Divide the budgeted annual Gross Revenues by 12. For example, if Gross Revenues of $1,200 are anticipated to be received for the year, each month the base would be increased by $100 ($1,200/12). This is the incremental amount for the Budget Year-to-Date column.

Item 2 Provide the amount of actual **Operating Expenses** for the current month and the total amount year-to-date in the respective columns. Any administrative fee should be included in the Operating Expenses. Divide the budgeted annual Operating Expenses by 12. For example, if Operating Expenses of $900 are anticipated to be incurred for the year, each month the base would be increased by $75 ($900/12). This is the incremental amount for the Budget Year-to-Date column.

Item 3 Provide the **Bond Payments (principal, interest and reserve account)** for all the outstanding bonds of the Governmental Agency according to the source of funding. For example, Clean Water State Revolving Fund loan from Department of Environmental Protection, Drinking Water Treatment Revolving Fund loan from Bureau for Public Health, Infrastructure Fund loan from Infrastructure and Jobs Development Council, or a loan from the Water Development Authority, etc.

Item 4 Provide the amount deposited into the **Renewal and Replacement Fund** each month. This amount is equal to 2.5% of Gross Revenues minus the total reserve account payments included in Item 3. If Gross Revenues are $1,200, then $30 (2.5% of $1,200), LESS the amount of all reserve account payments in Item 3 should be deposited into the Renewal and Replacement Fund. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Governmental Agency.

The Governmental Agency must complete the Monthly Financial Report and forward it to the Water Development Authority by the 10th day of each month, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project.

EXHIBIT D

MONTHLY PAYMENT FORM

West Virginia Water Development Authority
180 Association Drive
Charleston, WV 25311

Re: [Name of bond issue]

Ladies and Gentlemen:

The following deposits were made to the West Virginia Municipal Bond Commission on behalf of [Name of Governmental Agency] on [Date].

Sinking Fund:

Interest	$
Principal	$
Total:	$
Reserve Account:	$

Witness my signature this ___ day of_____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Enclosure: copy of check(s)

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds $2,914,000
Purchase Price of Local Bonds $2,914,000

The Local Bonds shall bear no interest. Commencing March 1, 2010, principal on the Local Bonds is payable quarterly. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Governmental Agency shall submit its payments monthly to the Commission which will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority.

The Local Bonds are fully registered in the name of the Authority as to interest, if any, and principal and the Local Bonds shall grant the Authority a first lien on the gross or net revenues of the Governmental Agency's system as provided in the Local Act.

The Governmental Agency may prepay the Local Bonds in full at any time at the price of par but only with the Council's written consent. The Governmental Agency shall request approval from the Authority and Council in writing of any proposed debt which will be issued by the Governmental Agency on a parity with the Local Bonds which request must be filed at least 60 days prior to the intended date of issuance.

As of the date of the Loan Agreement, the Local Bonds are on a parity as to liens, pledge and source of and security for payment with the following obligations of the Governmental Agency:

Putnam County Building Commission Waterworks Lease Revenue Bonds, Series 2000 B (West Virginia Water Development Authority), dated January 27, 2000, issued in the original aggregate principal amount of $3,800,000.

$2,914,000

Putnam County Building Commission
0% Interest Rate; 40 Years
Closing Date: July 23, 2008

Debt Service Schedule

Part 1 of 4

Date	Principal	Coupon	Total P+I
09/01/2008	-	-	-
12/01/2008	-	-	-
03/01/2009	-	-	-
06/01/2009	-	-	-
09/01/2009	-	-	-
12/01/2009	-	-	-
03/01/2010	18,923.00	-	18,923.00
06/01/2010	18,923.00	-	18,923.00
09/01/2010	18,923.00	-	18,923.00
12/01/2010	18,923.00	-	18,923.00
03/01/2011	18,923.00	-	18,923.00
06/01/2011	18,923.00	-	18,923.00
09/01/2011	18,923.00	-	18,923.00
12/01/2011	18,923.00	-	18,923.00
03/01/2012	18,923.00	-	18,923.00
06/01/2012	18,923.00	-	18,923.00
09/01/2012	18,923.00	-	18,923.00
12/01/2012	18,923.00	-	18,923.00
03/01/2013	18,922.00	-	18,922.00
06/01/2013	18,922.00	-	18,922.00
09/01/2013	18,922.00	-	18,922.00
12/01/2013	18,922.00	-	18,922.00
03/01/2014	18,922.00	-	18,922.00
06/01/2014	18,922.00	-	18,922.00
09/01/2014	18,922.00	-	18,922.00
12/01/2014	18,922.00	-	18,922.00
03/01/2015	18,922.00	-	18,922.00
06/01/2015	18,922.00	-	18,922.00
09/01/2015	18,922.00	-	18,922.00
12/01/2015	18,922.00	-	18,922.00
03/01/2016	18,922.00	-	18,922.00
06/01/2016	18,922.00	-	18,922.00
09/01/2016	18,922.00	-	18,922.00
12/01/2016	18,922.00	-	18,922.00
03/01/2017	18,922.00	-	18,922.00
06/01/2017	18,922.00	-	18,922.00
09/01/2017	18,922.00	-	18,922.00
12/01/2017	18,922.00	-	18,922.00
03/01/2018	18,922.00	-	18,922.00
06/01/2018	18,922.00	-	18,922.00
09/01/2018	18,922.00	-	18,922.00
12/01/2018	18,922.00	-	18,922.00
03/01/2019	18,922.00	-	18,922.00
06/01/2019	18,922.00	-	18,922.00

Putnam County Building Commission
0% Interest Rate; 40 Years
Closing Date: July 23, 2008

Debt Service Schedule

Date	Principal	Coupon	Total P+I
09/01/2019	18,922.00	-	18,922.00
12/01/2019	18,922.00	-	18,922.00
03/01/2020	18,922.00	-	18,922.00
06/01/2020	18,922.00	-	18,922.00
09/01/2020	18,922.00	-	18,922.00
12/01/2020	18,922.00	-	18,922.00
03/01/2021	18,922.00	-	18,922.00
06/01/2021	18,922.00	-	18,922.00
09/01/2021	18,922.00	-	18,922.00
12/01/2021	18,922.00	-	18,922.00
03/01/2022	18,922.00	-	18,922.00
06/01/2022	18,922.00	-	18,922.00
09/01/2022	18,922.00	-	18,922.00
12/01/2022	18,922.00	-	18,922.00
03/01/2023	18,922.00	-	18,922.00
06/01/2023	18,922.00	-	18,922.00
09/01/2023	18,922.00	-	18,922.00
12/01/2023	18,922.00	-	18,922.00
03/01/2024	18,922.00	-	18,922.00
06/01/2024	18,922.00	-	18,922.00
09/01/2024	18,922.00	-	18,922.00
12/01/2024	18,922.00	-	18,922.00
03/01/2025	18,922.00	-	18,922.00
06/01/2025	18,922.00	-	18,922.00
09/01/2025	18,922.00	-	18,922.00
12/01/2025	18,922.00	-	18,922.00
03/01/2026	18,922.00	-	18,922.00
06/01/2026	18,922.00	-	18,922.00
09/01/2026	18,922.00	-	18,922.00
12/01/2026	18,922.00	-	18,922.00
03/01/2027	18,922.00	-	18,922.00
06/01/2027	18,922.00	-	18,922.00
09/01/2027	18,922.00	-	18,922.00
12/01/2027	18,922.00	-	18,922.00
03/01/2028	18,922.00	-	18,922.00
06/01/2028	18,922.00	-	18,922.00
09/01/2028	18,922.00	-	18,922.00
12/01/2028	18,922.00	-	18,922.00
03/01/2029	18,922.00	-	18,922.00
06/01/2029	18,922.00	-	18,922.00
09/01/2029	18,922.00	-	18,922.00
12/01/2029	18,922.00	-	18,922.00
03/01/2030	18,922.00	-	18,922.00
06/01/2030	18,922.00	-	18,922.00

$2,914,000 SCHEDULE Y

Putnam County Building Commission

0% Interest Rate; 40 Years

Closing Date: July 23, 2008

Debt Service Schedule

Part 3 of 4

Date	Principal	Coupon	Total P+I
09/01/2030	18,922.00	-	18,922.00
12/01/2030	18,922.00	-	18,922.00
03/01/2031	18,922.00	-	18,922.00
06/01/2031	18,922.00	-	18,922.00
09/01/2031	18,922.00	-	18,922.00
12/01/2031	18,922.00	-	18,922.00
03/01/2032	18,922.00	-	18,922.00
06/01/2032	18,922.00	-	18,922.00
09/01/2032	18,922.00	-	18,922.00
12/01/2032	18,922.00	-	18,922.00
03/01/2033	18,922.00	-	18,922.00
06/01/2033	18,922.00	-	18,922.00
09/01/2033	18,922.00	-	18,922.00
12/01/2033	18,922.00	-	18,922.00
03/01/2034	18,922.00	-	18,922.00
06/01/2034	18,922.00	-	18,922.00
09/01/2034	18,922.00	-	18,922.00
12/01/2034	18,922.00	-	18,922.00
03/01/2035	18,922.00	-	18,922.00
06/01/2035	18,922.00	-	18,922.00
09/01/2035	18,922.00	-	18,922.00
12/01/2035	18,922.00	-	18,922.00
03/01/2036	18,922.00	-	18,922.00
06/01/2036	18,922.00	-	18,922.00
09/01/2036	18,922.00	-	18,922.00
12/01/2036	18,922.00	-	18,922.00
03/01/2037	18,922.00	-	18,922.00
06/01/2037	18,922.00	-	18,922.00
09/01/2037	18,922.00	-	18,922.00
12/01/2037	18,922.00	-	18,922.00
03/01/2038	18,922.00	-	18,922.00
06/01/2038	18,922.00	-	18,922.00
09/01/2038	18,922.00	-	18,922.00
12/01/2038	18,922.00	-	18,922.00
03/01/2039	18,922.00	-	18,922.00
06/01/2039	18,922.00	-	18,922.00
09/01/2039	18,922.00	-	18,922.00
12/01/2039	18,922.00	-	18,922.00
03/01/2040	18,922.00	-	18,922.00
06/01/2040	18,922.00	-	18,922.00
09/01/2040	18,922.00	-	18,922.00
12/01/2040	18,922.00	-	18,922.00
03/01/2041	18,922.00	-	18,922.00
06/01/2041	18,922.00	-	18,922.00

$2,914,000 SCHEDULE Y

Putnam County Building Commission
0% Interest Rate; 40 Years
Closing Date: July 23, 2008

Debt Service Schedule

Date	Principal	Coupon	Total P+I
09/01/2041	18,922.00	-	18,922.00
12/01/2041	18,922.00	-	18,922.00
03/01/2042	18,922.00	-	18,922.00
06/01/2042	18,922.00	-	18,922.00
09/01/2042	18,922.00	-	18,922.00
12/01/2042	18,922.00	-	18,922.00
03/01/2043	18,922.00	-	18,922.00
06/01/2043	18,922.00	-	18,922.00
09/01/2043	18,922.00	-	18,922.00
12/01/2043	18,922.00	-	18,922.00
03/01/2044	18,922.00	-	18,922.00
06/01/2044	18,922.00	-	18,922.00
09/01/2044	18,922.00	-	18,922.00
12/01/2044	18,922.00	-	18,922.00
03/01/2045	18,922.00	-	18,922.00
06/01/2045	18,922.00	-	18,922.00
09/01/2045	18,922.00	-	18,922.00
12/01/2045	18,922.00	-	18,922.00
03/01/2046	18,922.00	-	18,922.00
06/01/2046	18,922.00	-	18,922.00
09/01/2046	18,922.00	-	18,922.00
12/01/2046	18,922.00	-	18,922.00
03/01/2047	18,922.00	-	18,922.00
06/01/2047	18,922.00	-	18,922.00
09/01/2047	18,922.00	-	18,922.00
12/01/2047	18,922.00	-	18,922.00
03/01/2048	18,922.00	-	18,922.00
06/01/2048	18,922.00	-	18,922.00
Total	**$2,914,000.00**	-	**$2,914,000.00**

Yield Statistics

Bond Year Dollars	$60,408.63
Average Life	20.730 Years
Average Coupon	-
Net Interest Cost (NIC)	-
True Interest Cost (TIC)	1.03E-10
Bond Yield for Arbitrage Purposes	1.03E-10
All Inclusive Cost (AIC)	1.03E-10

IRS Form 8038

Net Interest Cost	-
Weighted Average Maturity	20.730 Years

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Issued: July 8, 2008

FINAL
7/19/2008
Per Commission
Order Waiving the
Exception Period

CASE NO. 08-0058-W-PC-CN

WEST VIRGINIA-AMERICAN WATER COMPANY,
COUNTY COMMISSION OF PUTNAM COUNTY and
PUTNAM COUNTY BUILDING COMMISSION

Joint petition for consent and approval of an amendment to the operation and maintenance agreement between West Virginia-American Water Company, County Commission of Putnam County and Putnam County Building Commission for the Project and an application for a certificate of convenience and necessity to construct certain additions and improvements to its existing water distribution system and for approval of financing thereof

RECOMMENDED DECISION

On January 17, 2008, West Virginia-American Water Company ("Water Company"), the County Commission of Putnam County ("County Commission"), and the Putnam County Building Commission ("Building Commission"), by counsel John C. Stump, filed with the Public Service Commission ("Commission"), a joint petition for consent and approval of an amendment to their 2000 B Operation and Maintenance Agreement ("2000 B O&M Agreement") and an application for a certificate of convenience and necessity to construct additions and improvements to the Building Commission's water system. No rate increase was requested. Supporting documentation was filed, including an unexecuted copy of the amendment to the 2000 B O&M Agreement.

Also January 17, 2008, the Commission directed the Petitioners to publish a Notice of Filing, which provided that, if no protest was filed within thirty days after the date of publication, the Commission might waive formal hearing and grant the application based upon its review of the evidence submitted with the application.

Further information was filed on January 23, 2008, including the permit for the project, Permit No. 17,840, issued by the State of West Virginia Office of Environmental Health Services on January 11, 2008.

On January 30, 2008, by Order, the Commission referred this matter to the Division of Administrative Law Judges for decision no later than August 14, 2008, if a timely protest was received, and no later than June 2, 2008, if no such protest was filed.

On February 7, 2008, the Petitioners, by counsel, filed affidavits of publication of the Notice of Filing on January 31 and February 1, 2008, respectively, in The Hurricane Breeze, published in Putnam County, and The Charleston Gazette, published in Kanawha County.

On February 26, 2008, Staff Attorney Meyishi Blair filed an Initial Joint Staff Memorandum, with an attached memorandum from Lisa Bailey, of the Engineering Division, and Bob Cadle, of the Water and Wastewater Division, which included the following information: The proposed project will extend water service to approximately 120 new customers in the Beech Hill Road, Dry Branch Road, Lake Hollow-Sycamore Ridge, Lime Kiln Road, Old Delta Road, Panther Lick Road, and Woods Drive area in Putnam County. The project will consist of installing a total of approximately 71,300 linear feet of two-inch to ten-inch line, a booster station, and appurtenances. The Company will supply the water. The estimated project cost is $3,195,000, to be financed by a $2,914,000 loan from the West Virginia Infrastructure and Jobs Development Council ("WVIJDC"), payable over forty years at an annual 0% interest rate, and a $281,000 contribution from the Water Company.

On April 8, 2008, further information was filed, including a letter from the project manager, clarifying that parts of the project in Kanawha County had been removed from the project.

On April 10, 2008, Ms. Blair filed a Further Initial Joint Staff Memorandum indicating that further information was needed.

On April 18, 2008, the Petitioners, by counsel, filed a motion for tolling the statutory deadline for sixty days, and, on April 23, 2008, the Commission, by Order, granted the motion in part, tolling the deadline for processing the case to September 15, 2008.

On May 23, 2008, the Petitioners, by counsel, filed a request to modify the scope of the project. The Petitioners explained that in February 2008 they had discovered that three of the extensions of the project would extend into Kanawha County, and that they were removing two of those extensions from the project. The only extension that will extend into Kanawha County will be the Dry Branch line and the cost of extending the line into Kanawha County will be allocated to the funding by the Water Company.

On May 29, 2008, the Commission, by Order, accepted the amendment to the project and extended the ALJ decision due date to August 1, 2008, in order that the modified project could be properly considered.

On June 3, 2008, the undersigned issued a Procedural Order requiring Staff to file its final memorandum no later than June 30, 2008.

On June 30, 2008, Ms. Blair filed a Third Further Initial Joint Staff Memorandum, with an attached memorandum from Ms. Bailey and Mr. Cadle, pointing out the following: This project is the result of a public/private partnership of the parties; the mains will be owned by the Building Commission, but will be operated and maintained by the Water Company. The project will provide water service to seven residential areas and will add a total of approximately 111 customers to the Building Commission's customer base; it will also provide adequate fire protection to all of the seven areas save the Panther Lick area. The potential customers currently rely on shallow wells, cisterns, etc., which do not provide them adequate and safe water. The water will be supplied by the Water Company's Kanawha Valley Treatment Plant. The treatment plant has adequate capacity and essentially an unlimited supply of water from the Elk River. Staff concluded that the project is needed and in the public interest. While the estimated total cost of the project remains at $3,195,000, including an estimated total construction cost of $2,551,000, the total construction cost might be as low $2,000,000, due to the elimination of the extensions into Kanawha County. The bids on the project have already been received, and support that the construction costs will be lower than the estimated construction cost. Staff opined that the project is feasible, although it involves a high cost per customer and low customer density. Noting that the project has been approved by the WVIJDC, Staff recommended that the project be approved, contingent upon receipt and filing of outstanding permits prior to beginning construction; Staff further recommended that the project's funding be approved. Staff determined that the rates of the District, which duplicate the Water Company's rates, will not need to be increased, and recommended that the potential customers in Kanawha County be required to pay, along with the Building Commission's rates, its $12.00 surcharge. Staff explained that the 2000 B O&M Agreement presently includes a contribution from the County Commission through a lease agreement, but for this project the County Commission's contribution will be to repay the new bonds; the agreement has been amended to reflect that. Staff recommended that the amendment be approved. Ms. Blair opined that, since W.Va. Code §8-19-1(a) does not allow a county commission to serve or supply water facilities within the corporate limits of another county without the consent of that county commission, the County Commission cannot provide service via the project to the seven customers in Kanawha County without approval of the Kanawha County Commission. She recommended that approval of the project be conditioned upon receipt of a document establishing the Kanawha County Commission's approval.

On July 3, 2008, the Petitioners, by counsel, filed a letter stating that they agreed with Staff's recommendations and would seek the approval of the Kanawha County Commission to the Building

Commission's providing service in Kanawha County pursuant to the project. They also requested expedited processing of this matter because bids on the project expire on July 23rd.

FINDINGS OF FACT

1. On January 17, 2008, West Virginia-American Water Company, the County Commission of Putnam County, and the Putnam County Building Commission filed with the Public Service Commission a joint petition for consent and approval of an amendment to their 2000 B Operation and Maintenance Agreement and an application for a certificate of convenience and necessity to construct additions and improvements to the Putnam County Building Commission's water system. No rate increase was requested. (See application).

2. The Notice of Filing was published on January 31 and February 1, 2008, respectively, in The Hurricane Breeze, published in Putnam County, and The Charleston Gazette, published in Kanawha County, and no protest was filed. (See filing of February 7, 2008; case file generally).

3. The project has been approved by the West Virginia Infrastructure and Jobs Development Council. (See Third Further Initial Joint Staff Memorandum filed June 30, 2008).

4. The proposed project will extend water service to the areas of Beech Hill Road, Dry Branch Road, Lake Hollow-Sycamore Ridge, Lime Kiln Road, Old Delta Road, Panther Lick Road, and Woods Drive area in Putnam County; the Dry Branch extension will extend into Kanawha County. The project will consist of installing a total of approximately 71,300 linear feet of two-inch to ten-inch line, a booster station, and appurtenances. (See application; Initial Joint Staff Memorandum filed February 26, 2008; filing of May 23, 2008; Commission Order of May 29, 2008; Third Further Initial Joint Staff Memorandum).

5. The project will add approximately 111 new customers to the customer base of the Putnam County Building Commission. Those potential customers currently rely on shallow wells, cisterns, etc., which do not provide them adequate and safe water. The project will provide them adequate potable water and will also provide adequate fire protection to all of the seven areas save the Panther Lick area. The project is needed and in the public interest. (See Third Further Initial Joint Staff Memorandum).

6. The State of West Virginia Office of Environmental Health Services issued a permit for the project, Permit No. 17,840, on January 11, 2008. Other permits are outstanding. (See filing of January 23, 2008; Third Further Initial Joint Staff Memorandum).

7. The cost of the project is estimated at $3,195,000, including an estimated $2,551,000 construction cost. The bids have been received, and support that the construction cost might be as

low as $2,000,000. (See application; Third Further Initial Joint Staff Memorandum; filing of July 3, 2008).

8. The project will be financed by a $2,914,000 loan from the West Virginia Infrastructure and Jobs Development Council, payable over forty years at an annual 0% interest rate, and a $281,000 contribution from West Virginia-American Water Company. (See application; Initial Joint Staff Memorandum; Third Further Initial Joint Staff Memorandum).

9. Staff recommended that the application, as amended, be granted and the project, as amended, be approved, contingent upon receipt and filing of all outstanding permits prior to beginning construction and upon receipt of a document establishing that the Kanawha County Commission has no objection to service in Kanawha County pursuant to the project. The Petitioners agreed with Staff's recommendations. (See Third Further Initial Joint Staff Memorandum; filing of July 3, 2008).

10. No rate increase is necessary for the Putnam County Building Commission. Staff recommended that the potential customers in Kanawha County be required to pay, along with the Building Commission's rates, its $12.00 surcharge. (See Third Further Initial Joint Staff Memorandum).

11. The 2000 B Operation and Maintenance Agreement presently includes a contribution from the County Commission through a lease agreement, but for this project the County Commission's contribution will be to repay the new bonds; the agreement has been amended to reflect that. Staff recommended that the amendment be approved. (See Third Further Initial Joint Staff Memorandum).

CONCLUSIONS OF LAW

1. It is appropriate, pursuant to W.Va. Code §24-2-11, to grant the application for a certificate of convenience and necessity, as amended, and to approve the project, as amended, contingent upon receipt and filing of outstanding permits prior to beginning construction and upon receipt of a document establishing that the Kanawha County Commission has no objection to service in Kanawha County pursuant to the project.

2. It is appropriate to approve the funding for the project.

3. It is appropriate for the Putnam County Building Commission, upon providing service to the Kanawha County area included in this project, to charge the Kanawha County residents its rates and its $12.00 surcharge.

4. It is appropriate to approve the amendment to the 2000 B Operation and Maintenance Agreement.

ORDER

IT IS, THEREFORE, ORDERED that the application filed on January 17, 2008, by West Virginia-American Water Company, the County Commission of Putnam County, and the Putnam County Building Commission for a certificate of convenience and necessity to construct additions and improvements to the Putnam County Building Commission's water system, is granted, contingent upon receipt and filing of all outstanding permits prior to beginning construction and upon receipt of a document establishing that the Kanawha County Commission has no objection to service in Kanawha County pursuant to the project.

IT IS FURTHER ORDERED that the proposed project funding, consisting of a $2,914,000 loan from the West Virginia Infrastructure and Jobs Development Council, payable over forty years at an annual 0% interest rate, and a $281,000 contribution from West Virginia-American Water Company, is approved.

IT IS FURTHER ORDERED that, if there is any change in the cost of the project, estimated at $3,195,000, that would affect rates, or in the scope, design or funding of the project, the Putnam County Building Commission file a petition with the Commission for approval of such revisions.

IT IS FURTHER ORDERED that the Putnam County Building Commission comply with all rules and regulations of the Division of Highways regarding the use of its rights-of-way.

IT IS FURTHER ORDERED that the Putnam County Building Commission submit a copy of the bids to the Commission, making the bids a part of the Commission's file in this case, as soon as possible.

IT IS FURTHER ORDERED that the Putnam County Building Commission notify the Commission when its engineer has performed the substantial completion inspection.

IT IS FURTHER ORDERED that the Putnam County Building Commission, upon providing service to the Kanawha County area included in this project, charge the Kanawha County residents its rates and its $12.00 surcharge.

IT IS FURTHER ORDERED that the amendment to the 2000 B Operation and Maintenance Agreement is approved.

IT IS FURTHER ORDERED that the Petitioners file with the Commission an executed copy of the approved amendment as soon as possible.

IT IS FURTHER ORDERED that this matter be removed from the Commission's docket of open cases.

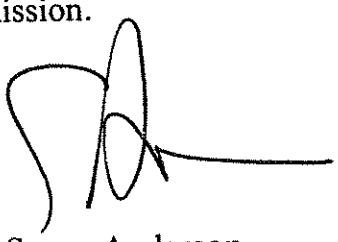
IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this order upon the Commission by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission send a copy of this decision by facsimile transmission to John C. Stump, counsel for the Petitioners.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed, this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's Order by filing an appropriate petition in writing with the Executive Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.



Sunya Anderson
Administrative Law Judge

SA:s
080058aa.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 14th day of July 2008.

CASE NO. 08-0058-W-PC-CN

WEST VIRGINIA-AMERICAN WATER COMPANY,
COUNTY COMMISSION OF PUTNAM COUNTY and
PUTNAM COUNTY BUILDING COMMISSION

Joint petition for consent and approval of an amendment to the operation and maintenance agreement between West Virginia-American Water Company, County Commission of Putnam County and Putnam County Building Commission for the Project and an application for a certificate of convenience and necessity to construct certain additions and improvements to its existing water distribution system and for approval financing thereof

COMMISSION ORDER
WAIVING EXCEPTION PERIOD

On July 8, 2008, the Administrative Law Judge entered a Recommended Decision in this matter that granted the joint application filed by Putnam County Commission, Putnam County Building Commission, and West Virginia-American Water Company (Applicant), to be effective on and after the date that the Recommended Decision becomes a final order of the Commission.

On July 10, 2008, the Applicant filed a petition to waive the fifteen-day period of time in which a party may file exceptions to the Recommended Decision in this proceeding.

Commission Staff has verbally stated it does not intend to file exceptions in this case.

W. Va. Code §24-1-9 provides a time period of at least twenty days from the date of a recommended order until it becomes effective. According to W. Va. Code §24-1-9(c), at least fifteen days must be afforded the parties within which to file exceptions. In addition, §24-1-9(e) provides that when no exceptions are filed within the specified time period, the Commission shall have an additional five days within which to stay or postpone the order.

IT IS THEREFORE ORDERED that the requested waiver be, and hereby is, granted.

IT IS FURTHER ORDERED that the Administrative Law Judge Recommended Decision in this matter becomes final five days after the date of this order, absent further action by the Commission.

IT IS FURTHER ORDERED that the Commission's Executive Secretary serve a copy of this order upon all parties of record by United States First Class Mail and upon Commission Staff by hand delivery.

A True Copy, Tester:

Sandra Squire
Executive Secretary

SS/kc
080058sa.wpd

West Virginia Infrastructure & Jobs Development Council

Public Members:
Kenneth Lowe, Jr.
Shepherdstown
Dwight Calhoun
Petersburg
Dave McComas
Prichard
Ron Justice
Morgantown

300 Summers Street, Suite 980
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304) 558-4609

Jefferson E. Brady, PE
Executive Director

Jefferson.Brady@verizon.net

September 17, 2007

Brian Donat, County Administrator
Putnam County Commission
3389 Winfield Road
Winfield, West Virginia 25213

Re: Putnam County Commission
Binding Commitment Letter
Water Project 2005W-847

Dear Mr. Donat:

The West Virginia Infrastructure and Jobs Development Council (the "Infrastructure Council") provides this binding offer of an Infrastructure Fund loan (0%, 40 years) of approximately $2,914,000 (the "Loan") to the Putnam County Commission (the "Commission") for above referenced water project (the "Project"). The Loan will be subject to the terms set forth on Schedule A attached hereto and incorporated herein by reference. The final Loan amounts will be established after the Commission has received acceptable bids for the Project. The Infrastructure Council will set aside a portion of the Infrastructure Fund to make the Loan upon the Commission's compliance with the program requirements.

This commitment is contingent upon the Project meeting the following schedule:

a. Submit Plans and Specifications to Bureau for Public Health for approval no later than December 1, 2007;
b. File Certificate Case with the Public Service Commission no later than February 15, 2008;
c. Advertise for bids no later than August 15, 2008.
(The Commission must receive authority from the Infrastructure Council before bidding the project.)

The Infrastructure Council reserves the right to withdraw this Loan commitment if any of the above schedule dates are not met. The Infrastructure Council may, when justifiable circumstances occur, offer to modify the schedule. Any decision to modify the schedule is at the sole discretion of the Infrastructure Council.

If the Commission becomes aware that it will not meet one or more of the above schedule dates, the Commission should immediately notify the Infrastructure Council of this fact and the circumstances which have caused or will cause the Commission to be unable to meet the schedule. In addition, please immediately notify the Infrastructure Council if any of the other dates on the attached schedule have or will not be met.

The Water Development Authority (the "Authority"), on behalf of the Infrastructure Council, will enter into Loan agreements with the Commission following receipt of the completed Schedule B, a final, nonappealable order from the Public Service Commission authorizing construction and financing of the Project, evidence of binding commitments for other funding; evidence of all permits; evidence of acceptable bids; evidence of compliance with the WV Jobs Act; and any other documents requested by the Infrastructure Council.

No statements or representations made before or after the issuance of this contingent commitment by any person or member of the Infrastructure Council or Authority shall be construed as approval to alter or amend this commitment, as all such amendments or alterations shall only be made in writing after approval of the Infrastructure Council.

If the Commission has any questions regarding this commitment, please contact Jeff Brady at the above-referenced telephone number.

Sincerely,

Kenneth Lowe, Jr.

Attachments
cc: Jennifer Miller, Terradon
John Stump, Steptoe & Johnson

NOTE: This letter is sent in triplicate. Please acknowledge receipt and immediately return two copies to the Infrastructure Council.

Putnam County Commission

By:_____

Its: _____

Date:_____

WEST VIRGINIA INFRASTRUCTURE & JOBS DEVELOPMENT COUNCIL

Putnam County Commission
Water Project 2005W-847
September 17, 2007

SCHEDULE A

A.	Approximate Amount: $2,914,000		Loan
B.	Loan:		$2,914,000
	1. Maturity Date:		40 years from date of closing.
	2. Interest Rate:		0%
	3. Loan Advancement Date(s)		Monthly, upon receipt of proper requisition
	4. Debt Service Commencement:		The first quarter following completion of construction, which date must be identified prior to closing.
	5. Special Conditions:		None
	NOTICE: The terms set forth above are subject to change following the receipt of construction bids.		
C.	Other Funding Sources:		
	WV AWC		$ 281,000
D.	Total Project Cost:		$3,195,000
E.	Proposed User Rates:	approximately	$51.36 / 4500 gallons
		approximately	$47.62 / 4000 gallons

PROJECT SCHEDULE

Project:	Putnam County Commission	Funding:	
County:	Putnam	IJDC Loan	$2,914,000
Project No.:	2005W-847	WVAWC Contrib.	$281,000
Date:	September 6, 2007		
		Total Project:	$3,195,000

Project Milestone	Responsible Party	Start	Completion
Engineering Agreement	PCC / Terradon	Complete	Complete
Prepare & Submit Plans & Specs to BPH	Terradon	7/1/2007	12/1/2007
Plans & Specs Review & Approval	BPH	12/1/2007	2/1/2008
Prepare & Submit All Permit Applications	Terradon	10/1/2007	1/1/2008
Prepare Rule 42	WAIVER	REQUESTED	
Prepare & Implement Rate Ordinance	NA	NA	NA
File PSC Certificate Case	Attorney	2/15/2008	2/15/2008
Review and Approve PSC Certificate (180 or 270 days)	PSC	2/15/2008	11/15/2008
Rights-of-way, Easements & Land Acquisition	Terradon	10/1/2007	2/1/2008
Authority to Advertise for Bids	IJDC	8/15/2008	8/15/2008
Advertise for Bids	Terradon	8/15/2008	9/15/2008
Bid Opening	Terradon	9/15/2008	9/15/2008
Loan Closing	Steptoe & Johnson	12/15/2008	12/15/2008
Construction	Contractor	12/15/2008	9/15/2009

[redacted]

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Fee Amt: $0.00 Page 1 of 1
Putnam County Clerk
Brian Wood County Clerk
File 2008-00029336

COPY

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT OF FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

John C. Stump, Esquire
Steptoe & Johnson PLLC
P. O. Box 1588
Charleston, WV 25326-1588

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME: The County Commission of Putnam County

OR

1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
89 Winfield Road	Winfield	WV	25213	USA

1d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION	1g. ORGANIZATIONAL ID #, if any
		Public Corp.	West Virginia	☐ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME:

OR

2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
				USA

2d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any
				☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME: Putnam County Building Commission

OR

3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
89 Winfield Road	Winfield	WV	25213	USA

4. This FINANCING STATEMENT covers the following collateral:

All Lease Rentals and other personal property now owned or hereafter acquired, as set forth and described in an Agreement and Lease of Series 2008 A Facilities dated July 23, 2008, by and between the Debtor, as lessee, and the Secured Party, as lessor, of record in the Office of the Clerk of the County Commission of Putnam County in Book 64 at Page 438, to which reference is hereby made.

This financing statement is in connection with a public bond issue of a county of the State of West Virginia and filing therefore shall be effective for the life of such bond issue without the need for filing continuation statements. (W. Va. Code Section 46-9-403(8)).

5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

[redacted]

Doc ID: 002510850001 Type: UCC
Recorded: 09/11/2008 at 11:08:31 AM
Fee Amt: $0.00 Page 1 of 1
Putnam County Clerk
Brian Wood County Clerk

COPY

File 2008-00029337

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT OF FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

John C. Stump, Esquire
Steptoe & Johnson PLLC
P. O. Box 1588
Charleston, WV 25326-1588

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME: Putnam County Building Commission

OR

1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
89 Winfield Road	Winfield	WV	25213	USA

1d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION	1g. ORGANIZATIONAL ID #, if any
		Public Corp.	West Virginia	☐ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME:

OR

2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
				USA

2d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any
				☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME: West Virginia Water Development Authority

OR

3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
180 Association Drive	Charleston	WV	25311	USA

4. This FINANCING STATEMENT covers the following collateral:

All real and personal property, now owned or hereafter acquired, as set forth and described in a Deed of Trust, Security Agreement and Fixture Filing, dated July 23, 2008, by and between the Debtor and the Secured Party, of record in the Office of the Clerk of The County Commission of Putnam County in Book 879 at Page 68, to which reference is hereby made.

This financing statement is in connection with a public bond issue of a county of the State of West Virginia and filing therefore shall be effective for the life of such bond issue without the need for filing continuation statements. (W. Va. Code Section 46-9-403(8)).

5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [optional] [ADDITIONAL FEE] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

[redacted]

Doc ID: 002510860001 Type: UCC
Recorded: 09/11/2008 at 11:09:20 AM
Fee Amt: $0.00 Page 1 of 1
Putnam County Clerk
Brian Wood County Clerk
File 2008-00029338

COPY

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT OF FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

John C. Stump, Esquire
Steptoe & Johnson PLLC
P. O. Box 1588
Charleston, WV 25326-1588

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME: Putnam County Building Commission

OR

1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
89 Winfield Road	Winfield	WV	25213	USA

1d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION	1g. ORGANIZATIONAL ID #, if any
		Public Corp.	West Virginia	☐ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
				USA

2d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any
				☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME: West Virginia Water Development Authority

OR

3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
180 Association Drive	Charleston	WV	25311	USA

4. This FINANCING STATEMENT covers the following collateral:

All real and personal property, now owned or hereafter acquired, as set forth and described in a Assignment of Lease and Rents, dated July 23, 2008, by and between the Debtor and the Secured Party, of record in the Office of the Clerk of The County Commission of Putnam County in Book 47 at Page 300, to which reference is hereby made.

This financing statement is in connection with a public bond issue of a county of the State of West Virginia and filing therefore shall be effective for the life of such bond issue without the need for filing continuation statements. (W. Va. Code Section 46-9-403(8)).

5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

[redacted]

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

200800268652

Sep 09 2008 10:04AM

WV SECRETARY OF STATE

A. NAME & PHONE OF CONTACT OF FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

John C. Stump, Esquire
Steptoe & Johnson PLLC
P. O. Box 1588
Charleston, WV 25326-1588

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME: Putnam County Building Commission

OR

1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
89 Winfield Road	Winfield	WV	25213	USA

1d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION	1g. ORGANIZATIONAL ID #, if any
		Public Corp.	West Virginia	☐ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
				USA

2d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any
				☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME: West Virginia Water Development Authority

OR

3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
180 Association Drive	Charleston	WV	25311	USA

4. This FINANCING STATEMENT covers the following collateral:

All real and personal property, now owned or hereafter acquired, as set forth and described in a Deed of Trust, Security Agreement and Fixture Filing, dated July 23, 2008, by and between the Debtor and the Secured Party, of record in the Office of the Clerk of The County Commission of Putnam County and attached hereto as a part hereof, to which reference is hereby made.

This financing statement is in connection with a public bond issue of a county of the State of West Virginia and filing therefore shall be effective for the life of such bond issue without the need for filing continuation statements. (W. Va. Code Section 46-9-403(8)).

5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

[redacted]

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

200800366664

Sep 09 2008 10:05AM

WV SECRETARY OF STATE

A. NAME & PHONE OF CONTACT OF FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

John C. Stump, Esquire
Steptoe & Johnson PLLC
P. O. Box 1588
Charleston, WV 25326-1588

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME: Putnam County Building Commission

OR

1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
89 Winfield Road	Winfield	WV	25213	USA

1d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION	1g. ORGANIZATIONAL ID #, if any
		Public Corp.	West Virginia	☐ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
				USA

2d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any
				☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME: West Virginia Water Development Authority

OR

3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
180 Association Drive	Charleston	WV	25311	USA

4. This FINANCING STATEMENT covers the following collateral:

All real and personal property, now owned or hereafter acquired, as set forth and described in a Assignment of Lease and Rents, dated July 23, 2008, by and between the Debtor and the Secured Party, of record in the Office of the Clerk of The County Commission of Putnam County and attached hereto as a part hereof, to which reference is hereby made.

This financing statement is in connection with a public bond issue of a county of the State of West Virginia and filing therefore shall be effective for the life of such bond issue without the need for filing continuation statements. (W. Va. Code Section 46-9-403(8)).

5. ALTERNATIVE DESIGNATION (if applicable): ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

[redacted]

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

200800266676

Sep 09 2008 10:06AM

WV SECRETARY OF STATE

A. NAME & PHONE OF CONTACT OF FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

John C. Stump, Esquire
Steptoe & Johnson PLLC
P. O. Box 1588
Charleston, WV 25326-1588

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME: The County Commission of Putnam County

OR

1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
89 Winfield Road	Winfield	WV	25213	USA

1d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION	1g. ORGANIZATIONAL ID #, if any
		Public Corp.	West Virginia	☐ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
				USA

2d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any
				☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME: Putnam County Building Commission

OR

3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
89 Winfield Road	Winfield	WV	25213	USA

4. This FINANCING STATEMENT covers the following collateral:

All Lease Rentals and other personal property now owned or hereafter acquired, as set forth and described in an Agreement and Lease of Series 2008 A Facilities dated July 23, 2008, by and between the Debtor, as lessee, and the Secured Party, as lessor, of record in the Office of the Clerk of the County Commission of Putnam County and attached hereto as a part hereof, to which reference is hereby made.

This financing statement is in connection with a public bond issue of a county of the State of West Virginia and filing therefore shall be effective for the life of such bond issue without the need for filing continuation statements. (W. Va. Code Section 46-9-403(8)).

5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [optional] [ADDITIONAL FEE] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On the 23rd day of July, 2008, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Chairman of the Putnam County Building Commission (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the 23rd day of July, 2008, the Authority received the Putnam County Building Commission Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), issued in the principal amount of $2,914,000, as a single, fully registered Bond, numbered AR-1, and dated July 23, 2008 (the "Series 2008 A Bonds").

2. At the time of such receipt of the Bonds upon original issuance, the Bonds had been executed by the Chairman and Secretary of the Issuer, by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2008 A Bonds, of $113,189, being a portion of the principal amount of the Series 2008 A Bonds. The balance of the Series 2008 A Bonds will be advanced by the Authority as acquisition and construction of the Project progresses.

[Remainder of Page Intentionally Blank]

Dated as of the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

Barbara B Meadows

Authorized Representative

PUTNAM COUNTY BUILDING COMMISSION

Frank McArdle

Chairman

07.14.08
191700.00002

CH4903203.1

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

The Huntington National Bank,
as Bond Registrar
Charleston, West Virginia

Ladies and Gentlemen:

There are delivered to you herewith on this 23rd day of July, 2008:

(1) Bond No. AR-1, constituting the entire original issue of the Putnam County Building Commission Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), in the principal amount of $2,914,000, dated July 23, 2008 (the "Series 2008 A Bonds"), executed by the Chairman and Secretary of the Putnam County Building Commission (the "Issuer") and bearing the official seal of the Issuer, authorized to be issued under and pursuant to a Bond Ordinance duly enacted by the Issuer on June 17, 2008, and a Supplemental Resolution duly adopted by the Issuer on July 15, 2008 (collectively, the "Bond Legislation");

(2) A copy of the Bond Legislation authorizing the above-described Bond issue, duly certified by the Secretary of the Issuer;

(3) Executed counterparts of the loan agreement, dated July 23, 2008, by and between the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council") and the Issuer (the "Loan Agreement"); and

(4) An executed opinion of nationally recognized bond counsel regarding the validity of the Loan Agreement and the Bonds.

You are hereby requested and authorized to deliver the Series 2008 A Bonds to the Authority upon payment to the Issuer of the sum of $113,189 representing a portion of the principal amount of the Series 2008 A Bonds. Prior to such delivery of the Series 2008 A Bonds, you will please cause the Series 2008 A Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

Dated as of the day and year first written above.

PUTNAM COUNTY BUILDING
COMMISSION

Chairman

07.14.08
191700.00002

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
PUTNAM COUNTY BUILDING COMMISSION
WATERWORKS LEASE REVENUE BOND, SERIES 2008 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1 $2,914,000

KNOW ALL MEN BY THESE PRESENTS: That on this the 23rd day of July, 2008, the Putnam County Building Commission, a public corporation and political subdivision of the State of West Virginia in Putnam County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of TWO MILLION NINE HUNDRED FOURTEEN THOUSAND DOLLARS ($2,914,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2010 to and including June 1, 2048 as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of The Huntington National Bank, Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the registered owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated July 23, 2008.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of a new public waterworks system of the Issuer (the "Project"); (ii) to fund the Series 2008 A Bonds reserve Account; and (iii) to pay certain costs of issuance hereof and related costs. The Project, and any further additions, betterments or improvements thereto are herein called the "Series 2008 A Facilities." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 33, certain provisions of Chapter 8, Article 16, and Chapter 31, Article 15 A of the West Virginia Code of 1931, as amended (collectively, the "Act"),

and a Bond Ordinance duly enacted by the Issuer on June 17, 2008, and a Supplemental Resolution duly adopted by the Issuer on July 15, 2008 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S WATERWORKS LEASE REVENUE BONDS, SERIES 2000 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED JANUARY 27, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,800,000 (THE "SERIES 2000 B BONDS" OR THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Revenues (as defined in the Bond Legislation) and unexpended proceeds of the Bonds on a parity with the pledge of Revenues in favor of the Holders of the Prior Bonds. The Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Revenues and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, in the event the 2000 B / 2008 A O&M Agreement or the Lease (as defined in the Bond Legislation) is terminated, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the Series 2008 A Facilities and the services rendered thereby, and shall take all such actions necessary to provide funds, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount of principal of and interest on the Bonds payable in any year, and all other obligations on a parity with the Bonds including the Prior Bonds; provided, however, that so long as there exists in the Reserve Account created for the Bonds, an amount equal to the maximum amount of principal and interest which will become due on the Bonds in any year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds including the Prior Bonds, an amount equal to the requirements therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to the payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Revenues received by the Issuer has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the PUTNAM COUNTY BUILDING COMMISSION has caused this Bond to be signed by its Chairman, and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]

Chairman

SPECIMEN

ATTEST:

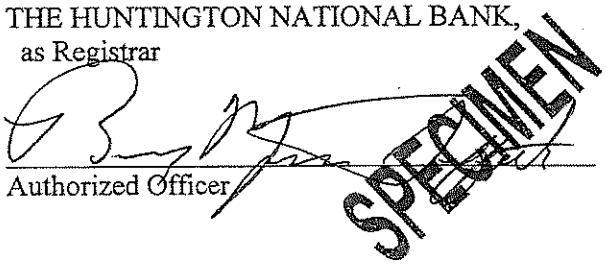
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2008 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: July 23, 2008.

THE HUNTINGTON NATIONAL BANK,
as Registrar



Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $113,189	July 23, 2008	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $_____

EXHIBIT B

SCHEDULE OF ANNUAL DEBT SERVICE

$2,914,000

Putnam County Building Commission (West Virginia)

0% Interest Rate; 40 Years

Closing Date: July 23, 2008

Debt Service Schedule

Part 1 of 4

Date	Principal	Coupon	Total P+I
09/01/2008	-	-	-
12/01/2008	-	-	-
03/01/2009	-	-	-
06/01/2009	-	-	-
09/01/2009	-	-	-
12/01/2009	-	-	-
03/01/2010	18,923.00	-	18,923.00
06/01/2010	18,923.00	-	18,923.00
09/01/2010	18,923.00	-	18,923.00
12/01/2010	18,923.00	-	18,923.00
03/01/2011	18,923.00	-	18,923.00
06/01/2011	18,923.00	-	18,923.00
09/01/2011	18,923.00	-	18,923.00
12/01/2011	18,923.00	-	18,923.00
03/01/2012	18,923.00	-	18,923.00
06/01/2012	18,923.00	-	18,923.00
09/01/2012	18,923.00	-	18,923.00
12/01/2012	18,923.00	-	18,923.00
03/01/2013	18,922.00	-	18,922.00
06/01/2013	18,922.00	-	18,922.00
09/01/2013	18,922.00	-	18,922.00
12/01/2013	18,922.00	-	18,922.00
03/01/2014	18,922.00	-	18,922.00
06/01/2014	18,922.00	-	18,922.00
09/01/2014	18,922.00	-	18,922.00
12/01/2014	18,922.00	-	18,922.00
03/01/2015	18,922.00	-	18,922.00
06/01/2015	18,922.00	-	18,922.00
09/01/2015	18,922.00	-	18,922.00
12/01/2015	18,922.00	-	18,922.00
03/01/2016	18,922.00	-	18,922.00
06/01/2016	18,922.00	-	18,922.00
09/01/2016	18,922.00	-	18,922.00
12/01/2016	18,922.00	-	18,922.00
03/01/2017	18,922.00	-	18,922.00
06/01/2017	18,922.00	-	18,922.00
09/01/2017	18,922.00	-	18,922.00
12/01/2017	18,922.00	-	18,922.00
03/01/2018	18,922.00	-	18,922.00
06/01/2018	18,922.00	-	18,922.00
09/01/2018	18,922.00	-	18,922.00
12/01/2018	18,922.00	-	18,922.00
03/01/2019	18,922.00	-	18,922.00
06/01/2019	18,922.00	-	18,922.00

$2,914,000

Putnam County Building Commission (West Virginia)

0% Interest Rate; 40 Years

Closing Date: July 23, 2008

Debt Service Schedule

Part 2 of 4

Date	Principal	Coupon	Total P+I
09/01/2019	18,922.00	-	18,922.00
12/01/2019	18,922.00	-	18,922.00
03/01/2020	18,922.00	-	18,922.00
06/01/2020	18,922.00	-	18,922.00
09/01/2020	18,922.00	-	18,922.00
12/01/2020	18,922.00	-	18,922.00
03/01/2021	18,922.00	-	18,922.00
06/01/2021	18,922.00	-	18,922.00
09/01/2021	18,922.00	-	18,922.00
12/01/2021	18,922.00	-	18,922.00
03/01/2022	18,922.00	-	18,922.00
06/01/2022	18,922.00	-	18,922.00
09/01/2022	18,922.00	-	18,922.00
12/01/2022	18,922.00	-	18,922.00
03/01/2023	18,922.00	-	18,922.00
06/01/2023	18,922.00	-	18,922.00
09/01/2023	18,922.00	-	18,922.00
12/01/2023	18,922.00	-	18,922.00
03/01/2024	18,922.00	-	18,922.00
06/01/2024	18,922.00	-	18,922.00
09/01/2024	18,922.00	-	18,922.00
12/01/2024	18,922.00	-	18,922.00
03/01/2025	18,922.00	-	18,922.00
06/01/2025	18,922.00	-	18,922.00
09/01/2025	18,922.00	-	18,922.00
12/01/2025	18,922.00	-	18,922.00
03/01/2026	18,922.00	-	18,922.00
06/01/2026	18,922.00	-	18,922.00
09/01/2026	18,922.00	-	18,922.00
12/01/2026	18,922.00	-	18,922.00
03/01/2027	18,922.00	-	18,922.00
06/01/2027	18,922.00	-	18,922.00
09/01/2027	18,922.00	-	18,922.00
12/01/2027	18,922.00	-	18,922.00
03/01/2028	18,922.00	-	18,922.00
06/01/2028	18,922.00	-	18,922.00
09/01/2028	18,922.00	-	18,922.00
12/01/2028	18,922.00	-	18,922.00
03/01/2029	18,922.00	-	18,922.00
06/01/2029	18,922.00	-	18,922.00
09/01/2029	18,922.00	-	18,922.00
12/01/2029	18,922.00	-	18,922.00
03/01/2030	18,922.00	-	18,922.00
06/01/2030	18,922.00	-	18,922.00

$2,914,000

Putnam County Building Commission (West Virginia)

0% Interest Rate; 40 Years

Closing Date: July 23, 2008

Debt Service Schedule

Part 3 of 4

Date	Principal	Coupon	Total P+I
09/01/2030	18,922.00	-	18,922.00
12/01/2030	18,922.00	-	18,922.00
03/01/2031	18,922.00	-	18,922.00
06/01/2031	18,922.00	-	18,922.00
09/01/2031	18,922.00	-	18,922.00
12/01/2031	18,922.00	-	18,922.00
03/01/2032	18,922.00	-	18,922.00
06/01/2032	18,922.00	-	18,922.00
09/01/2032	18,922.00	-	18,922.00
12/01/2032	18,922.00	-	18,922.00
03/01/2033	18,922.00	-	18,922.00
06/01/2033	18,922.00	-	18,922.00
09/01/2033	18,922.00	-	18,922.00
12/01/2033	18,922.00	-	18,922.00
03/01/2034	18,922.00	-	18,922.00
06/01/2034	18,922.00	-	18,922.00
09/01/2034	18,922.00	-	18,922.00
12/01/2034	18,922.00	-	18,922.00
03/01/2035	18,922.00	-	18,922.00
06/01/2035	18,922.00	-	18,922.00
09/01/2035	18,922.00	-	18,922.00
12/01/2035	18,922.00	-	18,922.00
03/01/2036	18,922.00	-	18,922.00
06/01/2036	18,922.00	-	18,922.00
09/01/2036	18,922.00	-	18,922.00
12/01/2036	18,922.00	-	18,922.00
03/01/2037	18,922.00	-	18,922.00
06/01/2037	18,922.00	-	18,922.00
09/01/2037	18,922.00	-	18,922.00
12/01/2037	18,922.00	-	18,922.00
03/01/2038	18,922.00	-	18,922.00
06/01/2038	18,922.00	-	18,922.00
09/01/2038	18,922.00	-	18,922.00
12/01/2038	18,922.00	-	18,922.00
03/01/2039	18,922.00	-	18,922.00
06/01/2039	18,922.00	-	18,922.00
09/01/2039	18,922.00	-	18,922.00
12/01/2039	18,922.00	-	18,922.00
03/01/2040	18,922.00	-	18,922.00
06/01/2040	18,922.00	-	18,922.00
09/01/2040	18,922.00	-	18,922.00
12/01/2040	18,922.00	-	18,922.00
03/01/2041	18,922.00	-	18,922.00
06/01/2041	18,922.00	-	18,922.00

$2,914,000

Putnam County Building Commission (West Virginia)

0% Interest Rate; 40 Years

Closing Date: July 23, 2008

Debt Service Schedule

Date	Principal	Coupon	Total P+I
09/01/2041	18,922.00	-	18,922.00
12/01/2041	18,922.00	-	18,922.00
03/01/2042	18,922.00	-	18,922.00
06/01/2042	18,922.00	-	18,922.00
09/01/2042	18,922.00	-	18,922.00
12/01/2042	18,922.00	-	18,922.00
03/01/2043	18,922.00	-	18,922.00
06/01/2043	18,922.00	-	18,922.00
09/01/2043	18,922.00	-	18,922.00
12/01/2043	18,922.00	-	18,922.00
03/01/2044	18,922.00	-	18,922.00
06/01/2044	18,922.00	-	18,922.00
09/01/2044	18,922.00	-	18,922.00
12/01/2044	18,922.00	-	18,922.00
03/01/2045	18,922.00	-	18,922.00
06/01/2045	18,922.00	-	18,922.00
09/01/2045	18,922.00	-	18,922.00
12/01/2045	18,922.00	-	18,922.00
03/01/2046	18,922.00	-	18,922.00
06/01/2046	18,922.00	-	18,922.00
09/01/2046	18,922.00	-	18,922.00
12/01/2046	18,922.00	-	18,922.00
03/01/2047	18,922.00	-	18,922.00
06/01/2047	18,922.00	-	18,922.00
09/01/2047	18,922.00	-	18,922.00
12/01/2047	18,922.00	-	18,922.00
03/01/2048	18,922.00	-	18,922.00
06/01/2048	18,922.00	-	18,922.00
Total	**$2,914,000.00**	-	**$2,914,000.00**

Yield Statistics

Bond Year Dollars	$60,408.63
Average Life	20.730 Years
Average Coupon	-
Net Interest Cost (NIC)	-
True Interest Cost (TIC)	1.03E-10
Bond Yield for Arbitrage Purposes	1.03E-10
All Inclusive Cost (AIC)	1.03E-10

IRS Form 8038

Net Interest Cost	-
Weighted Average Maturity	20.730 Years

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20___.

_____

In the presence of:

_____

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

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Charleston, WV 25326-1588
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Writer's Contact Information

July 23, 2008

Putnam County Building Commission
Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

Putnam County Building Commission
Winfield, West Virginia

Putnam County Commission
Winfield, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the Putnam County Building Commission (the "Issuer"), a public corporation and political subdivision organized and existing under the laws of the State of West Virginia, of its $2,914,000 Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), dated the date hereof (the "Series 2008 A Bonds" or the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated July 23, 2008, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal to the Authority, bearing no interest, and with principal installments payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2010 to and including June 1, 2048, all as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2008 A Bonds.

The Series 2008 A Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 33, certain provisions of Chapter 8, Article 16 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and

construction of certain extensions, additions, betterments and improvements to the waterworks system of the Issuer (the "Project"); (ii) funding the Series 2008 A Bonds reserve account; and (iii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act, the Bond Ordinance duly enacted by the Issuer on June 17, 2008, as supplemented by a Supplemental Resolution duly adopted by the Issuer on July 15, 2008 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Series 2008 A Bonds are authorized and issued, and the Loan Agreement has been entered into. The Series 2008 A Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

Based upon the foregoing, and upon our examination of such other documents as we have deemed necessary, we are of the opinion, under existing law, as follows:

1. The Issuer is a duly created and validly existing municipal corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to enact the Bond Legislation and to issue and sell the Series 2008 A Bonds, all under the Act and other applicable provisions of law.

2. The Loan Agreement has been duly authorized by and executed on behalf of the Issuer, is a valid and binding special obligation of the Issuer enforceable in accordance with the terms thereof, and inures to the benefit of the Authority and the Council and cannot be amended by the Issuer so as to affect adversely the rights of the Authority or the Council or diminish the obligations of the Issuer without the written consent of the Authority and the Council.

3. The Bond Legislation and all other necessary ordinances and resolutions have been duly and effectively enacted and adopted by the Issuer in connection with the issuance and sale of the Series 2008 A Bonds and constitute valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms. The Bond Legislation contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

4. The Series 2008 A Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System and secured by a first lien on and pledge of the Net Revenues of the System on a parity with the Issuer's Waterworks Lease Revenue Bonds, Series 2000 B (West Virginia Water Development Authority), dated January 27, 2000, issued in the original aggregate principal amount of $3,800,000, all in accordance with the terms of the Series 2008 A Bonds and the Bond Legislation.

5. The Bonds have not been issued on the basis that the interest thereon, if any, is or will be excluded from the gross income of the owners thereof for federal income tax purposes. We express no opinion regarding the excludability of such interest, if any, from the gross income of the owners thereof for federal income tax purposes or other federal tax consequences arising with respect to the Bonds.

6. The Series 2008 A Bonds are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof, and the interest on the Series 2008 A Bonds is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

It is to be understood that the rights of the holders of the Series 2008 A Bonds and the enforceability of the Series 2008 A Bonds, the Loan Agreement and the Bond Legislation, and the liens and pledges set forth therein, may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

We have examined the executed and authenticated Bond numbered AR-1, and in our opinion the form of said Bond and its execution and authentication are regular and proper.

Very truly yours,

STEPTOE & JOHNSON PLLC

07.14.08
191700.00002

STEPTOE & JOHNSON PLLC
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Writer's Contact Information

July 23, 2008

Putnam County Building Commission
Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

Putnam County Building Commission
Winfield, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure & Jobs Development Council
Charleston, West Virginia

Ladies and Gentlemen:

We are counsel to the Putnam County Building Commission, a duly organized and presently existing county building commission and public corporation in Putnam County, West Virginia (the "Issuer"). As such counsel, we have examined a copy of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, the loan agreement for the Bonds, dated July 23, 2008, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), the Bond Ordinance duly enacted by the Issuer on June 17, 2008, the Supplemental Resolution duly adopted by the Issuer on July 15, 2008 (collectively, the "Bond Legislation"), the agreement dated January 26, 2000 as amended July 23, 2008, by and among the Issuer, The County Commission of Putnam County (the "County Commission") and West Virginia-American Water Company (the "Company") (the "2000 B O&M Agreement"), the Agreement and Lease of Series 2008 B Facilities dated July 23, 2008, by and between the Issuer and the County Commission (the "Lease"), the Deed of Trust, Security Agreement and Fixture Filing dated July 23, 2008, by and between the Issuer and the trustees named therein for the benefit of the Authority (the "Deed of Trust") and other documents, papers, agreements, instruments and certificates relating to the above-captioned Bonds of the Issuer (the "Bonds") and orders of The County Commission of Putnam County relating to the Issuer and the appointment of members of the Issuer. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

We are of the opinion that:

1. The Issuer is duly created and validly existing under the Constitution and laws of the State of West Virginia as a county building commission and public corporation of the State of West Virginia, with corporate power under Chapter 8, Article 33 of the West Virginia Code of 1931, as amended (the "Act").

2. The Loan Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the Authority, constitutes a valid and binding agreement of the Issuer enforceable in accordance with its terms.

3. The 2000 B O & M Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the County Commission and the Company, constitutes a valid and binding agreement of the Issuer enforceable in accordance with its terms.

4. The Lease has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the County Commission, constitutes a valid and binding agreement of the Issuer enforceable in accordance with its terms.

5. The Deed of Trust has been duly authorized, executed and delivered by the Issuer and constitutes a valid and binding agreement of the Issuer enforceable in accordance with its terms.

6. The members and officers of the Issuer have been duly, lawfully and properly appointed and elected, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

7. The Bond Legislation has been duly adopted by the Issuer and is in full force and effect.

8. The execution and delivery of the Bonds, the Lease, the 2000 B O&M Agreement, the Deed of Trust and the Loan Agreement and the consummation of the transactions contemplated by the Bonds, the Lease, the 2000 B O & M Agreement, the Deed of Trust, the Loan Agreement and the Bond Legislation, and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any agreement, document or instrument to which the Issuer is a party or by which the Issuer or its properties are bound or any existing law, regulation, rule, order or decree to which the Issuer is subject.

9. To the best of our knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Deed of Trust, the Lease, the Loan Agreement, the 2000 B O & M Agreement, the Bonds and the Bond Legislation, the acquisition and construction of the Project, the operation of the System, the validity of the Bonds or the pledge of the Revenues therefor.

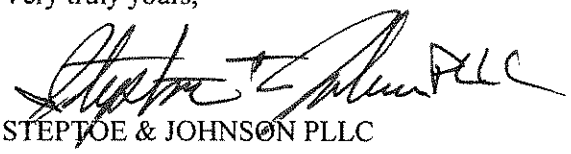
10. We will ensure all successful bidders have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy. Based upon our review of the contracts, we will ensure the surety bonds and the policies or other

evidence of insurance coverage in connection with the Project, (i) are in compliance with the contracts; (ii) are adequate in form, substance and amount to protect the various interests of the Issuer; (iii) have been executed by duly authorized representatives of the proper parties; (iv) meet the requirements of the Act, the Bond Legislation and the Loan Agreement; and (v) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

11. Except as otherwise noted below, the Issuer and the Company have received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges, including, without limitation, all requisite orders, consents, certificates and approvals from The County Commission of Putnam County, the West Virginia Infrastructure and Jobs Development Council and the Public Service Commission of West Virginia ("Commission"), and the Issuer and the Company have taken any other action required for the imposition of such rates and charges, including, without limitation, the adoption of a resolution prescribing such rates and charges. By Recommended Decision dated July 8, 2008, in Case No. 08-0058-W-PC-CN (that became a final order of the Commission on July 19, 2008, pursuant to Commission Order Waiving Exception Period dated July 14, 2008) ("Order"), a certificate of public convenience and necessity to construct the Project ("Certificate") was granted. However, the granting of the Certificate was made contingent upon receipt and filing of all outstanding permits prior to beginning construction and upon receipt of a document establishing that the County Commission of Kanawha County, West Virginia, has no objection to service being provided in Kanawha County pursuant to the Project. All outstanding permits have been obtained and filed with the Commission. The approval of the Kanawha County Commission has not yet been obtained, but such approval is expected to be obtained without undue delay. The Order, in addition to granting the Certificate, also approved the proposed funding of the Project and authorized the Issuer to charge any Kanawha County residents served by the Project the Issuer's rates and charges, including a $12.00 monthly surcharge. The time for appeal of such Order has not expired prior to the date hereof. However, the Issuer, the County Commission and the Company, being all of the joint applicants in, and the only parties to, Case No. 08-0058-W-PC-CN, have certified that they will not appeal such Order. Such Order is not subject to any appeal, further hearing, reopening or rehearing by any customer, protestant or other person not a party to Case No. 08-0058-W-PC-CN.

All counsel to this transaction may rely upon this opinion as if specifically addressed to them.

Very truly yours,



STEPTOE & JOHNSON PLLC

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July 23, 2008

Putnam County Building Commission
Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

The County Commission of Putnam County
Winfield, West Virginia

Putnam County Building Commission
Winfield, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure & Jobs Development Council
Charleston, West Virginia

Ladies and Gentlemen:

We are counsel to The County Commission of Putnam County, West Virginia (the "County Commission") in connection with the issuance and sale by the Putnam County Building Commission (the "Issuer") of its Waterworks Lease Revenue Bonds, series 2008 A (the "Series 2008 A Bonds").

The Series 2008 A Bonds are being issued pursuant to Bond Ordinance duly enacted by the Issuer on June 17, 2008, the Supplemental Resolution duly adopted by the Issuer on July 15, 2008 (collectively, the "Bond Legislation") and an ordinance adopted by the County Commission on June 17, 2008 (the "County Commission Ordinance") for the purpose of permanently financing the costs of acquisition and construction of a public waterworks system of the Issuer (the "Series 2008 A Facilities"). Pursuant to the Agreement and Lease of Series 2008 A Facilities, dated July 23, 2008 (the "Lease") by and between the Issuer and the County Commission, the Issuer has leased the Series 2008 A Facilities to the County Commission and the County Commission has agreed to, among other things, make rental payments in amounts and at times sufficient to pay the principal of and interest on the Series 2008 A Bonds when due, and other amounts payable thereunder. Pursuant to the agreement dated January 26, 2000 as amended July 23, 2008, by and among the Issuer, The County Commission of Putnam County and West Virginia-American Water Company (the "Company") (collectively, the "2000 B O&M Agreement"), the Issuer and the County Commission have agreed that the Series 2008 A Facilities should be acquired, constructed, equipped, operated, maintained, repaired and replaced by the Company.

We have examined such documents, certificates, agreements, instruments and records, including without limitation, all proceedings of the County Commission in connection with the authorization of the Lease and the 2000 B O&M Agreement, including the County Commission Ordinance and executed counterparts of the Lease and the 2000 B O&M Agreement and we have made such investigations as we have deemed necessary or appropriate to enable us to render this opinion. All capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Lease, unless the context otherwise provides.

We are of the opinion that:

1. The County Commission is duly created and validly existing public corporation and political subdivision of the State of West Virginia.

2. The President, Clerk and other members of the County Commission have been duly and properly elected, have taken the requisite oaths and are duly qualified and authorized to act in their respective capacities on behalf of the County Commission.

3. The County Commission has complied in all material respects with the applicable provisions of law and has full legal right, power and authority to enact the County Commission Ordinance, and to enter into, execute and deliver the Lease, the 2000 B O&M Agreement and all other documents, agreements, instruments and certifications in connection therewith and perform its obligations thereunder, to lease and use the Series 2008 A Facilities, to conduct its business as contemplated in the Lease and the 2000 B O&M Agreement and to carry out and consummate all transactions contemplated by the foregoing.

4. The county Commission Ordinance is in full force and effect and was duly adopted by the County Commission at a meeting duly called and held pursuant to law, with all public notice required by law, at which a quorum was present and acting throughout. By the County Commission Ordinance, the County Commission duly and validly authorized, approved, ratified and/or confirmed, by all necessary action, the execution and delivery of the Lease and the 2000 B O&M Agreement, and all other documents, agreements, instruments and certificates in connection therewith and the taking of any and all such action as may be required on the part of the County Commission to carry out, give effect to and consummate the transactions contemplated by the foregoing; and the Lease and the 2000 B O&M Agreement and all other documents, agreements, instruments and certifications in connection therewith have been duly executed and delivered by the County Commission and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding obligations of the County Commission in accordance with their respective terms.

5. The County Commission has obtained or received, and has in full force and effect, all consents, permits, licenses, approvals, certificates, exemptions, rights, orders, franchises, privileges and authorizations, all of which have been validly granted, issued and/or assigned and has timely made and/or submitted all declarations, filings, payments, reports, notices, statements, papers, registrations, necessary to adopt the County Commission Ordinance, to enter into and perform its obligations under and consummate the transactions contemplated in the County Commission Ordinance; and the Lease and the 2000 B O&M Agreement and all other documents, agreements, instruments and certifications in connection therewith and to

lease and use the Series 2008 A Facilities; and the County Commission has taken all action required in connection with the consummation of the transactions contemplated in the County Commission Ordinance, the Lease, the 2000 B O&M Agreement and all other documents, agreements, instruments and certifications in connection therewith and the leasing and use of the Series 2008 A Facilities. The County Commission is in compliance with all applicable laws, rules and regulations relating to the Series 2008 A Facilities, the violation of which would have a materially adverse effect on the Series 2008 A Facilities.

6. The execution and delivery of the Lease, the 2000 B O&M agreement and all documents, agreements, instruments and certificates in connection therewith by the County Commission, the consummation of the transactions contemplated thereby and by the County Commission Ordinance, and the compliance with and carrying out of the provisions and terms thereof did not, do not and will not, with or without the giving of notice or passage of time, or both, conflict with or constitute on the part of the County Commission a violation or breach of or constitute or result in a default or loss of rights (or give rise to any right of termination, cancellation or acceleration) under or result in the in the creation of any lien, charge or encumbrance (other than under the Lease and the County Commission Ordinance) pursuant to, and are not prohibited or materially adversely affected by, any mortgage, indenture, note agreement, bond, contract, lease, documents, deed of trust or other agreement, obligation or instrument to which the County Commission is a party or by which the County Commission or its properties are bound or affected or any judgment, statute, ordinance, resolution, order, rule, law, court decision, decree or regulation by which the County Commission or its properties are subject or affected, and will not cause any forfeiture or impairment of any license.

7. To the best of our knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the Series 2008 A Facilities or the transactions contemplated by the County Commission Ordinance, the Lease, the 2000 B O & M Agreement, or the consummation of the transactions contemplated thereby or the performance of the County Commission thereunder.

All counsel to this transaction may rely upon this opinion as if specifically addressed to them.

Very truly yours,

STEPTOE & JOHNSON PLLC

07.14.08
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WATER/WASTEWATER PROJECTS
INFRASTRUCTURE FUND FINANCING

July 23, 2008

Jefferson E. Brady, P.E., Executive Director
West Virginia Infrastructure and Jobs Development Council
300 Summers Street, Suite 980
Charleston, West Virginia 25301

Re: Putnam County Building Commission
2007 Water Lines Extension Project

Dear Mr. Brady:

This firm represents the Putnam County Building Commission with regard to a proposed project to construct various water line extensions in Union, Curry, and Poca Districts of Putnam County (the "Project"), and provides this final title opinion on behalf of the Putnam County Building Commission to satisfy the requirements of the West Virginia Infrastructure and Jobs Development Council (the "Council") with regard to the Infrastructure Fund financing proposed for the Project. Please be advised of the following:

1. That I am of the opinion that the Putnam County Building Commission is a duly created and existing public service district possessed with all the powers and authority granted to public service districts under the laws of the State of West Virginia and has the full power and authority to construct, operate and maintain the Project as approved by the West Virginia Bureau of Public Health.

2. That the Putnam County Building Commission has obtained approval for all necessary permits and approvals for the construction of the Project.

JACKSONKELLY
ATTORNEYS AT LAW PLLC
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July 23, 2008

Putnam County Building Commission
Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

West Virginia-American Water Company
Charleston, West Virginia

Putnam County Building Commission
Winfield, West Virginia

Putnam County Commission
Winfield, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure & Jobs Development Council
Charleston, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

We have served as counsel to West Virginia-American Water Company, a West Virginia corporation (the "Company"), in connection with an agreement dated January 26, 2000, as amended July 23, 2008, by and among the Putnam County Building Commission (the "Issuer"), The County Commission of Putnam County (the "County Commission") and the Company (collectively, the "2000 B O&M Agreement"), whereby the Issuer and the County Commission have agreed that the Series 2008 A Facilities should be acquired, constructed, equipped, operated, maintained, repaired and replaced by the Company. The above-captioned Bonds (the "Bonds") are being issued by the Issuer under Chapter 8, Article 33 and certain provisions of Chapter 8, Article 16 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on June 17, 2008, as supplemented by the Supplemental Resolution duly adopted by the Issuer on July 15, 2008 (collectively, the "Bond Legislation"), for the purposes of (i) paying a portion of the costs of acquisition and construction of a new public waterworks system of the Issuer (the "Project"); (ii) funding the Series 2008 A Bonds Reserve Account; and (iii) paying certain costs of issuance and related

costs. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation when used herein.

In connection with this opinion, we have examined and relied upon originals or copies, certified or otherwise identified to our satisfaction, of the Articles of Incorporation, a Certificate of Existence and the By-laws of the Company, and all amendments thereto, the 2000 B O & M Agreement, and such other records, instruments, agreements, certificates (including, without limitation, certificates of public officials and of officers of the Company) and other documents (collectively, the "Documents"), and have conducted such investigations of law, as we have deemed necessary for purposes of rendering this opinion. We have assumed the authenticity of the Documents submitted to us as originals, the conformity to originals of the Documents submitted to us as copies and the due authorization, execution and delivery of the Documents by all other parties thereto, if any. As to factual matters necessary for rendering our opinions herein, we have relied upon certificates of the Company with respect thereto without independently verifying the same.

Based upon and subject to the foregoing, we are of the opinion that:

1. The Company is a corporation duly created, validly existing and in good standing under the laws of the State of West Virginia, is qualified to do business in the State of West Virginia, and has full power and authority to execute and deliver the Documents to which the Company is a party and to undertake and perform its obligations thereunder.

2. The Documents to which the Company is a party have been duly authorized, executed and delivered by the Company, are valid and binding upon the Company, and are legally enforceable against the Company in accordance with the respective terms thereof so as to provide to the other respective parties the substantial enjoyment of the rights and benefits provided for therein, except as may be limited by the laws of bankruptcy, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally, by the application of public policy or by the exercise of judicial discretion.

3. To our knowledge, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, against or affecting the Company, wherein an unfavorable decision, ruling or finding would materially adversely affect the Company or the financial condition or operations of the Company, or the transactions contemplated by the Documents to which the Company is a party, or which would materially adversely affect the Documents to which the Company is a party.

4. To our knowledge, the execution, delivery and performance of and compliance with the provisions of the Documents to which the Company is a party do not and will not violate, conflict with, or constitute or result in a breach of or default under, the Articles of Incorporation or By-laws of the Company or any material agreement, instrument, document, indenture, mortgage, deed of trust, lease, contract, law, judgment, decree, order, statute, rule or regulation to which the Company is a party, by which the Company or its properties are bound or which may otherwise be applicable to the Company.

5. Except as otherwise noted below, the Issuer and the Company have received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges, including, without limitation, all requisite orders, consents, certificates and approvals from The County Commission of Putnam County, the West Virginia Infrastructure and Jobs Development Council and the Public Service Commission of West Virginia ("Commission"), and the Issuer and the Company have taken any other action required for the imposition of such rates and charges, including, without limitation, the adoption of a resolution prescribing such rates and charges.

6. By Recommended Decision dated July 8, 2008, in Case No. 08-0058-W-PC-CN (that became a final order of the Commission on July 19, 2008, pursuant to Commission Order Waiving Exception Period dated July 14, 2008) ("Order"), a certificate of public convenience and necessity to construct the Project ("Certificate") was granted. However, the granting of the Certificate was made contingent upon receipt and filing of all outstanding permits prior to beginning construction and upon receipt of a document establishing that the County Commission of Kanawha County, West Virginia, has no objection to service being provided in Kanawha County pursuant to the Project. All outstanding permits have been obtained and filed with the Commission. The approval of the Kanawha County Commission has not yet been obtained, but such approval is expected to be obtained without undue delay.

7. The Order, in addition to granting the Certificate, also approved the proposed funding of the Project and authorized the Issuer to charge any Kanawha County residents served by the Project the Issuer's rates and charges, including a $12.00 monthly surcharge. The time for appeal of such Order has not expired prior to the date hereof. However, the Issuer, the County Commission and the Company, being all of the joint applicants in, and the only parties to, Case No. 08-0058-W-PC-CN, have certified that they will not appeal such Order. Such Order is not subject to any appeal, further hearing, reopening or rehearing by any customer, protestant or other person not a party to Case No. 08-0058-W-PC-CN.

Very truly yours,

Jackson Kelly PLLC

JACKSON KELLY PLLC

191700.00002

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. LOAN AGREEMENT
11. SIGNATURES AND DELIVERY
12. BOND PROCEEDS
13. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE
14. NO FEDERAL GUARANTY
15. SPECIMEN BONDS
16. CONFLICT OF INTEREST
17. WEST VIRGINIA JOBS ACT
18. EXECUTION OF COUNTERPARTS

We, the undersigned CHAIRMAN and undersigned SECRETARY of the Putnam County Building Commission in Putnam County, West Virginia (the "Issuer"), and the undersigned Counsel to the Issuer, hereby certify this 23rd day of July, 2008 in connection with the $2,914,000 Putnam County Building Commission Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund) (the "Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined shall have the same meaning as set forth in the Bond Ordinance of the Issuer duly enacted June 17, 2008, and a Supplemental Resolution duly adopted July 15, 2008 (collectively, the "Bond Legislation").

2. NO LITIGATION: No action, suit, inquiry, investigation, litigation, controversy or proceeding is pending against or affecting the Issuer or to our knowledge threatened against the Issuer in any court or administrative or governmental body or arbitration board contesting or affecting the due organization and valid existence or power of the Issuer or the title of its officers to their respective offices or the validity, due authorization and execution

of the documents relating to the Bonds (the "Bond Documents") or the enactment of the Bond Legislation, or attempting to limit, enjoin or otherwise affect, restrict or prevent the Issuer from executing, delivering or issuing the Bonds or the Series 2008 A Facilities or otherwise performing the transactions contemplated in the Bond Documents, or functioning and collecting Revenues pledged to the payment of the Bonds and other income, or which would adversely affect the validity or enforceability of the Bond Documents or any other document, instrument or agreement in connection therewith.

3. GOVERNMENTAL APPROVALS AND BIDDING: Except as otherwise noted below, the Issuer and the Company have received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges, including, without limitation, all requisite orders, consents, certificates and approvals from The County Commission of Putnam County, the West Virginia Infrastructure and Jobs Development Council and the Public Service Commission of West Virginia ("Commission"), and the Issuer and the Company have taken any other action required for the imposition of such rates and charges, including, without limitation, the adoption of a resolution prescribing such rates and charges. By Recommended Decision dated July 8, 2008, in Case No. 08-0058-W-PC-CN (that became a final order of the Commission on July 19, 2008, pursuant to Commission Order Waiving Exception Period dated July 14, 2008) ("Order"), a certificate of public convenience and necessity to construct the Project ("Certificate") was granted. However, the granting of the Certificate was made contingent upon receipt and filing of all outstanding permits prior to beginning construction and upon receipt of a document establishing that the County Commission of Kanawha County, West Virginia, has no objection to service being provided in Kanawha County pursuant to the Project. All outstanding permits have been obtained and filed with the Commission. The approval of the Kanawha County Commission has not yet been obtained, but such approval is expected to be obtained without undue delay. The Order, in addition to granting the Certificate, also approved the proposed funding of the Project and authorized the Issuer to charge any Kanawha County residents served by the Project the Issuer's rates and charges, including a $12.00 monthly surcharge. The time for appeal of such Order has not expired prior to the date hereof. However, the Issuer, the County Commission and the Company, being all of the joint applicants in, and the only parties to, Case No. 08-0058-W-PC-CN, have certified that they will not appeal such Order. Such Order is not subject to any appeal, further hearing, reopening or rehearing by any customer, protestant or other person not a party to Case No. 08-0058-W-PC-CN. Competitive bids for the acquisition and construction of the Series 2008 A Facilities have been solicited in accordance with Chapter 5, Article 22, Section 1 of the Official West Virginia Code of 1931, as amended, which bids remain in full force and effect.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since the approval and execution and delivery by the Issuer of the Loan Agreement, and the Issuer has met all conditions prescribed in the Loan Agreement entered into between the Issuer and the Authority.

There are outstanding obligations of the Issuer which will rank on a parity with the Series 2008 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's Waterworks Lease Revenue Bonds, Series 2000 B (West Virginia Water Development Authority), dated January 27, 2000, issued in the original aggregate principal amount of $3,800,000 (the "Series 2000 B Bonds") (the "Prior Bonds"). The Issuer has obtained (i) the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met; and (ii) the written consent of the Holders of the Prior Bonds to the issuance of the Series 2008 A Bonds on a parity with the Prior Bonds.

Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by these revenues or assets of the System. The Issuer is in compliance with the terms and provisions of the Prior Resolution and no default exists with respect to the Prior Bonds.

5. CERTIFICATION OF COPIES OF DOCUMENTS: The copies of the below-listed documents hereto attached or delivered herewith or heretofore delivered are true, correct and complete copies of the originals of the documents of which they purport to be copies, and such original documents are in full force and effect and have not been repealed, rescinded, amended or changed in any way unless modification appears from later documents also listed below:

Bond Ordinance

Supplemental Resolution

Agreement and Lease of Series 2008 A Facilities

Deed of Trust, Security Agreement and Fixture Filing

Loan Agreement

Public Service Commission Orders

Infrastructure Council Approval

County Commission Order Creating Issuer

County Commission Orders Appointing Current Members of Issuer

Oaths of Office of Current Members

Bylaws of Issuer

Minutes on Adoption of Bond Ordinance and Supplemental Resolution

Affidavit of Publication of Bond Ordinance and Notice of Public Hearing

Agreement between Issuer and Company

Prior Bond Ordinances

Consent of Water Development Authority

6. INCUMBENCY AND OFFICIAL NAME: The proper name of the Issuer is "Putnam County Building Commission," and the Issuer is a public corporation with perpetual existence and a county building commission, with principal office and situate in the City of Winfield, Putnam County, West Virginia. Each of the following persons has been duly appointed to the Board of the Issuer by The County Commission of Putnam County and each member was, at the time of such appointment, and presently is, duly qualified, authorized and acting in accordance with the provisions of West Virginia law for such office, for a term of office expiring on the date set opposite his or her name below:

Member	Term	
Nancy Smith	August 29, 2006	August 27, 2011
Fletcher Parsons	October 7, 2003	August 27, 2008
Frank Armada	August 27, 2007	August 27, 2012

Frank Armada is the duly elected and acting Chairman of the Issuer. Nancy Smith is the duly elected and acting Secretary of the Issuer. Steptoe & Johnson PLLC is the duly appointed, qualified and acting Counsel to the Issuer.

The aforesaid have duly taken the prescribed oaths of office and have duly filed any bonds required by law.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the acquisition, construction, operation and maintenance of the Series 2008 A Facilities have been acquired or can and will be acquired by purchase, or, if necessary, by condemnation by the Issuer and are adequate for such purposes and are not or will not be subject to any liens, encumbrances, reservations or exceptions which would adversely affect or interfere in any way with the use thereof for such purposes. The costs thereof, including costs of any properties which may have to be acquired by condemnation, are, in the opinion of all the undersigned, within the ability of the Issuer to pay for the same without jeopardizing the security of or payments on the Bonds.

8. MEETINGS, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the acquisition, construction, operation and financing of the Series 2008 A Facilities were authorized or adopted at regular or special meetings of the Issuer duly and regularly called and held

pursuant to the By Laws of the Issuer and all applicable statutes, including, particularly and without limitation, Chapter 6, Article 9A, of the West Virginia Code of 1931, as amended, and a quorum of duly elected or appointed, as applicable, qualified and acting members of the Board of the Issuer was present and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

9. CONTRACTORS' INSURANCE, ETC.: All contractors have been required to maintain Worker's Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Bond Legislation. All insurance for the System required by the Bond Legislation is in full force and effect.

10. LOAN AGREEMENT: As of the date hereof, (i) the representations of the Issuer contained in the Loan Agreement are true and correct in all material respects as if made on the date hereof; (ii) the Loan Agreement does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; (iii) to the best knowledge of the undersigned, no event affecting the Issuer has occurred since the date of the Loan Agreement which should be disclosed for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information in the Loan Agreement not misleading; and (iv) the Issuer is in compliance with the Loan Agreement. The Issuer agrees and covenants not to provide services to any customers/residents in Kanawha County unless it has received the written consent of the County Commission of Kanawha County or it has received an order of the Public Service Commission of West Virginia ordering such service.

11. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Chairman did officially sign all of the Bonds of the aforesaid issue, all dated the date hereof by his or her manual signature, and the undersigned Secretary did officially cause the official seal of the Issuer to be affixed upon each of said Bonds and to be attested by his or her manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

12. BOND PROCEEDS: On the date hereof, the Issuer received from the Authority the agreed purchase price of the Bonds, being $113,189.

13. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Issuer to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in the Charleston Gazette a newspaper of general circulation in Putnam County, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Commission at the public hearing held at a public meeting of the Issuer on the 16th day of June, 2008, at 8:30 am, in the County Commission

Meeting Room of the Putnam County Courthouseand present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the Secretary of the Issuer for review by interested parties during the office hours of the Issuer. At such hearing all objections and suggestions were heard by the Board of the Issuer and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

14. NO FEDERAL GUARANTY: The Bonds are not and will not be, in whole or part, directly or indirectly, federally guaranteed within the meaning of Section 149(b) of the Code.

15. SPECIMEN BONDS: Delivered concurrently herewith is a true and accurate specimen of the Bond.

16. CONFLICT OF INTEREST: No member, officer or employee of the Issuer has a substantial financial interest, direct, indirect or by reason of ownership of stock in any corporation, in any contract with the Issuer or in the sale of any land, materials, supplies or services to the Issuer or to any contractor supplying the Issuer, relating to the Bonds, the Bond Legislation and/or the Series 2008 A Facilities, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

17. COMPLIANCE WITH WEST VIRGINIA JOBS ACT: Unless it shall hereafter be qualified for an exception, the Issuer hereby covenants to comply with all the requirements of Chapter 21, Article 1C of the Code of West Virginia, 1931, as amended (the"West Virginia Jobs Act") and will require its contractors and subcontractors to comply with the West Virginia Jobs Act. The Issuer hereby certifies to the Council and the Authority that (i) the Issuer will comply with all the requirements of the West Virginia Jobs Act; (ii) the Issuer has included the provisions of the West Virginia Jobs Act in each contract and subcontract for the Project; (iii) the Issuer has received or will receive, prior to entering into contracts or subcontracts, from each contractor or subcontractor a certificate demonstrating compliance with Section 4 of the West Virginia Jobs Act or waiver certificates from the West Virginia Division of Labor ("DOL"); and (iv) the Issuer will file with the DOL and the Council copies of the waiver certificates and certified payrolls or comparable documents that include the number of employees, the county and state wherein the employees reside and their occupation, following the procedures established by the DOL. The monthly requisitions submitted to the Council shall also certify that the Issuer is monitoring compliance by its contractors and subcontractors and that the required information has been submitted.

18. EXECUTION OF COUNTERPARTS: This document may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same document.

WITNESS our signatures and the official seal of the PUTNAM COUNTY BUILDING COMMISSION on the day and year first written above.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
Frank M. Arnoda	Chairman
Nancy A Smith	Secretary
Stoptoe & Johnson PLLC	Counsel to Issuer

07.14.08
191700.00002

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

GENERAL CERTIFICATE OF
WEST VIRGINIA-AMERICAN WATER COMPANY ON:

1. INCUMBENCY AND SIGNATURES
2. DUE INCORPORATION AND GOOD STANDING
3. CERTIFICATION OF COPIES OF DOCUMENTS
4. AUTHORIZATION FOR EXECUTION AND DELIVERY OF DOCUMENTS
5. EXECUTION, DELIVERY AND VALIDITY OF AGREEMENT
6. NO LITIGATION
7. AGREEMENTS AND OBLIGATIONS
8. NO CHANGE IN CONDITION
9. PUBLIC SERVICE COMMISSION ORDERS

The undersigned VICE PRESIDENT of WEST VIRGINIA-AMERICAN WATER COMPANY, a corporation located within and incorporated under the laws of the State of West Virginia (the "Company"), HEREBY CERTIFIES this 23rd day of July, 2008 in connection with the authorization, execution and delivery of an Agreement, dated January 26, 2000, as amended on July 23, 2008, by and among the Putnam County Building Commission (the "Issuer"), The County Commission of Putnam County (the "County Commission") and the Company (collectively, the "2000 B O&M Agreement"), relating to the acquisition, construction and equipping of the Project and the subsequent operation, maintenance, repair and replacement of the Series 2008 A Facilities, pursuant to a Bond Ordinance of the Issuer enacted June 17, 2008, as supplemented by a Supplemental Resolution of the Issuer adopted July 15, 2008 (collectively, the "Bond Legislation") authorizing the Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Water Development Authority) in the total aggregate principal amount of $2,914,000 (the "Series 2008 A Bonds"), to be issued to the West Virginia Water Development Authority (the "Authority"), all capitalized terms used herein and not otherwise defined herein to have the same meanings set forth in the Bond Legislation, as follows:

1. INCUMBENCY AND SIGNATURES: The undersigned is and was at all relevant times the duly elected, qualified and serving Vice President of the Company, duly elected or appointed by the Board of Directors of the Company, and is familiar with the terms of the transactions described in the Documents, herein defined. Set forth below is my true and genuine signature.

2. DUE INCORPORATION AND GOOD STANDING: The Company is a corporation duly created, validly existing and in good standing under the laws of the State of West Virginia, duly authorized to conduct its affairs and transact business in the State of West Virginia, and is not prohibited by any provision of its Articles of Incorporation or By-Laws from conducting its business described in, or effectuating the transactions contemplated in, the 2000 B O & M Agreement and the other Documents, herein defined.

3. CERTIFICATION OF COPIES OF DOCUMENTS: The copies of the below-listed documents (the "Documents") hereto attached or delivered herewith or heretofore delivered are true, correct and complete copies of the originals of the documents of which they purport to be copies, and such original documents are in full force and effect and have not been repealed, rescinded, amended or changed in any way unless modification appears from later documents also listed below:

Certified copy of Certificate of Existence

Orders of the Public Service Commission of West Virginia

2000 B O & M Agreement

4. AUTHORIZATION FOR EXECUTION AND DELIVERY OF DOCUMENTS: The Company has full and all requisite right, power and authority to own and operate its properties, to carry on its business as now conducted, to execute, deliver and carry out and perform the terms, obligations and conditions set forth in the Documents.

5. EXECUTION, DELIVERY AND VALIDITY OF AGREEMENT. The 2000 B O & M Agreement has been duly authorized, executed and delivered by the Company and on its behalf by duly chosen, qualified and acting officers of the Company, has not been altered, modified or otherwise amended and is in full force and effect as of the date hereof. The 2000 B O & M Agreement constitutes a valid and legally binding agreement and obligation of the Company enforceable in accordance with its terms, except (i) as the same shall be subject to limitations upon the right to obtain judicial orders requiring specific performance or granting injunctive relief, (ii) as may be limited by the laws of bankruptcy, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally, and (iii) as enforceability of indemnity provisions contained therein may be limited under applicable laws or may be against public policy. The execution and delivery of the 2000 B O & M Agreement by the Company and the compliance with the provisions thereof will not conflict with, result in a breach of the terms, conditions or provisions of or constitute a default under, or result in the creation or any imposition of any lien, charge or encumbrance upon any of the property or assets of the Company pursuant to, the Articles of Incorporation or By-laws of the Company or the terms of any indenture, mortgage, deed of trust, loan agreement, undertaking or other agreement, document or instrument to which the Company is a party or bound or to which any of the property or assets of the Company are subject, nor will such action conflict with, result in a material breach of, constitute a default under or result in a violation of any statute, law,

ordinance, judgment, ruling, decree, order, rule or regulation to which the Company is subject or to which any of its properties are subject or which is applicable to the transactions described herein; and no consent, certificate, approval, authorization, order, registration, exemption or qualification of or with any court or any regulatory authority or any governmental authority or body is required for the execution and delivery of the 2000 B O & M Agreement by the Company or in connection with the Project, the 2000 B O & M Agreement or the transactions contemplated thereby, except those already obtained.

6. NO LITIGATION: No litigation, proceeding, suit, inquiry, action or investigation at law or in equity is pending or, to the knowledge of the undersigned, threatened (or is there any basis therefor), against or affecting the Company in or before or by any court, public board or administrative body, which would restrain or enjoin the execution or delivery of the Documents or the performance of any obligations of the Company contained therein or matters in connection therewith, or in any way contesting or affecting the Documents, or attempting to limit, restrain, enjoin or prevent the Company from functioning and making the payments required thereunder, or which questions the validity of the Documents or any documents or the transactions contemplated thereby, or contesting the corporate existence of the Company, or wherein an unfavorable decision, ruling or finding would have a material adverse effect upon the financial condition of the Company, the validity or enforceability of the Documents, the Company's ability to perform its obligations under the Documents or the corporate existence or powers of the Company. There is no action or proceeding pending or threatened looking toward liquidation or dissolution of the Company.

7. AGREEMENTS AND OBLIGATIONS: All agreements, covenants, arrangements and conditions to be complied with or satisfied and all obligations to be performed by the Company pursuant to or in connection with the Documents or the transactions contemplated thereby on or prior to the date of such documents have been complied with, satisfied and performed and there are no defaults or events of default under the Documents or such documents which have occurred and are continuing.

8. NO CHANGE IN CONDITION: There have been no undisclosed material adverse changes in the financial condition of the Company since the offer by the Authority to purchase the Bonds.

9. PUBLIC SERVICE COMMISSION ORDER: Except as otherwise noted below, the Issuer and the Company have received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges, including, without limitation, all requisite orders, consents, certificates and approvals from The County Commission of Putnam County, the West Virginia Infrastructure and Jobs Development Council and the Public Service Commission of West Virginia ("Commission"), and the Issuer and the Company have taken any other action required for the imposition of such rates and charges, including, without limitation, the adoption of a resolution prescribing such rates and charges. By Recommended Decision dated July 8, 2008, in Case No. 08-0058-W-PC-CN (that

became a final order of the Commission on July 19, 2008, pursuant to Commission Order Waiving Exception Period dated July 14, 2008) ("Order"), a certificate of public convenience and necessity to construct the Project ("Certificate") was granted. However, the granting of the Certificate was made contingent upon receipt and filing of all outstanding permits prior to beginning construction and upon receipt of a document establishing that the County Commission of Kanawha County, West Virginia, has no objection to service being provided in Kanawha County pursuant to the Project. All outstanding permits have been obtained and filed with the Commission. The approval of the Kanawha County Commission has not yet been obtained, but such approval is expected to be obtained without undue delay. The Order, in addition to granting the Certificate, also approved the proposed funding of the Project and authorized the Issuer to charge any Kanawha County residents served by the Project the Issuer's rates and charges, including a $12.00 monthly surcharge. The time for appeal of such Order has not expired prior to the date hereof. However, the Issuer, the County Commission and the Company, being all of the joint applicants in, and the only parties to, Case No. 08-0058-W-PC-CN, have certified that they will not appeal such Order. Such Order is not subject to any appeal, further hearing, reopening or rehearing by any customer, protestant or other person not a party to Case No. 08-0058-W-PC-CN.

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IN WITNESS WHEREOF, I have hereunto set my hand on the day and year first written above.

WEST VIRGINIA-AMERICAN WATER COMPANY

Vice President

ATTEST:

Secretary

07.14.08
191700.00002

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

GENERAL CERTIFICATE OF THE
COUNTY COMMISSION OF PUTNAM COUNTY ON:

1. INCUMBENCY AND OFFICIAL NAME OF LESSEE
2. SIGNATURES
3. SEAL
4. AUTHORIZING ORDINANCE, ETC
5. AUTHORIZATION, EXECUTION AND DELIVERY OF BOND DOCUMENTS
6. NO LITIGATION
7. NO ADVERSE CIRCUMSTANCES, ETC
8. REPRESENTATIONS OF THE LESSEE
9. NO FEDERAL GUARANTEE
10. CONFLICT OF INTEREST
11. PUBLICATION AND PUBLIC HEARING ON ORDINANCE
12. EXECUTION OF COUNTERPARTS

On this 23rd day of July 2008, we, the undersigned PRESIDENT and CLERK of THE COUNTY COMMISSION OF PUTNAM COUNTY (the "Lessee"), a public corporation and political subdivision of the State of West Virginia, hereby certify, for and on behalf of the Lessee, to all counsel connected with the Putnam County Building Commission Waterworks Lease Revenue Bonds, Series 2008 A (the "Series 2008 A Bonds") and to other interested parties as follows, jointly unless otherwise stated, all capitalized terms used herein and not otherwise defined herein having the meanings set forth in the Agreement and Lease of Series 2008 A Facilities dated July 23, 2008 (the "Lease"), between the Putnam County Building Commission (the "Issuer") as lessor (the "Lessor"), and the Lessee, and the Agreement dated January 26, 2000 as amended July 23, 2008 by and among the Issuer, the Lessee and West Virginia-American Water Company (the "Company") (collectively, the "Series 2000 B / 2008 A O&M Agreement"):

1. INCUMBENCY AND OFFICIAL NAME OF LESSEE: The proper name of the Lessee is "The County Commission of Putnam County", and the Lessee is a public corporation and political subdivision of the State of West Virginia. The members and officers of the Lessee, all duly elected, qualified, authorized and acting in accordance with the provisions of the law, are as follows:

Name		Date of Commencement of Office	Date of Termination of Office
Stephen A. Andes	Member	2002	2008
R. Joseph Haynes	Member	2004	2010
Gary O. Tillis	Member	2006	2012
Brian Wood	Clerk		

The aforesaid Commissioners and Clerk have duly taken the prescribed oaths of office and have duly filed bonds as required by law.

2. SIGNATURES. Below are our true and genuine signatures.

3. SEAL. The seal which is impressed upon this certificate is the legally adopted, proper and only official corporate seal of the Lessee.

4. AUTHORIZING ORDINANCE. Delivered herewith is a true, correct and complete copy of an Ordinance (the "Authorizing Legislation"), among other things, authorizing the execution and delivery of the hereinafter defined and described Bond Documents, approving the financing of the acquisition, construction and equipping of the Project by the Issuer through the issuance of the Bonds, and leasing of the Series 2008 A Facilities by the Lessee from the Issuer pursuant to the Lease, duly enacted by the Lessee at a meeting duly and regularly called and held on June 17, 2008, after due and proper notice thereof, at which meeting a quorum of members of the Lessee was present and acting throughout. Since adoption, the Authorizing Legislation has not been amended, annulled, modified, rescinded, repealed, revoked or otherwise altered and the same is in full force and effect.

5. AUTHORIZATION, EXECUTION AND DELIVERY OF BOND DOCUMENTS. The following documents conform with the forms prescribed in the Authorizing Legislation, the execution and delivery thereof having been duly authorized, approved, ratified and/or confirmed by all necessary and proper action, and each such document required to be executed by the Lessee has been properly executed by the President, acknowledged, where appropriate, and the seal of the Lessee has been duly affixed and attested by the Clerk, where appropriate, in multiple counterparts thereof and such documents (the "Bond Documents") have been delivered to the Issuer and others:

Agreement and Lease of series 2008 A Facilities

2000 B / 2008 A O&M Agreement and all amendments

Authorizing Legislation

6. NO LITIGATION. No action, suit, inquiry, investigation, litigation, controversy or proceeding is pending against or affecting the Lessee or to our knowledge threatened against the Lessee in any court or administrative or governmental body or arbitration board contesting, questioning or affecting the due organization and valid existence or powers of the Lessee, the titles of the members of the Lessee to their offices or the validity, due

authorization and execution of the Bond Documents or the Authorizing Legislation, or attempting to limit, enjoin or otherwise affect, restrict or prevent the issuance of the Bonds, the acquisition, construction and equipping of the Project, the creation and valid existence of the Issuer, the appointment of the members thereof, the leasing of the Series 2008 A Facilities by the Lessee, the performing of the transactions contemplated in the Lease, the 2000 B / 2008 A O&M Agreement, as amended, and the Authorizing Legislation or the functioning and making payments pursuant to the Lease or the 2000 B / 2008 A O&M Agreement or which would adversely affect the validity or enforceability of the Bonds, the Lease, the 2000 B / 2008 A O&M Agreement, the Authorizing Legislation or any other document, instrument or agreement in connection therewith.

7. NO ADVERSE CIRCUMSTANCES. To our knowledge, no event affecting the Lessee has occurred since the date of the creation thereof which should be disclosed at this time to make all certifications herein and all covenants and provisions regarding the Lessee contained in the Lease, the 2000 B / 2008 A O&M Agreement, the Authorizing Legislation and all documents, instruments, agreements and certificates in connection therewith apply fully and in good faith upon delivery of the Lease and the 2000 B / 2008 A O&M Agreement. There has been no adverse change to the financial condition of the Lessee since June 30, 2007. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2008 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's Waterworks Lease Revenue Bonds, Series 2000 B (West Virginia Water Development Authority), dated January 27, 2000, issued in the original aggregate principal amount of $3,800,000 (the "Series 2000 B Bonds"). Other than the Series 2000 B Bonds, there is not any indebtedness or obligation outstanding which has priority over or ranks on a parity with the Lease as to the source of and security for payment.

8. REPRESENTATIONS OF THE LESSEE. The representations and warranties of the Lessee or pertaining to the Lessee contained in the Lease and the 2000 B / 2008 A O&M Agreement and all documents, instruments, agreements and certificates in connection therewith are true, complete and correct in all material respects on and as of the date hereof, with the same effect as though such representations and warranties had been made on and as of the date hereof.

9. NO FEDERAL GUARANTEE. The Bonds are not, and will not be, in whole or in part, directly or indirectly, federally guaranteed within the meaning of Section 149(b) of the Code.

10. CONFLICT OF INTEREST: INTEREST: No member or officer or employee of the Lessee is pecuniarily interested, directly or indirectly, in the Series 2008 A Bonds, the Lease, or the 2000 B / 2008 A O&M Agreement.

11. PUBLICATION AND PUBLIC HEARING ON ORDINANCE: Upon adoption of the Ordinance, an abstract thereof, determined by the Lessee to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in the *Charleston Gazette* and the *Hurricane Breeze*, newspapers published and of general circulation in Putnam County, together with a notice to all persons concerned, stating that the

Ordinance had been adopted, stating that any person interested may appear before the Lessee at the public hearing held at a public meeting of the Lessee on the 16th day of June, 2008, at 9:00 a.m., at the County Commission meeting room and present protests, and stating that a certified copy of the Ordinance was on file at the office of the Clerk of the Lessee for review by interested parties during the office hours of the Lessee. At such hearing all objections and suggestions were heard by the Lessee and the Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

12. EXECUTION OF COUNTERPARTS: This document may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same document.

[Remainder of Page Intentionally Blank]

WITNESS our signatures and the official seal of the THE COUNTY COMMISSION OF PUTNAM COUNTY as of the date first written above.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
_____	President
_____	Clerk

07.14.08
191700.00002

OATH OF OFFICE

I, Stephen A. Andes, do solemnly swear or affirm that I will support the Constitution of the United States of America and the State of West Virginia and will faithfully discharge the duties as a Commissioner of the Office of the County Commission of Putnam County, West Virginia, to the best of my skill and judgment.

Stephen A. Andes
December 30, 2002

Taken, subscribed and sworn to before me this 30th day of December, 2002.

N. Edward Eagloski, Judge

STATE OF WEST VIRGINIA
County of Putnam, to-wit:

I, MICHAEL W. ELLIOTT, Clerk of the County Commission of said County, do hereby certify that the foregoing writing was this day produced to me in my said office and together with the certificate thereto annexed, was duly admitted to record therein.

Given under my hand this 31st day of December, 20 02

Michael W. Elliott Clerk. 9:08 A.M.

Doc ID: 000094130001 Type: MIS
Recorded: 12/22/2004 at 08:40:50 AM
Fee Amt: Page 1 of 1
Putnam County Clerk
Michael W Elliott County Clerk
BK 59 PG 238

OATH OF OFFICE

I, R. Joseph Haynes, do solemnly swear or affirm that I will support the Constitution of the United States of America and the Constitution of the State of West Virginia and will faithfully discharge the duties as Commissioner of Putnam County for the State of West Virginia, to the best of my skill and judgment, so help me God.

R. Joseph Haynes

12-14-04
Date

Taken, subscribed and sworn to before me this 14th day of December, 2004.

PUTNAM CIRCUIT COURT COUNTY, W. VA.

N. Edward Eagloski, Judge

STATE OF WEST VIRGINIA, Putnam County Commission Clerk's Office 12/22/2004. The foregoing Miscellaneous together with the certificate of its acknowledgment, was this day presented in said office and admitted to record.

Teste: _____ Clerk

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Fee Amt: Page 1 of 1
Putnam County Clerk
Brian Wood County Clerk
BK61 PG926

OATH OF OFFICE

I, Gary Tillis, solemnly swear or affirm that I will support the Constitutions of the United States of America and the State of West Virginia and will faithfully discharge the duties of the office of County Commissioner of Putnam County, West Virginia, to the best of my skill and judgment.

Gary L. Tillis
GARY TILLIS

December 30, 2006
DATE

Taken, subscribed and sworn to before O. C. Spaulding, Chief Judge of the 29th Judicial Circuit, this 30th of December, 2006, in Putnam County, West Virginia.

O. C. SPAULDING, Chief Judge

STATE OF WEST VIRGINIA, Putnam County Commission Clerk's Office 01/02/2007. The foregoing Miscellaneous together with the certificate of its acknowledgment, was this day presented in said office and admitted to record.

Teste: _____ Clerk

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

ENGINEER'S CERTIFICATE

I, James A. Nagy, Registered Professional Engineer, West Virginia License No. 8887, of Terradon Corporation, Nitro, West Virginia (the "Company"), hereby certify this 23rd day of July, 2008 as follows:

1. My company is engineer for the acquisition and construction of a public waterworks system (the "Project") of the Putnam County Building Commission (the "Issuer"), to be constructed primarily in Putnam County, West Virginia, which acquisition and construction are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the meanings set forth in the Bond Ordinance enacted by the Issuer on June 17, 2008, as supplementad by Supplemental Resolution duly adopted on July 15, 2008 and the loan agreement, by and between the Issuer and the West Virginia Water Development Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council ("Council"), dated July 23, 2008 (the "Loan Agreement").

2. The Bonds are being issued for the purposes of (i) paying the costs of acquisition and construction of the Project; (ii) funding the Series 2008 A Bonds Reserve Account; and (iii) paying certain costs of issuance and related costs.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by the Company and approved by the Bureau for Public Health and the Public Service Commission of West Virginia and any change orders approved by the Issuer and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 40 years if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing as set forth in the Schedule B attached hereto as Exhibit A and the Company has ascertained that all successful bidder(s) have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidder(s) received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by

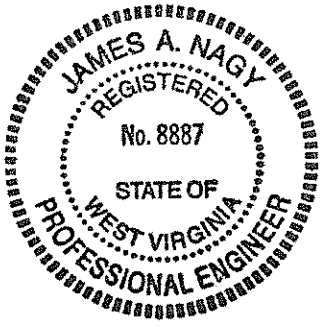
the Bureau for Public Health and the Public Service Commission of West Virginia and the bid form(s) provided to the bidders contain all critical operational components of the Project; (vi) the successful bid(s) include prices for every item on such bid form(s); (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System, (ix) as of the effective date thereof, in reliance upon the certificate of the Issuer's certified public accountant, Griffith & Associates, of even date herewith, all Revenues of the Issuer received from The County Commission of Putnam County (the "County Commission") under and pursuant to the Agreement and Lease of Series 2008 A Facilities dated as of July 23, 2008 (the "Lease"), will be sufficient to comply with the provisions of the Loan Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project set forth in the Schedule B attached hereto; and (xi) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Costs of Financing" for the Project.

[Remainder of Page Intentionally Blank]

WITNESS my signature and seal on the day and year first written above.

TERRADON CORPORATION

(SEAL)



James A. Nagy

James A. Nagy, P.E.
West Virginia License No. 8887

07.14.08
191700.00002

PUTNAM COUNTY BUILDING COMMISSION

SCHEDULE B

7/11/08

A. COST OF PROJECT	TOTAL	IJDC Loan	WVAWC
1 Construction	1,957,428.00	1,676,428.00	281,000.00
Construction Contingency	195,742.00	195,742.00	0.00
2 Technical Services			
a. Preliminary	18,000.00	18,000.00	0.00
b. Design	125,000.00	125,000.00	0.00
c. Construction	188,500.00	188,500.00	0.00
3 Legal & Fiscal			
a. Legal (Local)	5,000.00	5,000.00	0.00
b. Legal (PSC)	7,500.00	7,500.00	0.00
c. Accounting	5,000.00	5,000.00	0.00
4 Administrative	20,000.00	20,000.00	0.00
5 Sites & Other Lands	10,000.00	10,000.00	0.00
6. Permits / DOH	50,000.00	50,000.00	0.00
7 Project Contingency	506,145.00	506,145.00	0.00
8 TOTAL of Lines 1 through 7	3,088,315.00	2,807,315.00	281,000.00
B. COST OF FINANCING			
9 Funded Reserve	76,685.00	76,685.00	0.00
10 Registrar	500.00	500.00	0.00
11 Bond Counsel	29,500.00	29,500.00	0.00
12 Cost of Financing	106,685.00	106,685.00	0.00
13 Total Cost of Project (line 8 plus line 12)	3,195,000.00	2,914,000.00	281,000.00
C. SOURCES OF FUNDS			
14 Federal Grants	0.00	0.00	0.00
15 State Grants	0.00	0.00	0.00
16 Other Grants	0.00	0.00	0.00
17 Any Other Source	281,000.00	0.00	281,000.00
18 TOTAL Lines 14 trough 17	281,000.00	0.00	0.00
19 Net Proceeds from Bond Issue	2,914,000.00	2,914,000.00	0.00

Brian Donat
PUTNAM COUNTY BUILDING COMMISSION

7/22/08
Date

James A. Nagy
TERRADON CORPORATION

7-23-08
Date

July 23, 2008

Putnam County Building Commission
Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

Putnam County Building Commission
Winfield, West Virginia

Putnam County Commission
Winfield, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the lease payments to be made by The County Commission of Putnam County (the "County Commission") to the Putnam County Building Commission (the "Issuer"), under that certain Agreement and Lease of Series 2008 A Facilities dated as of July 23, 2008, by and between the County Commission and the Issuer, it is my opinion that such payments will be sufficient, so long as such payments are made, to provide revenues which will be sufficient to pay 100% of the maximum amount required in any year for debt service on the Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), to be issued to the West Virginia Water Development Authority on the date hereof.

Very truly yours,

Michael D. Griffith CPA/08

Michael D. Griffith, CPA
Griffith & Associates

MDG/dk

Michael D. Griffith, CPA
michaelgriffithcpa@verizon.net
950 Little Coal River Road Alum Creek, WV 25003
Phone: (304) 756.3600 Facsimile: (304) 756.2911

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

CERTIFICATE AS TO USE OF PROCEEDS

The undersigned Chairman of the Putnam County Building Commission in Putnam County, West Virginia (the "Issuer"), being the official of the Issuer duly charged with the responsibility for the issuance of $2,914,000 Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), of the Issuer, dated July 23, 2008 (the "Bonds" or the "Series 2008 A Bonds"), hereby certifies this 23rd day of July, 2008 as follows:

1. I am the officer of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Ordinance duly enacted by the Issuer on June 17, 2008, as supplemented by Supplemental Resolution duly adopted by the Issuer on July 15, 2008 (collectively, the "Bond Ordinance"), authorizing the Bonds.

2. This certificate may be relied upon as the certificate of the Issuer.

3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on July 23, 2008, the date on which the Bonds are being physically delivered in exchange for an initial advance of the principal amount of the Series 2008 A Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

4. In the Bond Ordinance pursuant to which the Bonds are issued, the Issuer has covenanted that it shall not take, or permit or suffer to be taken, any action with respect to Issuer's use of the proceeds of the Bonds which would cause any bonds, the interest, if any, on which is exempt from federal income taxation under Section 103(a) of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (collectively, the "Code"), issued by the West Virginia Water Development Authority (the "Authority") or the West Virginia Infrastructure and Jobs Development Council (the "Council"), as the case may be, from which the proceeds of the Bonds are derived, to lose their status as tax-exempt bonds. The Issuer hereby covenants to take all actions necessary to comply with such covenant.

5. The Series 2008 A Bonds were sold on July 23, 2008, to the Authority, pursuant to a loan agreement dated July 23, 2008, by and between the Issuer and the Authority, on behalf of the Council, for an aggregate purchase price of $2,914,000 (100% of par), at which time, the Issuer received $113,189 from the Authority and the Council, being the first advance of the principal amount of the Series 2008 A Bonds. No accrued interest has been or will be paid on the Series 2008 A Bonds. The balance of the principal amount of the Series 2008 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2008 A Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of the Project; (ii) funding the Series 2008 A Bonds Reserve Account; and (iii) paying certain costs of issuance of the Bonds and related costs.

7. Within 30 days after the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds on the Project, constituting a substantial binding commitment. The acquisition and construction of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds deposited in the Series 2008 A Bonds Reserve Account, if any, all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of costs of the Project on or before May 1, 2009. The acquisition and construction of the Project is expected to be completed by October 1, 2009.

8. The total cost of the Project, a portion of which is financed from the proceeds of the Bonds (including all costs of issuance of the Bonds), is estimated at $3,195,000. Sources and uses of funds for the Project are as follows:

SOURCES	
Proceeds of the Series 2008 A Bonds	$2,914,000
Company Contribution	281,000
Total Sources	$3,195,000
USES	
Costs of Acquisition and Construction of the Project	$3,089,311
Funding 2008 A Bonds Reserve Account	75,689
Costs of Issuance	30,000
Total Uses	$3,195,000

9. Pursuant to Article V of the Bond Ordinance, the following special funds or accounts have been created or continued relative to the Series 2008 A Bonds:

(1) Revenue Fund (established by Prior Ordinance);

(2) Renewal and Replacement Fund (established by Prior Ordinance);

(3) Series 2008 A Bonds Construction Trust Fund;

(4) Series 2008 A Bonds Sinking Fund; and

(5) Series 2008 A Bonds Reserve Account

10. Pursuant to Article VI of the Bond Resolution, the balance of the proceeds of the Series 2008 A Bonds will be deposited in the Series 2008 A Bonds Construction Trust Fund as received from time to time and applied solely to payment of costs of the Project, including costs of issuance of the Series 2008 A Bonds and related costs.

11. Monies held in the Series 2008 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Series 2008 A Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on monies in the Series 2008 A Bonds Sinking Fund and Series 2008 A Bonds Reserve Account, if applicable, will be withdrawn therefrom and deposited into the Series 2008 A Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Ordinance.

12. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. The acquisition and construction of the Project is expected to be completed within nine (9) months of the date hereof.

13. The Issuer will take such steps as requested by the Authority to ensure that the Authority's bonds meet the requirements of the Code.

14. With the exception of the amount deposited in the Series 2008 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within fifteen (15) months from the date of issuance thereof.

15. The Issuer does not expect to sell or otherwise dispose of the Project in whole or in part prior to the last maturity date of the Bonds.

16. The amount designated as costs of issuance of the Bonds consists only of costs which are directly related to and necessary for the issuance of the Bonds.

17. All property financed with the proceeds of the Bonds will be owned and held by (or on behalf of) a qualified governmental unit.

18. No proceeds of the Bonds will be used, directly or indirectly, in any trade or business carried on by any person who is not a governmental unit.

19. The original proceeds of the Bonds will not exceed the amount necessary for the purposes of the issue.

20. The Issuer shall use the Bond proceeds solely for the costs of the Project, and the Project will be operated solely for a public purpose as a local governmental activity of the Issuer.

21. The Bonds are not federally guaranteed.

22. The Issuer has retained the right to amend the Bond Ordinance authorizing the issuance of the Bonds if such amendment is necessary to assure that the Bonds remain governmental bonds.

23. There are no other obligations of the Issuer which (a) are to be issued at substantially the same time as the Bonds, (b) are to be sold pursuant to a common plan of financing together with the Bonds and (c) will be paid out of substantially the same sources of funds of funds or will have substantially the same claim to be paid out of substantially the same sources of funds as the Bonds.

24. To the best of my knowledge, information and belief, there are no other facts, estimates and circumstances which would materially change the expectations herein expressed.

25. The Issuer will comply with instructions as may be provided by the Authority, at any time, regarding use and investment of proceeds of the Bonds, rebates and rebate calculations.

26. To the best of my knowledge, information and belief, the foregoing expectations are reasonable.

[Remainder of Page Intentionally Left Blank]

WITNESS my signature on the day and year first written above.

PUTNAM COUNTY BUILDING COMMISSION

By: _____
Its: Chairman

07.14.08
191700.00002

VIRGINIA:

At a REGULAR SESSION of the COUNTY COMMISSION of Putnam County, West Virginia, held and for said County at the Court House thereof, pursuant to law on Thursday the 28th day August, 1980.

PRESENT: R. B. ALLEN, President

Leff Moore, Commissioner

****

IN THE COUNTY COMMISSION OF PUTNAM COUNTY, WEST VIRGINIA

The Putnam County Commission sitting in regular session this 28th day of August, 80, does hereby, ORDER that there be created and established a County Building Commission, rsuant to Chapter 8, Article 33 of the West Virginia Code, as amended (the "Act"), to be wn as the Putnam County Building Commission, which said Building Commission shall have all powers rights and duties as set forth in the Act, subject to the proviso hereinafter set th, with the number of members for said Building Commission set at three, with the origi- l Board of said Building Commission consisting of three members.

Upon the expiration of an original Board member's term, the new appointment shall for 3 years. No more than two-thirds of the members of said Board may be from the same litical party, and no member may be an officer of or be employed by the United States vernment, the State of West Virginia, or any County or political subdivision thereof of any litical party.

Vacancies on said Board shall be filled as specified by the Act., All member of d Board shall be residents of the County of Putnam. Appointments to said Board shall be de by the County Commission.

It is, hereby, ORDERED that the initial members of said Building Commission be, d they are hereby, appointed for the following initial terms:

Robert Hatfield, - Hurricane, for a term of 1 year;

Frank Armada, - Poca, for a term of 2 years; and

Charles Sigman, - Poca, for a term of 3 years.

l said terms shall run from the date of entery of this Order.

PROVIDED, however, that the said Building Commission shall not undertake any pro- ct or exercise any of the powers authorized by the provisions of the Act in support on behalf of any project, unless such project is first approved by the County Commission by der entered of record.

It is, hereby, ORDERED that the Putnam County Building Commission be and the same hereby authorized to arrange, under the provisions of the Act, the acquisition, construc- and financing of the costs of a new 68-bed Putnam County General or acute care hospital [illegible] County, and in regard thereto, to exercise any and all the powers conferred upon [illegible] sion by the Act.

[illegible] this 28th day of August, 1980.

S/ R. B. Allen
R. B. Allen, President

Absent
John D. Hanson, Commissioner

S/ Leff Moore
Leff Moore, Commissioner

[illegible]

[illegible] Attorney of Putnam County.

IN THE COUNTY COMMISSION OF PUTNAM COUNTY, WEST VIRGINIA

The County Commission of Putnam County, West Virginia, sitting in regular session this the 6th day of November, 2007 does hereby RE-APPOINT Mr. Frank Armada, 3972 Teays Valley Road, Hurricane, WV 25526 to serve on the Putnam County Building Commission, effective August 27, 2007 with a term to expire on August 27 , 2012.

ENTER this 6th day of November, 2007.

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Recorded: 11/08/2007 at 03:10:14 PM
Fee Amt: Page 1 of 1
Putnam County Clerk
Brian Wood County Clerk
BK87 PG998

R. Joseph Haynes, President

Stephen A. Andes, Commissioner

Gary O. Tillis, Commissioner

STATE OF WEST VIRGINIA, Putnam County Commission Clerk's Office 11/08/2007. The foregoing Court Order together with the certificate of its acknowledgment, was this day presented in said office and admitted to record.

Teste: _____ Clerk

APPROVED: _____

DATE: 11-13-07

MINUTES
PUTNAM COUNTY COMMISSION REGULAR SESSION
November 6, 2007

OPENING

President R. Joseph Haynes, Commissioner Stephen A. Andes and Commissioner Gary O. Tillis were present when the 9:00 a.m. meeting was convened in the Putnam County Commission Chambers by County Clerk Brian Wood. The Pledge of Allegiance followed.

BRIAN WOOD, COUNTY CLERK

Mr. Wood presented the following documents for the Commissioner's approval and signature:

1. Edit registers and checks

Commissioner Andes made a motion to approve and sign the presented documents. Commissioner Tillis seconded the motion. The motion carried unanimously.

GENERAL BUSINESS

Commissioner Andes made a motion to approve the minutes of October 30, 2007. Commissioner Tillis seconded the motion. The motion carried unanimously.

ERRONEOUS ASSESSMENTS

Commissioner Andes made a motion to approve the Assessor's Erroneous Assessment Orders as presented:

Lloyd &/or Lori Ann Myers, Jason B. & Miranda Milhorn Rutledge, Ranch Lake Estates Property Owners Association, Robert B. Radoslovich, et al, Stanley Garrison

Commissioner Tillis seconded the motion. The motion carried unanimously.

BOARD APPOINTMENT

Commissioner Andes made a motion to re-appoint Mr. Frank Armada to serve on the Putnam County Building Commission, effective August 27, 2007 with a term to expire on August 27, 2012. Commissioner Tillis seconded the motion. The motion carried unanimously.

COURT ORDERS APPROVED

Commissioner Andes made a motion to approve and sign the following orders and personnel payroll orders:

1. An Order to re-appoint Mr. Frank Armada, 3972 Teays Valley Road, Hurricane, WV 25526 to serve on the Putnam County Building Commission, effective August 27, 2007 with a term to expire on August 27, 2012 as presented by the Commission Assistant

Commissioner Tillis seconded the motion. The motion carried unanimously.

NICKI BARNETTE, PLANNER

Ms. Barnette appeared before the Commission to present a request from the Oak Ridge Subdivision Homeowners Association to rezone the subdivision on tax map 203, parcels 13, 13.1, 13.2, 13.4, 13.5, 13.6 and 13.7 in Winfield, West Virginia. The parcels are currently zoned "C-2" High Density Commercial District and they are requesting it be rezoned to "R-1" Single Family Residential District. Ms. Barnette presented the Findings of Fact and stated that the Putnam County Planning Commission, after holding a public hearing, recommends adoption by the Putnam County Commission.

Commissioner Andes made a motion to adopt the Planning Commission findings and recommendation of approval and to specifically find, based thereon, that the rezoning amendments would 1) protect and promote the public health, safety, convenience, moral and general welfare, and 2) assist in achieving the objectives of the Teays Valley Land Use Plan. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Andes made a motion to approve, pursuant to West Virginia Code Sections 8-24-45 through 8-24-47, the petitioner's request to amend the Zoning Map for the Zoning Ordinance for the Zoned Unincorporated Areas of Putnam County, West Virginia and rezone parcels 13, 13.1, 13.2, 13.4, 13.5, 13.6 & 13.7 on tax map 203 located in Winfield, WV from "C-2" High Density Commercial to "R-1" Single Family Residential District on the Zoning Map for the Zoned Unincorporated Areas of Putnam County. Commissioner Tillis seconded the motion. The motion carried unanimously.

BRIAN DONAT, COUNTY ADMINISTRATOR

Commissioner Andes made a motion to authorize the President to sign State Budget Revision #2 as presented by Mr. Donat. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Andes made a motion to issue a check from the Water and Sewer Fund in the amount of $48,000.00 payable to Terradon Corporation for engineering services associated with the preliminary engineering phase of the 2007 Water Main Extensions Project as present by Mr. Donat. Commissioner Tillis seconded the motion. The motion carried unanimously.

Mr. Donat presented the following orders for approval:

1. An Order to issue a check from the General County Fund in the amount of $37,314.00 payable to the Putnam County Parks and Recreation District as part of the Ice Rink Project

2. An Order to issue a check from the General County Fund in the amount of $4,750.00 payable to the Putnam County Library for repairs to the entrance to the main library branch

Commissioner Andes made a motion to approve the orders as presented. Commissioner Tillis seconded the motion. The motion carried unanimously.

ESTATE SETTLEMENTS

The Fiduciary Supervisor Ms. Scragg, presented the following documents to the Commission and recommended that they be approved as presented:

An Order to disburse the sum of $175.00 from the Fiduciary Special Fund made payable to the State Tax Department for estate tax administration

An Order to approve and confirm the actions of the Fiduciary Supervisor and/or her deputies on behalf of the Commission from October 29, 2007 through November 2, 2007

Commissioner Andes made a motion to approve the documents as presented. Commissioner Tillis seconded the motion. The motion carried unanimously.

ADJOURN

At 9:45 a.m., having no further business, Commissioner Tillis made a motion and Commissioner Andes seconded to adjourn the regular session of the County Commission until Tuesday, November 13, 2007 at 7:00 p.m.

Respectfully submitted,

Sherry Otey

Sherry Otey
Commission Assistant

IN THE COUNTY COMMISSION OF PUTNAM COUNTY, WEST VIRGINIA

The County Commission of Putnam County, West Virginia, sitting in regular session this the 6th day of November, 2007 does hereby RE-APPOINT Mr. Frank Armada, 3972 Teays Valley Road, Hurricane, WV 25526 to serve on the Putnam County Building Commission, effective August 27, 2007 with a term to expire on August 27 , 2012.

ENTER this 6th day of November, 2007.

R. Joseph Haynes, President

Stephen A. Andes, Commissioner

Gary O. Tillis, Commissioner

APPROVED: James H. Caruthers, Jr.

DATE: October 14 2003

MINUTES
PUTNAM COUNTY COMMISSION REGULAR SESSION
OCTOBER 7, 2003

OPENING

President James H. Caruthers, Jr., Commissioner James A. Withrow and Commissioner Stephen A. Andes were present when the 9:00 a.m. meeting was convened in the Putnam County Commission Chambers by County Clerk Employee Marcy Fewell. The Pledge of Allegiance followed.

MIKE ELLIOTT, COUNTY CLERK

Ms. Fewell presented two recap sheets, five fiduciary bonds and edit sheets for the Commissioner's approval and signature. Commissioner Andes made a motion to approve and sign the presented documents. Commissioner Withrow seconded the motion. The motion carried unanimously.

GENERAL BUSINESS

Commissioner Withrow made a motion to approve the minutes of September 30, 2003. Commissioner Andes seconded the motion. The motion carried unanimously.

GENERAL BUSINESS

Commissioner Withrow made a motion to approve and sign the following:

1. An Order to disburse the sum of $195.00 from the Fiduciary Special Fund, made payable to the State Tax Department, for remittance for estate tax administration for the following estates: Richard A. Brendler, Freda Louise Williams, Billy Gene Williams, Susie Ann Keiffer, Shirley Lett, Dale Edwin Meadows, Okey R. Miller, Norvil Ulysses Morton, Avalee Atkinson, James Attison McClanahan, Paul H. Scott, Jane Pauline Lloyd, Dortha S. Thornton, Delta M. Jones, Denzil C. Spencer, William Douglas Roush, Jeffery K. Burt, Dianna Lynn Caruthers, Frank E. (aka Elmer Frank) Pava, Kathryn Joy Duncan, Jo Ellen Conner, Carol Sue Lett, Santina Maria Ciccarello, William Terrance Smoot, Tommie Earl Bell, Reba Ruth Sheets, Patsy Jean Treadway, Rebecca Mae Taylor, Virginia Mae Chapman, Clarence Allen Setliff, Margaret F. Kessel, Austin Francis Clynes, Jr., Harold Lee Handley, Robert Carson Hodges, Sr., Rebecca C. Quigley, Charles Ray Sergent, Curtis Lee Beller, Stanley L. Kuzminski and Harold Eugene Waddell.

2. A letter commending County Clerk Mike Elliott and his staff for the expedient and efficient preparation of the FY 2002/2003 Financial Statement.

Commissioner Andes seconded the motion. The motion carried unanimously.

BOARD APPOINTMENTS

Commissioner Withrow made a motion to re-appoint Mr. Fletcher Parsons to serve on the Putnam County Building Commission. Commissioner Andes seconded the motion. The motion carried unanimously.

Commissioner Withrow made a motion to appoint Ms. Rosalind Dixon to serve on the Putnam Aging Program Board. Commissioner Andes seconded the motion. The motion carried unanimously.

Commissioner Withrow made a motion to re-appoint Ancil Jividen, Tom Hankins and Courtlandt Smith to serve on the Port Authority Board. Commissioner Andes seconded the motion. The motion carried unanimously.

GENERAL BUSINESS

Commissioner Andes made a motion to authorize the President to sign a Resolution authorizing Frank Chapman to be legally authorized to enter into agreements with the West Virginia Office of Emergency Services for the Emergency Management Performance Grant (EMPG). This authority will exist until transferred or rescinded by act of this body as presented by Assistant County Administrator Brian Donat. Commissioner Withrow seconded the motion. The motion carried unanimously.

JENNIFER SCRAGG, COUNTY ATTORNEY

Ms. Scragg appeared before the Commission to present an agreement between West Virginia Economic Development Authority and the Putnam County Commission. She explained that there was a prior bond agreement with West Virginia Steel and Putnam County Commission dated November 1, 1971. As part of that agreement, the Commission owns and leases land to West Virginia Steel and that the lease expires on October 30, 2005. West Virginia Steel is receiving a loan from the Economic Development Authority, to be secured by a lien in the form of a deed of trust on lessee's leasehold interests in the premises and also a first-secured lien in the business's personal property. A copy of the agreement will be filed in the County Clerk's Office. Commissioner Withrow made a motion to approve the agreement. Commissioner Andes seconded the motion. President Caruthers abstained from the vote and entire discussion. The motion carried unanimously among the participating two Commissioners.

HAROLD PAYNE, PAYNE & GARLOW INSURANCE

Mr. Payne appeared before the Commission to present an insurance bid comparison. He stated that in a June 2003 presentation of the commercial property-casualty renewal for the Putnam County Commission there was an alternative presentation provided by the Arch Insurance Group (J. W. Hughes) from Weirton, West Virginia. At that meeting, the Commission asked for a carve out quotation of the Putnam County Emergency Medical Services (EMS) with the State Board of Risk and an explanation of some of the coverages. Mr. Payne completed a comparison and provided a report. After lengthy discussion, he concluded that local representation is important on this account; being insured with an A++ is desirable; and the possible savings in premium could quickly be erased at the next renewal due to double litigation costs. The Commission asked Assistant County Administrator Brian Donat to review and report back.

GENERAL BUSINESS

Commissioner Withrow excused himself at 10:35 a.m. to attend a funeral.

FRED STOTTLEMYER, SOUTH PUTNAM PSD

Mr. Leff Moore, Fred Stottlemyer and Jason Henderson appeared before the Commission to present a South Putnam Public Service District update. Mr. Moore stated that SPPSD is nearing completion of Phase I on Coleman Creek. Mr. Stottlemyer reported that Phase II will not be completed this year.

Mr. Stottlemyer advised the Commission that the North Putnam Public Service District acquisition has been approved by the Public Service Commission contingent upon two things: 1) Bond holder approval; and 2) contingent upon the rates of NPPSD remaining the same. He also presented an update regarding cases pending with the PSC.

Mr. Moore reported on stormwater and said that the SPPSD and engineer will be ready to provide the deliverables as agreed and stated that this phase of stormwater planning and development analysis will be complete. Mr. Moore discussed stormwater options and asked the Commission for direction of where to go from here. The Commission advised that they are in favor of moving forward.

ADJOURN

At 12:30 p.m., having no further business, Commissioner Andes made a motion and Commissioner Caruthers seconded to adjourn the regular session of the County Commission until Tuesday, October 14, 2003 at 9:00 a.m.

Respectfully submitted,

Sherry Otey

Sherry Otey
Commission Secretary

IN THE COUNTY COMMISSION OF PUTNAM COUNTY, WEST VIRGINIA

The County Commission of Putnam County, West Virginia, sitting in regular session this the 29th day of August, 2006 does hereby RE-APPOINT Ms. Nancy Smith, 4001 Pinnacle View, Hurricane, WV 25526 to serve on the Building Commission, effective August 27, 2006 with a term to expire on August 27, 2011.

ENTER this 29th day of August, 2006.

James H. Caruthers, Jr., President

Stephen A. Andes, Commissioner

R. Joseph Haynes, Commissioner

APPROVED: James H. Caruthers

DATE: September 5 2006

MINUTES
PUTNAM COUNTY COMMISSION REGULAR SESSION
August 29, 2006

OPENING

President James H. Caruthers, Jr., Commissioner Stephen A. Andes and Commissioner R. Joseph Haynes were present when the 1:00 p.m. meeting was convened in the Putnam County Commission Chambers by County Clerk Brian Wood. The Pledge of Allegiance followed.

BRIAN WOOD, COUNTY CLERK

Mr. Wood presented the following documents for the Commissioner's approval and signature:

1. Edit registers and checks

Commissioner Andes made a motion to approve and sign the presented documents. Commissioner Haynes seconded the motion. The motion carried unanimously.

Commissioner Andes made a motion to approve 3-day election support from ES&S in the amount of $3,900.00 as requested by County Clerk Wood. Commissioner Haynes seconded the motion. The motion carried unanimously.

GENERAL BUSINESS

Commissioner Haynes made a motion to approve the minutes of August 15, 2006. Commissioner Andes seconded the motion. The motion carried unanimously.

BOARD APPOINTMENTS

Commissioner Andes made a motion to re-appoint Mrs. Nancy Smith to serve on the Putnam County Building Commission. Commissioner Haynes seconded the motion. The motion carried unanimously.

Commissioner Andes made a motion to re-appoint Dr. Jeanne Bailey, Jim Dillon and Joe Haynes to serve on the Putnam County Health Board. Commissioner Caruthers seconded the motion. The motion carried unanimously.

Commissioner Andes made a motion to re-appoint Commissioner Joe Haynes to serve on the Putnam County Parks and Recreation Commission. Commissioner Caruthers seconded the motion. The motion carried unanimously.

Commissioner Andes made a motion to re-appoint Tom Hankins, Ancil Jividen and Courtlandt Smith to serve on the Putnam County Port Authority. Commissioner Caruthers seconded the motion. The motion carried unanimously.

Commissioner Andes made a motion to re-appoint Kevin Dickson, Chad Jones and Cecil Kimble to service on the E-911 Advisory Board. Commissioner Haynes seconded the motion. The motion carried unanimously.

COURT ORDERS APPROVED

Commissioner Haynes made a motion to approve and sign the following:

1. An Order to delete from payroll Scott A. Lowther, Full-time, Deputy, Department 700, effective September 1, 2006 as presented by the Commission Secretary

2. An Order to add to payroll Daniel Edward Keeling, Part-time, EMT, Department 715, $7.50/hourly, effective August 29, 2006 as presented by the Commission Secretary

3. An Order to delete from payroll Nancy S. Stephens, Full-time, Animal Relief Center Specialist, Department 716, effective August 22, 2006 as presented by the Commission Secretary

4. An Order to add to payroll Aaron Jackson Racer, Part-time, EMT, Department 715, $7.50/hourly, effective August 29, 2006 as presented by the Commission Secretary

5. An Order to add to payroll Mary Katherine Davino-Giffen, Part-time, EMT, Department 715, $7.50/hourly, effective August 29, 2006 as presented by the Commission Secretary

6. An Order to add to payroll Robert A. Carpenter, Part-time, EMT, Department 715, $7.50/hourly, effective August 29, 2006 as presented by the Commission Secretary

7. An Order to add to payroll Brandy Price, Part-time, Kennel Tech, Department 716, $6.00/hourly, effective August 28, 2006 as presented by the Commission Secretary

8. An Order to add to payroll Michael Henson, Part-time, Kennel Tech, Department 716, $6.00/hourly, effective August 28, 2006 as presented by the Commission Secretary

9. An Order to add to payroll Daniel Terpin, Part-time, Kennel Tech, Department 716, $6.00/hourly, effective August 22, 2006 as presented by the Commission Secretary

10. An Order to add to payroll Vicki Eagle, Part-time, Kennel Tech, Department 716, $6.00/hourly, effective August 22, 2006 as presented by the Commission Secretary

11. An Order to add to payroll Jennifer Shabdue, Part-time, Kennel Tech, Department 716, $6.00/hourly, effective August 22, 2006 as presented by the Commission Secretary

12. An Order to add to payroll Joshua Pickering, Part-time, Kennel Tech, Department 716, $6.00/hourly, effective August 22, 2006 as presented by the Commission Secretary

13. An Order to add to payroll Dana Russell, Part-time, Telecommunicator, Department 712, $7.50/hourly, effective August 28, 2006 as presented by the Commission Secretary

14. An Order to add to payroll Jason Akers, Part-time, Telecommunicator, Department 712, $7.50/hourly, effective August 28, 2006 as presented by the Commission Secretary

15. An Order to add to payroll Margie Weese, Part-time, Telecommunicator, Department 712, $7.50/hourly, effective August 28, 2006 as presented by the Commission Secretary

16. An Order to add to payroll Johnny Walls, Part-time, Telecommunicator, Department 712, $7.50/hourly, effective August 28, 2006 as presented by the Commission Secretary

17. An Order to re-appoint Deborah Gillispie to serve on the Putnam County Dilapidated & Abandoned Building Enforcement Agency, effective May 10, 2006 with a term to expire on May 10, 2008 as presented by the Commission Secretary

18. An Order to re-appoint Trena Smith to serve on the Putnam County Dilapidated & Abandoned Building Enforcement Agency, effective May 10, 2006 with a term to expire on May 10, 2008 as presented by the Commission Secretary

19. An Order to appoint Robert E. Weiford to serve on the Putnam County Historic Landmark Commission, effective August 29, 2006 with a term to expire on March 28, 2007 as presented by the Commission Secretary

20. An Order to appoint Coy D. Musick to serve on the Putnam County Historic Landmark Commission, effective August 29, 2006 with a term to expire on March 28, 2008 as presented by the Commission Secretary

21. An Order to appoint Paul R. Walker, Jr. to serve on the Putnam County Historic Landmark Commission, effective August 29, 2006 with a term to expire on March 28, 2008 as presented by the Commission Secretary

22. An Order to re-appoint Nancy Smith to serve on the Putnam County Building Commission, effective August 27, 2006 with a term to expire on August 27, 2011 as presented by the Commission Secretary

23. An Order to re-appoint Dr. Jeanne Bailey to serve on the Putnam County Health Board, effective June 30, 2006 with a term to expire on June 30, 2011 as presented by the Commission Secretary

24. An Order to re-appoint Jim Dillon to serve on the Putnam County Health Board, effective June 30, 2006 with a term to expire on June 30, 2011 as presented by the Commission Secretary

25. An Order to re-appoint Joe Haynes to serve on the Putnam County Health Board, effective June 30, 2006 with a term to expire on June 30, 2011 as presented by the Commission Secretary

26. An Order to re-appoint Joe Haynes to serve on the Putnam County Parks & Recreation Commission, effective August 31, 2006 with a term to expire on August 31, 2009 as presented by the Commission Secretary

27. An Order to re-appoint Kevin Dickson to serve on the E-911 Advisory Board, effective June 30, 2006 with a term to expire on June 30, 2008 as presented by the Commission Secretary

28. An Order to re-appoint Chad Jones to serve on the E-911 Advisory Board, effective June 30, 2006 with a term to expire on June 30, 2009 as presented by the Commission Secretary

29. An Order to re-appoint Cecil Kimble to serve on the E-911 Advisory Board, effective June 30, 2006 with a term to expire on June 30, 2008 as presented by the Commission Secretary

30. An Order to re-appoint Tom Hankins to serve on the Putnam County Port Authority, effective March 10, 2006 with a term to expire on March 10, 2009 as presented by the Commission Secretary

31. An Order to re-appoint Ancil Jividen to serve on the Putnam County Port Authority, effective March 10, 2006 with a term to expire on March 10, 2009 as presented by the Commission Secretary

32. An Order to re-appoint Courtlandt Smith to serve on the Putnam County Port Authority, effective March 10, 2006 with a term to expire on March 10, 2009 as presented by the Commission Secretary

33. An Order to add to payroll Veronica Lowe, Part-time, Kennel Tech, Department 716, $6.00/hourly, effective August 30, 2006 as presented by the Commission Secretary

34. An Order to add to payroll Roy Lowe, Part-time, Kennel Tech, Department 716, $6.00/hourly, effective August 30, 2006 as presented by the Commission Secretary

Commissioner Andes seconded the motion. The motion carried unanimously.

MIKE MCNULTY, PUTNAM PUBLIC SERVICE DISTRICT

Mr. McNulty appeared before the Commission to ask for $16,500 to assist in the upgrading of a water line along U.S. 35 near the John Amos Plant. He reported that this upgrade is necessary for American Electric Power's future construction projects and fire protection. After discussion, Commissioner Caruthers made a motion to allocate up to $16,500 to upgrade the water line as requested by Mr. McNulty. Commissioner Andes seconded the motion. Commissioner Haynes abstained. The motion carried.

MELISSA WOBER, MUSEUM IN THE COMMUNITY

Ms. Wober appeared to present an update on the Museum in the Community. She told the Commission that many changes are planned for the Museum. The focus will be on children and family. Ms. Wober outlined plans to include art, drama and music classes and explained that the goal will be to provide what the community wants.

VERA WARNER, 4-H EXTENSION AGENT

Ms. Warner presented to the Commission a Proclamation proclaiming October 1-7, 2006 as National 4-H Week in Putnam County. Commissioner Haynes made a motion to authorize the President to sign the Proclamation as presented. Commissioner Andes seconded the motion. The motion carried unanimously.

TERRY WILLIAMS, PARC DIRECTOR

Ms. Williams appeared before the Commission to present an update on the Putnam Animal Relief Center.

LEE CASTO, HISTORIC LANDMARK COMMISSION

Mr. Casto appeared before the Commission as chairman of the Historic Landmark Commission to present three board applications for approval. Commissioner Haynes made a motion to appoint Bob Weiford, Coy Musick and Paul Walker, Jr. to serve on the Historic Landmark Commission as requested. Commissioner Andes seconded the motion. The motion carried unanimously.

The Commissioners requested that Mr. Casto schedule each appointee for a meeting.

EXECUTIVE SESSION

At 3:00 p.m., Commissioner Andes made a motion to enter an executive session to discuss personnel. Commissioner Haynes seconded the motion. The motion carried unanimously.

At 3:25 p.m., Commissioner Haynes made a motion to return to regular session. Commissioner Andes seconded the motion. The motion carried unanimously.

BRIAN DONAT, COUNTY ADMINISTRATOR

Mr. Donat presented the following Orders for approval:

1. An Order to issue a check from the General County Fund in the amount of $14,125.00 payable to Putnam County Community Criminal Justice Fund representing the total FY2007 grant local match

2. An Order to issue a check from the Putnam County Community Criminal Justice Fund in the amount of $268.25 payable to Missy Harold and Guardian-Huntington

Commissioner Haynes made a motion to approve the Orders as presented. Commissioner Andes seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to issue a check from the 911 Fund in the amount of $28,297.20 payable to Electronic Services, Inc. for partial payment on the new radio system at Winfield, WV.

Commissioner Haynes made a motion to issue a check from the Dog Fund in the amount of $1,345.00 for the month of July, 2006 payable to the Putnam County Humane Society. Commissioner Andes seconded the motion. The motion carried unanimously.

Mr. Donat presented the following budget revisions for approval:

1. A budget revision from the County Commission Office for training and education

2. A budget revision from the Sheriff's Department for capital outlay/equipment

Commissioner Haynes made a motion to approve the budget revisions as presented. Commissioner Andes seconded the motion. The motion carried unanimously.

ESTATE SETTLEMENTS

Commissioner Haynes made a motion to approve the following documents as presented by the Fiduciary Deputy:

Short Form Settlements: Phyllis Bays, Marguerite D. Collard, Evelyn Coperhaver, Vernon Gray, Jr., Eugene W. Gross, Ernest W. Hedrick, I, Fayanna McCray Howard, Brenda Kay Laton, Rochelle Adele Levy, Walter M. Oliver, Joseph P. Togger

Order Re-Closing Estates: Dorsey L. Carpenter and Erma L. King

Guardian Final Accounting: Jeffrey Scott Lykins

Committee Partial Accounting: Howard Eugene Cain

An Order to disburse the sum of $149.00 from the Fiduciary Special Fund made payable to Brian Wood, Clerk, for recording of estate settlements

An Order to approve and confirm the actions of the Fiduciary Supervisor and/or her deputies on behalf of the Commission from August 14, 2006 through August 18, 2006 and August 21, 2006 through August 25, 2006.

Commissioner Andes seconded the motion. The motion carried unanimously.

ADJOURN

At 3:55 p.m., having no further business, Commissioner Andes made a motion and Commissioner Haynes seconded to adjourn the regular session of the County Commission until Tuesday, September 5, 2006 at 9:00 a.m.

Respectfully submitted,

Sherry Otey

Sherry Otey
Commission Secretary

OFFICIAL OATH

STATE OF WEST VIRGINIA,

PUTNAM COUNTY, SS:

I, FRANK ARMADA, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of PUTNAM COUNTY BUILDING COMMISSION to the best of my skill and judgment, SO HELP ME GOD.

Subscribed and sworn to before me this 5TH day of DECEMBER, 2007.

Frank M Armada

Brian Wood Clerk
PUTNAM COUNTY COMMISSION
WINFIELD, WEST VIRGINIA

BY: Regina Hull Deputy

OFFICIAL OATH

STATE OF WEST VIRGINIA,

PUTNAM COUNTY, SS:

I, FLETCHER PARSONS do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of

PUTNAM COUNTY BUILDING COMMISSION

(TERM: SEPTEMBER 27, 2003 TO SEPTEMBER 27, 2008)

to the best of my skill and judgement, SO HELP ME GOD.

Fletcher R. Parsons

Subscribed and sworn to before me this 4th day of November, 2003.

Michael W. Elliott CLERK
Putnam County Commission,
Winfield, West Virginia

BY: Regina Hull Deputy

STATE OF WEST VIRGINIA
County of Putnam, to-wit:
I, MICHAEL W. ELLIOTT, Clerk of the County Commission of said County, do hereby certify that the foregoing writing was this day produced to me in my said office and together with the certificate thereto annexed, was duly admitted to record therein.

Given under my hand this 4th day of November, 2003
Michael W. Elliott 1:51 pm Clerk

Doc ID: 000458970001 Type: MIS
Recorded: 09/13/2006 at 12:03:06 PM
Fee Amt: Page 1 of 1
Putnam County Clerk
Brian Wood County Clerk
BK 61 PG 533

OFFICIAL OATH

STATE OF WEST VIRGINIA,

PUTNAM COUNTY, SS:

I, NANCY SMITH, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of BUILDING COMMISSION

(TERM: AUGUST 27, 2006 TO AUGUST 27, 2011)

to the best of my skill and judgment, SO HELP ME GOD.

Nancy A Smith

Subscribed and sworn to before me this 13th day of September, 20 06.

Brian Wood Clerk
Putnam County Commission
Winfield, West Virginia

By: Kyra Hall Deputy

STATE OF WEST VIRGINIA, Putnam County Commission Clerk's Office 09/13/2006. The foregoing Miscellaneous together with the certificate of its acknowledgment, was this day presented in said office and admitted to record.

Teste: _____ Clerk

APPROVED: _____

PUTNAM COUNTY BUILDING COMMISSION
JANUARY 16, 2008, 11:00 a.m.
Putnam County Courthouse, Commission Chambers

Minutes

On Wednesday, January 16, 20087 at 11:00 a.m. the Putnam County Building Commission meeting was called to order by Chairman, Frank Armada.

ATTENDANCE

Those attending were: Frank Armada, Fletcher Parsons, Jennifer Miller and Jim Nagy (Terradon Corp.), Katy Mallory and Todd Johnson (Steptoe & Johnson), Brian Donat, Jennifer Scragg, and Sharon Blackwell.

ELECTION OF OFFICERS

Chairman Armada made a motion to elect Fletcher Parsons as Chairman of the Putnam County Building Commission. Mr. Parsons seconded the motion. The motion carried unanimously.

Chairman Armada made a motion to elect Nancy Smith as Secretary of the Putnam County Building Commission. Mr. Parsons seconded the motion. The motion carried unanimously.

2007 WATER MAIN EXTENSIONS

Brian Donat, County Administrator, introduced Jennifer Miller from Terradon Corporation. Ms. Miller presented an overview of a study of twenty-five water extensions requests, along with a general location map.

PSC APPLICATION APPROVAL

Katy Mallory of Steptoe & Johnson stated that the Joint Application of The County Commission of Putnam County and Putnam County Building Commission for the 2007 Water Main Extensions Project must be submitted to the Public Service Commission for approval . Ms. Mallory then presented the Budget for the Project and explained the project financing. The total project cost will be $3,195,000.00. A motion was made by Chairman Armada to execute the Joint Application. The motion was seconded by Mr. Parsons. The motion carried unanimously.

ADJOURNMENT

At 11:20 a.m., having no further business, Chairman Armada made a motion and Mr. Parsons seconded to adjourn the regular session of the Building Commission.

Respectfully submitted,

Sharon Blackwell

Sharon Blackwell
Commission Assistant

BYLAWS

PUTNAM COUNTY BUILDING COMMISSION

ARTICLE I

NAME AND PLACE OF BUSINESS

Section 1. Name: Putnam County Building Commission (the "Building Commission").

Section 2. The principal office of the Building Commission will be located at the Putnam County Courthouse, Winfield, West Virginia.

Section 3. The Common Seal of the Building Commission shall consist of 2 concentric circles between which circles shall be inscribed "Putnam County Building Commission" and in the center "seal" as follows:

ARTICLE II

PURPOSE

The Building Commission is organized exclusively for the purposes set forth in Chapter 8, Article 33 of the Code of West Virginia of 1931, as amended (the "Act").

ARTICLE III

MEMBERSHIP

Section 1. The members of the Building Commission shall be those persons appointed by The County Commission of Putnam County, West Virginia, (the "County Commission") who shall serve for such terms as may be specified in the order of the County Commission by which they are appointed.

Section 2. Should any member of the Building Commission resign or otherwise become legally disqualified to serve as a member of the Building Commission, the Secretary shall immediately notify the County Commission and request the appointment of

a qualified person to fill such vacancy. Prior to the end of the term of any member, the Secretary shall notify the County Commission of the pending termination and request the County Commission to enter an order of appointment or re-appointment to maintain a fully qualified membership of the Building Commission.

Section 3. No member of the Building Commission shall receive any compensation for his services as such, but each member shall be reimbursed by the Building Commission for any reasonable and necessary expenses actually incurred in the discharge of his duties as a member of the Building Commission.

ARTICLE IV

MEETINGS OF THE PUBLIC SERVICE BOARD

Section 1. The members of the Building Commission shall hold a regular meeting on the first Monday in January each year at the meeting room of the County Commission and at such hour as the members shall determine from time to time. If the day stated shall fall on a legal holiday, the meeting shall be held on the following day. Special meetings of the Building Commission may be called at any time by the Chairman or by a quorum of the Building Commission.

Section 2. At any meeting of the Building Commission, 2 members shall constitute a quorum. Each member of the Building Commission shall have one vote at any membership meeting and if a quorum is not present, those present may adjourn the meeting to a later date.

Section 3. Unless otherwise waived, notice to members by letter or telephone shall be required for all special meetings and such notice shall be given at least 2 days before the date fixed for such meeting. The notice of any special meeting shall state briefly the purposes of such meeting and the nature of the business to be transacted, and no business other than that stated in the notice or incidental thereto shall be transacted at any such special meeting.

PUBLIC NOTICE OF MEETINGS

Section 4. Pursuant to Chapter 6, Article 9A of the Code of West Virginia, 1931, as amended, notice of the time and place of all regularly scheduled sessions of the Building Commission, and the time, place and purpose of all special sessions of the Building Commission, shall be made available, in advance, to the public and news media as follows:

A. A notice shall be posted by the Secretary of the Building Commission at the front door of the Putnam County Courthouse of the time and place fixed and entered of record by the Building Commission for the holding of regularly scheduled sessions. In addition, a copy of the agenda for each regularly scheduled meeting shall be posted at the same location by the Secretary not less than 48 hours before each regular meeting is to be held. If a particular regularly scheduled session is canceled or postponed, a notice of such cancellation or postponement shall be posted at the front doors of the Courthouse as soon as feasible after such cancellation or postponement has been determined upon.

B. A notice shall be posted by the Secretary of the Building Commission at the front door to the Putnam County Courthouse at least 48 hours before a special session is to be held, stating the time, place and purpose for which such special session shall be held. If the special session is canceled, a notice of such cancellation shall be posted at the front doors of the Courthouse as soon as feasible after such cancellation has been determined upon.

C. The form of notice for posting as to a special session may be generally as follows:

PUTNAM COUNTY BUILDING COMMISSION

NOTICE OF SPECIAL SESSION

The members of Putnam County Building Commission will meet in special session on _____, at _____ .m., prevailing time, at _____, West Virginia, for the following purposes:

i. To consider and act upon _____.

ii. To consider and act upon _____.

_____
Secretary

Date: _____

ARTICLE V

OFFICERS

Section 1. The officers of the Building Commission shall be a Chairman, Secretary and Treasurer. The Chairman shall be elected from the members of the Building Commission. The Secretary and Treasurer need not be members of the Building Commission, and may be the same person.

Section 2. The officers of the Building Commission shall be elected each year by the members at the regular meeting held in January of each year, or at such later date as may be agreed to by the members. The officers so elected shall serve until the next annual election by the membership and until their successors are duly elected and qualified. Any vacancy occurring among the officers shall be filled by the members of the Building Commission at a regular or special meeting. Persons selected to fill vacancies shall serve until the following January meeting of the Building Commission when their successors shall be elected hereinabove provided.

ARTICLE VI

DUTIES OF OFFICERS

Section 1. When present, the Chairman shall preside as Chairman at all meetings of the Building Commission. He shall, together with the Secretary, sign the minutes of all meetings at which he shall preside. He shall attend generally to the executive business of the Building Commission and exercise such powers as may be conferred upon him by the Building Commission, by these Bylaws, or prescribed by law. He shall execute, and if necessary, acknowledge for record, any deeds, deeds of trust, contracts, notes, bonds, agreements or other papers necessary, requisite, proper or convenient to be executed by or on behalf of the Building Commission when and if directed by the members of the Building Commission.

Section 2. If the Chairman is absent from any meeting, the remaining members of the Building Commission shall select a temporary chairman.

Section 3. The Secretary shall keep a record of all proceedings of the Building Commission which shall be available for inspection as other public records. He shall, together with the Chairman, sign the minutes of the meetings at which he is present. The Secretary shall have charge of the minute book and the official seal of the Building Commission, be the custodian of deeds and other writings and papers of the Building Commission. He shall also perform such other duties as he may have under law by virtue

of his office or as may be conferred upon him from time to time by the members of the Building Commission.

Section 4. The Treasurer shall be the lawful custodian of all funds of the Building Commission and shall pay same out on orders authorized or approved by the Building Commission. The Treasurer shall keep or cause to be kept proper and accurate books of accounts and proper receipts and vouchers for all disbursements made by or through him and shall prepare and submit such reports and statements of the financial condition of the Building Commission as the members may from time to time prescribe. He shall perform such other duties as may be required of him by law or as may be conferred upon him by the members of the Building Commission.

ARTICLE VII

AMENDMENTS TO BYLAWS

These Bylaws may be altered, changed, amended or added to at any regular or special meeting of the Building Commission by a majority vote of the entire membership, or at any regular or special meeting of the members when a quorum is present in person and a majority of those present vote for the amendment; but no such change, alteration, amendment or addition shall be made at any special meeting unless notice of the intention to propose such change, alteration, amendment or addition and a clear statement of the substance thereof be included in the written notice calling such meeting.

12/20/99
731000/97001

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

EXCERPT OF MINUTES ON ADOPTION OF
SUPPLEMENTAL RESOLUTION AND SWEEP RESOLUTION

The undersigned Secretary of the Putnam County Building Commission hereby certifies that the following is a true and correct excerpt of the minutes of a special meeting of the said Board:

*** *** ***

The Board of the Putnam County Building Commsion met in special session, pursuant to notice duly posted, on the 15th day of July, 2008, in Putnam County, West Virginia, at the hour of 8:30 a.m.

PRESENT:
Fletcher Parsons
Nancy Smith
Frank Armada

Frank Armada, Chairman, presided, and Nancy Smith, acted as Secreatry. The Chairman announced that a quorum of members was present and that the meeting was open for any business properly before it.

Thereupon, the Chairman then presented a proposed Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE WATERWORKS LEASE REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF THE PUTNAM COUNTY BUILDING COMMISSION; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA

WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

and caused the same to be read and there was discussion. Thereupon, upon motion duly made by Frank Armada and seconded by Nancy Smith it was unanimously ordered that the said Supplemental Resolution be adopted and be in full force and effect on and from the date hereof.

Next, the Chairman presented a proposed Sweep Resolution for the authorization of electronic monthly debt service and reserve fund payments to the Municipal Bond Commission. Thereupon, on motion duly made by Frank Armada and seconded by Nancy Smith, it was unanimously odered that the said Sweep Resolution be adopted.

Next, the Chairman presented a proposed Draw Resolution for the payment of invoices. Thereupon, on motion duly made by Nancy Smith and seconded by Frank Armada, it was unanimously odered that the said Draw Resolution be adopted.

*** *** ***

There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

[Remainder of Page Intentionally Blank]

COPY

APPROVED: _____

PUTNAM COUNTY BUILDING COMMISSION
June 17, 2008, 8:45 a.m.
Putnam County Courthouse, Commission Chambers

Minutes

On Tuesday, June 17, 2008, at: 8:45 a.m. the Putnam County Building Commission meeting was called to order by Chairman, Fletcher Parsons.

ATTENDANCE

Those attending were:
Fletcher Parsons, Chairman
Frank Armada, Vice Chairman
Nancy Smith, Secretary
John Stump, Steptoe & Johnson
Edward D. McDevitt, Bowles Rice McDavid Graff & Love
Brian Donat, County Administrator
Jennifer Scragg, County Attorney
Sharon Blackwell, Commission Assistant

Bond Ordinance

- 3rd Reading – YMCA Project
  - Mr. Edward McDevitt, Bowles Rice McDavid Graff & Love, presented the Ordinance to authorize The Putnam County Building Commission to lease Revenue Bonds to acquire the facilities of Tri-County YMCA, Inc.; to renovate, and/or construct and equip one or more buildings.
  - Chairman Parsons asked for a motion to waive the reading and another motion for it's acceptance.
  - Mr. Frank Armada made a motion to waive the reading and another motion for its acceptance
  - Ms. Nancy smith seconded both motions
  - The motions carried unanimously

Mr. McDevitt presented two Supplemental Resolutions stating the Bond Ordinance is now complete and put into effect as of 06/17/08, These resolutions were signed by the Chairman and Secretary of the Building Commission, copies of which are attached to these minutes.

- 3rd Reading – Water Main Extension Project
  - Mr. John Stump, Steptoe & Johnson, presented the Ordinance authorizing the acquisition and construction of new public water works system.
  - Chairman Parsons asked for a motion to waive the reading and another motion for its acceptance.
  - Mr. Frank Armada made a motion to waive the reading and another motion for its acceptance
  - Ms. Nancy smith seconded both motions
  - The motion carried unanimously

- 2nd Reading – County Service Building Project
  - Mr. John Stump, Steptoe & Johnson, presented the Ordinance approving issuance of Lease Revenue Bonds for the purposes of financing the acquisition and construction of the County Service Building and approving the lease of the County Service Building to the County Commission of Putnam County.
  - Chairman Parsons asked for a motion to waive the reading and another motion for its acceptance.
  - Mr. Frank Armada made a motion to waive the reading and another motion for its acceptance
  - Ms. Nancy smith seconded both motions
  - The motion carried unanimously

Mr. Stump asked for a future meeting date to be set for the 3rd and final reading of the County Service Building Project. He suggested July 8, 2008 at 8:45 p.m.

- Chairman Parsons asked for a motion to set the next meeting date of the Building Commission.
- Mr. Armada Frank Armada made a motion to set the next meeting date and time for July 8, 2008 at 8:45 p.m.
- Ms. Nancy smith seconded both motions
- The motion carried unanimously

MINUTES

Chairman Parsons asked for a motion to approve the minutes of May 27, 2008. Mr. Armada made a motion to approve the minutes and the motion was seconded by Nancy Smith. The motion carried unanimously.

ADJOURNMENT

At 9:10 a.m., having no further business, Chairman Parsons asked for a motion for adjournment

Mr. Armada made a motion to adjourn regular session of the Building Commission. Ms. Smith seconded the motion. The motion carried unanimously.

Respectfully submitted,

Sharon Blackwell
Commission Assistant

COPY

APPROVED: _____

PUTNAM COUNTY BUILDING COMMISSION
May 27, 2008, 8:45 a.m.
Putnam County Courthouse, Commission Chambers

Minutes

On Tuesday, May 27, 2008, at: 8:45 a.m. the Putnam County Building Commission meeting was called to order by Chairman, Fletcher Parsons.

ATTENDANCE

Those attending were:
Fletcher Parsons, Chairman
Frank Armada, Vice Chairman
Nancy Smith, Secretary
John Stump, Steptoe & Johnson
Edward D. McDevitt, Bowles Rice McDavid Graff & Love
Brian Donat, County Administrator
Sharon Blackwell, Commission Assistant

Bond Ordinance

- 2nd Reading – YMCA Project
  - Mr. Edward McDevitt, Bowles Rice McDavid Graff & Love, presented the Ordinance to authorize The Putnam County Building Commission to lease Revenue Bonds to acquire the facilities of Tri-County YMCA, Inc.; to renovate, and/or construct and equip one or more buildings.
  - Frank Armada made a motion to for its acceptance.
  - Nancy smith seconded the motion
  - The motions carried unanimously

- 2nd Reading – Water Main Extension Project
  - Mr. John Stump, Steptoe & Johnson, presented the Ordinance authorizing the acquisition and construction of new public water works system.
  - Frank Armada made a motion for its acceptance.
  - Nancy smith seconded the motion
  - The motion carried unanimously

- 1st Reading – County Service Building Project
  - Mr. John Stump, Steptoe & Johnson, presented the Ordinance approving issuance of Lease Revenue Bonds for the purposes of financing the acquisition and construction of the County Service Building and approving the lease of the County Service Building to the County Commission of Putnam County.
  - Mr. Armada read the Ordinance and made a motion for its acceptance.
  - Nancy smith seconded the motion
  - The motion carried unanimously

MINUTES

Chairman Parsons asked for a motion to approve the minutes of May 20, 2008. Mr. Armada seconded the motion. The motion carried unanimously.

Chairman Parsons made note of the next meeting, scheduled for Tuesday, June 17, 2008, at 8:45 a.m.

ADJOURNMENT

At 9:00 a.m., having no further business, Chairman Parsons asked for a motion and Mr. Armada seconded to adjourn the regular session of the Building commission. The motion carried unanimously.

Respectfully submitted,

Sharon Blackwell
Commission Assistant

APPROVED: FRP

PUTNAM COUNTY BUILDING COMMISSION
May 20, 2008, 8:45 a.m.
Putnam County Courthouse, Commission Chambers

Minutes

On Tuesday, May 20, 2008, at: 8:45 a.m. the Putnam County Building Commission meeting was called to order by Chairman, Fletcher Parsons.

ATTENDANCE

Those attending were:
Fletcher Parsons, Chairman
Frank Armada, Vice Chairman
Nancy Smith, Secretary
John Stump, Steptoe & Johnson
Edward D. McDevitt, Bowles Rice McDavid Graff & Love
David Kirby, Bowles Rice McDavid Graff & Love
Brian Donat, County Administrator
Sharon Blackwell, Commission Assistant

Bond Ordinance

- 1st Reading – Water Main Extension Project
  - Mr. John Stump, Steptoe & Johnson, presented the Ordinance authorizing the acquisition and construction of new public water works system.
  - Frank Armada read the Ordinance and made a motion for its acceptance
  - Nancy smith seconded the motion
  - The motion carried unanimously

- 1st Reading – YMCA
  - Mr. Edward McDevitt, Bowles Rice McDavid Graff & Love, presented the Ordinance to authorize The Putnam County Building Commission to lease Revenue Bonds to acquire the facilities of Tri-County YMCA, Inc.; to renovate, and/or construct and equip one or more buildings.
  - Frank Armada read the Ordinance and made a motion for its acceptance
  - Nancy smith seconded the motion
  - The motion carried unanimously

MINUTES

Chairman Parsons made a motion to approve the minutes of April 24, 2008. Mr. Armada seconded the motion. The motion carried unanimously.

ADJOURNMENT

- At 8:55 a.m., having no further business, Chairman Parsons made a motion and Mr. Armada seconded to adjourn the regular session of the Building Commission. The motion carried unanimously

Respectfully submitted,

Sharon Blackwell

Sharon Blackwell
Commission Assistant

LEGAL ADVERTISEMENT

OTICE OF PUBLIC HEARING ON PUTNAM COUNTY BUILDING OMMISSION BOND ORDINANCE

A public hearing will be held on the llowing-entitled Ordinance at a meeting f the Board of the Putnam County uilding Commission (the "Building ommission") to be held on Tuesday, June 7, 2008, at 8:45 a.m. at the County ommission meeting room of the Putnam ounty Courthouse loacted at 3389 'infield Road, Winfield, West Virginia, id at such hearing any person interested ay appear before the Building ommission and present protests, and all otests and suggestions shall be heard by e Building Commission and it shall then ke such actions as it shall deem proper the premises upon an Ordinance itled:

ORDINANCE AUTHORIZING THE CQUISITION AND CONSTRUCTION F A NEW PUBLIC WATERWORKS YSTEM OF THE PUTNAM COUNTY UILDING COMMISSION AND THE INANCING OF THE COST, NOT THERWISE PROVIDED, THEREOF HROUGH THE ISSUANCE BY THE ISUER OF NOT MORE THAN 2,914,000 IN AGGREGATE RINCIPAL AMOUNT OF 'ATERWORKS LEASE REVENUE ONDS, SERIES 2008 A (WEST IRGINIA INFRASTRUCTURE UND); PROVIDING FOR THE IGHTS AND REMEDIES OF AND ECURITY FOR THE REGISTERED WNERS OF SUCH BONDS; UTHORIZING EXECUTION AND ELIVERY OF ALL DOCUMENTS ELATING TO THE ISSUANCE OF UCH BONDS; APPROVING, ATIFYING AND CONFIRMING A)AN AGREEMENT RELATING TO JCH BONDS; AUTHORIZING THE ALE AND PROVIDING FOR THE ERMS AND PROVISIONS OF SUCH ONDS AND ADOPTING OTHER ROVISIONS RELATING THERETO.

The above-quoted title of the rdinance describes generally the ntents thereof and the purposes of the onds contemplated thereby. The uilding Commission contemplates the suance of the Bonds described in the rdinance. The Putnam County Building ommission contemplates the approvals escribed in the Ordinance. The proceeds f the Bonds will be used to provide funds r the acquisition and construction of a w public waterworks system and to pay rtain costs of issuance of the Bonds and lated costs. The Bonds are payable dely from lease revenues to be derived om the ownership and operation of the aterworks system. No taxes may at any ne be levied for the payment of the onds or the interest thereon.

The above-titled Ordinance was opted by the Putnam County Building ommission on May 27, 2008.

A certified copy of the above-entitled rdinance is on file with the Building ommission at the office of the Building ommission for review by interested rties during regular office hours.

Following the public hearing, the ilding Commission intends to enact the rdinance upon final reading.

Dated: June 2, 2008.

/s/ Nancy Smith

Secretary

6-5-2t

D 1900

COOKIE ALLEN
PUBLISHER

PHONE 304-562-9881

THE HURRICANE BREEZE

HE WEEKLY NEWSPAPER FOR ALL OF PUTNAM COUNTY

488 HURRICANE CREEK ROAD
P.O. BOX 310
HURRICANE, WEST VIRGINIA 25526

CERTIFICATE OF PUBLICATION

STATE OF WEST VIRGINIA,
COUNTY OF PUTNAM, To wit:

This day personally appeared before me, a Notary Public of said County of Putnam,.....Ron.Allen.....of The Hurricane Breeze, and after being duly sworn deposes and says that the attached legal publication was duly published in The Hurricane Breeze for.. Two..(2) consecutive issues, in its issues dated .... June 5 & 12, 2008..

.....
The Hurricane Breeze

Subscribed and sworn to before me this..13th.....day of..... June....., 2008...

.....
Notary Public

OFFICIAL SEAL
STATE OF WEST VIRGINIA
NOTARY PUBLIC
LORA V. HART
105 Willard Circle
Hurricane, WV 25526
My Commission Expires Mar. 8, 2010

NOTICE OF PUBLIC HEARING ON PUTNAM COUNTY BUILDING COMMISSION BOND ORDINANCE

A public hearing will be held on the following entitled Ordinance at a meeting of the Board of the Putnam County Building Commission (the "Building Commission") to be held on Tuesday, June 17, 2008, at 8:45 a.m. at the County Commission meeting room of the Putnam County Courthouse located at 3389 Winfield Road, Winfield, West Virginia, and at such hearing any person interested may appear before the Building Commission and present protests, and all protests and suggestions shall be heard by the Building Commission and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF A NEW PUBLIC WATERWORKS SYSTEM OF THE PUTNAM COUNTY BUILDING COMMISSION AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE ISSUER OF NOT MORE THAN $2,914,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

The above quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bonds contemplated thereby. The Building Commission contemplates the issuance of the Bonds described in the Ordinance. The Putnam County Building Commission contemplates the approvals described in the Ordinance. The proceeds of the Bonds will be used to provide funds for the acquisition and construction of a new public waterworks system and to pay certain costs of issuance of the Bonds and related costs. The Bonds are payable solely from lease revenues to be derived from the ownership and operation of the waterworks system. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

The above-titled Ordinance was adopted by the Putnam County Building Commission on May 27, 2008.

A certified copy of the above entitled Ordinance is on file with the Building Commission at the office of the Building Commission for review by interested parties during regular office hours.

Following the public hearing, the Building Commission intends to enact the Ordinance upon final reading.

Dated: June 2, 2008.

WV MUNICIPAL BOND COMMISSION
1207 Quarrier Street
Suite 401
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 23-Jul-08

(See Reverse for Instructions)

ISSUE: Putnam County Building Commission
Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund)

ADDRESS: 3389 Winfield Road, Winfield, West Virginia COUNTY: Putnam

PURPOSE OF ISSUE:
New Money: x
Refunding:

REFUNDS ISSUE(S) DATED: NA

ISSUE DATE: 23-Jul-08

CLOSING DATE: 23-Jul-08

ISSUE AMOUNT: $2,914,000

RATE: 0%

1ST DEBT SERVICE DUE: 1-Mar-10

1ST PRINCIPAL DUE 1-Mar-10

1ST DEBT SERVICE AMOUNT $18,922.08

PAYING AGENT: Municipal Bond Commission

BOND COUNSEL:
Firm: Steptoe & Johnson PLLC
Contact John Stump, Esquire
Phone: (304) 353.8196

UNDERWRITERS COUNSEL
Firm: Jackson Kelly, PLLC
Contact: Samme Gee, Esquire
Phone: (304) 340-1318

CLOSING BANK:
Bank: Putnam County Bank
Contact: Jerry Brown
Phone: 304.562.9931

ESCROW TRUSTEE:
Firm:
Contact:
Phone:

KNOWLEDGEABLE ISSUER CONTACT
Contact: Brian Donat
Position: County Administrator
Phone: 304.586.0201

OTHER:
Agency: West Virginia Infrastructure & Jobs Development Council
Contact: Jefferson Brady, P.E.
Position: Director
Phone: (304) 558-4607

DEPOSITS TO MBC AT CLOSE
By: X Wire
Check

	Accrued Interest:	$
	Capitalized Interest:	$
X	Reserve Account:	$ 75,689
	Other:	$

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: Wire
Check
IGT

	To Escrow Trustee	$
	To Issuer	$
	To Cons. Invest. Fun	$
	To Other:	$

NOTES: The Series 2008 A Bonds Reserve Account will be fully funded with bond proceeds

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED:
TRANSFERS REQUIRED:

The purpose of the NEW ISSUE REPORT FORM is to provide the WV Municipal Bond Commission with an early warning of three basic facts no later than the day of closing on any issue for which the Commission is to act as fiscal agent. These are:

1. Formal notification that a new issue is outstanding.
2. Date of first action or debt service.
3. Contact people should we lack documents, information, or funds needed to administer the issue by the date of the first action or debt service.

The commission recognizes that as bond transcripts become increasingly long and complex, it has become more difficult to assemble and submit them to the Commission within the 30 days specificed by the West Virginia Code 13-3-8. This notice is not intended to provide all the information needed to administer an issue, but to alert the Commission and ensure that no debt service payments are missed due to delays in assembling bond transcripts. If, at the time of closing, documents such as the ordinance and all supplements, debt service schedules, and a specimen bond or photostat are available and submitted with this form, it will greatly aid the Commission in the performance of its duties. These documents are needed to set up the proper accounts and to advise the issuer of monthly deposit requirements as far in advance of the first debt service as possible.

It is not necessary to complete all items if they are not pertinent to your issue. Indicate the County of the issuer. With PSDs that overlap more than one county, indicate the county of their business office. Complete "Rate" only if the issue has only one rate. Please complete a separate form for each series of an issue. Other important information can be recorded under "Notes."

Again, please submit this form on each new issue on the day of closing. If fund transfers into or out of the Commission at closing are required, please submit this form before closing. If no significant facts change by closing, no resubmission at closing is required. If, however, there are changes, please submit an updated form, with changes noted, at closing.

If you should have any questions concerning this form, please call the Commission.

PUTNAM COUNTY BUILDING COMMISSION

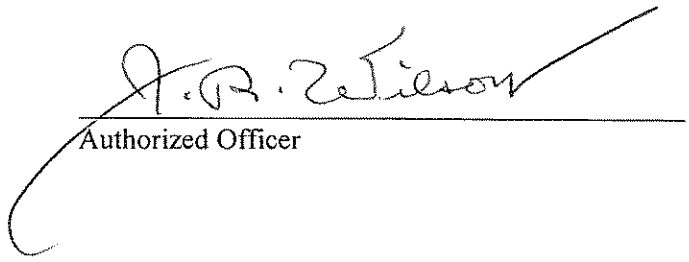
Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

PUTNAM COUNTY BANK, Winfield, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Ordinance duly enacted by the Putnam County Building Commission (the "Issuer") on June 17, 2008, and a Supplemental Resolution duly adopted by the Issuer on July 15, 2008 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), dated July 23, 2008, in the principal amount of $2,914,000 (the "Bonds"), and agrees to serve as Depository Bank in connection with such Bonds, all as set forth in said Bond Legislation.

WITNESS my signature on this 23rd of July, 2008.

PUTNAM COUNTY BANK



Authorized Officer

07.11.08
191700.00002

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF DUTIES AS REGISTRAR

The Huntington National Bank, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with Putnam County Building Commission Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), dated July 23, 2008, issued in the principal amount of $2,914,000 (the "Bonds"), and agrees to perform all duties of Registrar in connection with such Bonds, all as set forth in the Bond Legislation authorizing issuance of the Bonds.

WITNESS my signature on this 23rd day of July, 2008.

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

07.14.08
191700.00002

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

CERTIFICATE OF REGISTRATION OF BONDS

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement in connection with the above-captioned bond of the Putnam County Building Commission (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Putnam County Building Commission Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), of the Issuer, dated July 23, 2008, in the principal amount of $2,914,000, numbered AR-1, was registered as to principal only in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of The Huntington National Bank, as Registrar.

WITNESS my signature on this 23rd day of July, 2008.

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

07.14.08
191700.00002

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 23rd day of July, 2008, by and between the PUTNAM COUNTY BUILDING COMMISSION, a public corporation and political subdivision of the State of West Virginia (the "Issuer"), and THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $2,914,000 principal amount of Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), dated the date hereof, in fully registered form (the "Bonds"), pursuant to a Bond Ordinance of the Issuer duly enacted June 17, 2008, and a Supplemental Resolution of the Issuer duly adopted July 15, 2008 (collectively, the "Bond Legislation");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Bond Legislation, a copy of which is attached as EXHIBIT A hereto and incorporated herein by reference;

WHEREAS, the Bond Legislation provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Bond Legislation and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Bond Legislation and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Bond Legislation, such duties

including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exemption of interest on the Bonds from federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation for services rendered as provided in the annexed schedule.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Bond Legislation with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Bond Legislation, the terms of the Bond Legislation shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Bond Legislation will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

ISSUER: Putnam County Building Commission
89 Winfield Road
Winfield, West Virginia 25213
Attention: Chairman

REGISTRAR: The Huntington National Bank
One Huntington Square
Charleston, West Virginia 25301
Attention: Corporate Trust Department

8. The Registrar is hereby requested and authorized to authenticate, register and deliver the Bonds in accordance with the Bond Legislation.

9. This document may be executed in one or more counterparts each of which shall be deemed an original and all of which shall constitute but one and the same document.

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the date first written above.

PUTNAM COUNTY BUILDING COMMISSION

By: _____
Its: Chairman

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

07.14.08
191700.00002

EXHIBIT A

Bond Legislation included in transcript as Documents No. 1 and No. 2

SCHEDULE OF COMPENSATION

CHARLESTON, WEST VIRGINIA 25326

IN ACCOUNT WITH

STEPTOE & JOHNSON PLLC

Attorneys at Law

FEIN 55-0286140

July 23, 2008

Putnam County Bulding Commission
Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

Services as Bond Counsel	$29,500.00
TOTAL DUE	$29,500.00

191700.00002

Private Financial Group
P.O. Box 633 - WE3013
Charleston, West Virginia 25322-0633

Huntington

STATEMENT OF REGISTRAR'S FEES
Invoice Date July 23, 2008

Putnam County Building Commission
Account Number 6089001809

Putnam County Building Commission
Waterworks Lease Revenue Bond, Series 2008 A
John C. Stump
Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, WV 25326-1588

SUMMARY OF ACCOUNT

****

FEE CALCULATION FOR July, 2008

****

TOTAL AMOUNT	$	500.00
TOTAL DUE	**$**	**500.00**

* FEE INVOICES ARE PAYABLE WITHIN 30 DAYS. IF PAYMENT *
* IS NOT RECEIVED, FEES WILL BE DEDUCTED FROM THE PLAN *
* .. MAIL CHECK TO: HUNTINGTON NATIONAL BANK, ATTN: BARRY. . *
* .. GRIFFITH, PO BOX 633, CHARLESTON, WV 25322-0633 . . . . . .*

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT
Barry Morgan Griffith at (304)348-5035

THIS 2000 A OPERATION AND MAINTENANCE AGREEMENT is made as of January 26, 2000 by and between WEST VIRGINIA-AMERICAN WATER COMPANY, a West Virginia corporation (hereinafter "Company") and PUTNAM COUNTY BUILDING COMMISSION, a public corporation ("PCBC").

WITNESSETH:

WHEREAS, Company, Putnam County, West Virginia, a political subdivision of the State of West Virginia, by and through The County Commission of Putnam County ("County Commission"), and PCBC have agreed to enter into a public/private water utility project ("Project") for the construction of certain water utility assets by PCBC ("PCBC Facilities") and by Company ("Company Facilities") to provide water service to various areas of Putnam County, West Virginia; and

WHEREAS, as a part of the Project, PCBC proposes to construct the PCBC Facilities within Putnam County; and

WHEREAS, after completion of the Project, all as more fully described herein and in the Application ("Application") by Company, PCBC and County Commission filed or to be filed with the Public Service Commission of West Virginia ("Public Service Commission"), PCBC will construct and own the PCBC Facilities to provide water service to its customers in Putnam County, West Virginia; and

WHEREAS, the PCBC Facilities to be constructed and owned by PCBC are generally shown and described on the series of maps identified and incorporated by reference herein collectively as Appendix A; and

WHEREAS, Company currently provides the supply of potable water to substantial areas of Putnam County from Company's Kanawha Valley Treatment Plant and transmission and distribution system; and

WHEREAS, Company, through its existing water transmission and distribution facilities in Putnam County or through the Company Facilities to be constructed by Company, at its cost, as a part of the Project, will be in a position to serve citizens of Putnam County from Company Facilities or PCBC Facilities; and

WHEREAS, Company has offered to enter into this Agreement and to undertake the operation, maintenance, repair and replacement of the PCBC Facilities and to supply the estimated water needs of the customers to be served from the PCBC Facilities in Putnam County; and

WHEREAS, PCBC believes it is in the best interests of the residents of Putnam County for Company to operate, maintain, repair and replace the PCBC Facilities and to provide water service to the residents of Putnam County served by the Project as provided in this Agreement; and

WHEREAS, PCBC wants Company to provide potable water directly to PCBC customers and to provide assistance in the operation, maintenance, repair and replacement of the PCBC Facilities; and

WHEREAS, all new customers to be served from either the PCBC Facilities or from the Company Facilities constructed as a part of the Project under this Agreement (all of such new customers being hereinafter referred to as "Project Customers") will be required to

pay a surcharge (the "Surcharge") of $12.00 per month for ten (10) years to the County Commission.

NOW, THEREFORE, for and in consideration of the premises, which are hereby made an integral part of this Agreement and which are not to be construed as mere recitals, the covenants and agreements contained herein and other good and valuable considerations, the receipt and sufficiency of all of which are hereby acknowledged, the Company and PCBC agree:

I. Supply of Water to Customers Served by the PCBC Facilities.

A. The customers served by the PCBC Facilities (the "PCBC Customers") shall remain the customers of PCBC, and upon the construction of the PCBC Facilities, Company agrees to provide to the PCBC Customers subject to the terms, conditions, undertakings, agreements and limitations provided in this Agreement, the total water requirements of the PCBC Customers, said water delivered to the PCBC Customers to be of the same quality as that supplied to Company's Customers in Kanawha and Putnam Counties. Company will be paid for the water supplied to the Customers in the manner set forth in Section V of this Agreement at the rates of Company from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended.

B. Company shall monitor the water quality and be responsible for compliance with all state and federal standards for furnishing water to the public.

C. In the event of an extended shortage of water, or if the supply of water from Company is otherwise diminished or impaired, the supply of water to the PCBC

Customers shall be reduced or diminished in approximately the same proportion as the supply of the water to Company's Kanawha and Putnam County customers is reduced or diminished. Any notification given to Company's Kanawha and Putnam County customers of any anticipated shortage of water shall also be given to PCBC Customers.

II. Term of This Agreement.

The term of this Agreement shall extend for forty (40) years from the date hereof and thereafter may continue in effect from year to year by mutual consent of the parties; provided, however, PCBC shall have the right to terminate this Agreement on (i) sixty (60) days' prior written notice and (ii) subject to limitations set forth in Section VII below, payment at the time of such termination to Company of the amount calculated pursuant to said Section.

III. Future Additions to and Future Extension of PCBC Facilities.

Company and PCBC are aware that there may be written requests by PCBC for future additional use of water by PCBC Customers and that there may be future approved PCBC additions and extensions made to PCBC Facilities. In addition to the other requirements set forth in this Agreement, PCBC and Company hereby specifically agree that such additional use, additions and extensions will be made only if, in the opinion of Company, Company's Kanawha Valley Treatment Plant and, when interconnected, Company's Huntington Treatment Plant, have sufficient treatment capacity and transmission, distribution and pumping facilities, including PCBC Facilities and Company's transmission and distribution mains, adequate to serve PCBC's Customers and if Company believes it otherwise economically feasible to meet the total then present and anticipated needs of both the PCBC Customers and

the other customers of Company's Kanawha Valley and Huntington Districts. Further, the County Commission, PCBC and Company agree as follows:

A. Future Additions. All future additions to the PCBC Facilities constructed by PCBC shall be subject to this Agreement; provided, however, that future additions to the system must be approved by the County Commission, Company and PCBC.

B. Future Extension. Customer extensions from the PCBC Facilities and within PCBC boundary lines may be installed by either PCBC or Company. When PCBC receives a request for a Customer extension, PCBC shall notify Company in writing within fifteen (15) days of its receipt of said request whether it will install the Customer extension or desires Company to make the installation.

(1) In the event PCBC desires Company to install and own the Customer extension, (i) Company shall contract on its own behalf with the Customer requesting the extension and make the installation pursuant to the Rules and Regulations of the Public Service Commission, (ii) all Customers attaching to the Customer extension shall be considered PCBC Customers for billing purposes at the rates of PCBC in accordance with Section V, and (iii) the Customer extension shall be, without further cost or expense of any kind, the property of Company.

(2) In the event PCBC elects to install and own the Customer extension, the construction for that Customer extension by PCBC will be contracted to a contractor acceptable to Company, and all plans and specifications for that extension shall be submitted to and approved by Company before becoming a part of PCBC's Facilities and being

subject to this Agreement. When that extension is contracted to a contractor acceptable to Company, Company, on behalf of and as agent for PCBC, will contract directly with such contractor to provide the extension. Any extension deposits taken by Company on behalf of and as agent for PCBC pursuant to the Rules and Regulations of the Public Service Commission will be retained by Company and credited against the cost of the extension, and the balance of the deposit above the cost of the extension, if any, will be returned to the contracting Customer. Company, on behalf of and as agent for PCBC, will make refunds to the contracting Customers for the extensions pursuant to the Rules and Regulations of the Public Service Commission based on the rates of Company, using funds advanced to Company by PCBC (to the extent such advances are legally permissible).

(3) Refunds made pursuant to the Rules and Regulations of the Public Service Commission to Customers contracting directly with Company pursuant to subparagraph III B shall be the sole responsibility of Company, and the cost of such extensions, to the extent refunded or reimbursed to Customers pursuant to the Public Service Commission's Rules and Regulations, shall be properly includable in Company's depreciable utility plant in calculating Company's cost of service and resulting rates.

C. Surcharges Applicable. Customers served from future additions or future extensions to the Company Facilities or PCBC Facilities that are not otherwise connected to Company facilities shall be subject to the Surcharges provided in Section V of this Agreement.

IV. Operation and Maintenance of PCBC Facilities by Company; Company as Agent.

A. Company hereby agrees to operate, maintain, repair and replace (i) PCBC Facilities, and (ii) all water lines added thereto as additions and extensions with the written approval of the County Commission, Company and PCBC. Notwithstanding the foregoing, Company shall not be under any obligation to maintain, repair or replace at its expense, any condition, defect or malfunction arising from the installation of future additions or future extensions to the PCBC Facilities which fail to meet the standards of Company, if such discrepancy in design or installation is reported in writing by Company to PCBC within fifteen (15) days of discovery.

B. In the event that it becomes necessary to relocate, replace, maintain or repair any condition, defect or malfunction arising from faulty installation of any future additions or extensions for which notice as hereinabove set forth has been given to PCBC by Company, such replacement, relocation, maintenance or repair will be made by a contractor approved by Company or by Company upon notification by PCBC using funds advanced by Company for which Company shall be reimbursed upon termination of this Agreement under the procedures set forth in Section VIII hereof.

C. In the event Company, under the terms of this Agreement, is required to install, relocate or replace any "unit of property" within the PCBC Facilities as defined in the Uniform System of Accounts of the National Association of Regulatory Utility Commissioners ("NARUC"), Company shall make such installation, relocation or replacement

at its cost; provided, however, that in every such instance the unit of property shall be, and shall remain, the property of Company (unless purchased by PCBC from Company after termination of this Agreement as provided in Section VIII hereof or constitutes a part of the County Funded Portion, in which event such property will remain the property of the PCBC subject to the Lease) and shall be properly includable in the depreciable utility plant of Company in calculating its cost of service and resulting rates. Company shall have an unrestricted license and easement over and through any rights of way or real property owned by PCBC in which such property is located.

D. PCBC agrees that, in those instances in which Company installs, replaces or relocates any unit of property on the PCBC Facilities pursuant to the provisions of Subsection C of this Section IV, PCBC will, simultaneously therewith, convey to Company all related rights of way, easements, licenses or other property interests necessary for Company to have and own such unit of property in the location and manner in which it is installed, replaced or relocated on the PCBC Facilities.

E. The Company is hereby appointed as the agent for PCBC to design, construct and install the PCBC Facilities in accordance with good utility construction standards, and the Company shall have the right to enter into such contracts with third parties as it deems necessary or desirable to effectuate such design, construction and installation without further act or deed of PCBC.

V. Reading Meters, Billing of Customers and Payments to PCBC, Including Use Fee Payments; Surcharges to Project Customers.

A. All Customers served directly from the PCBC Facilities under this Agreement shall be PCBC Customers and all Customers served directly from Company Facilities shall be the Customers of Company. Company shall read all meters of the PCBC Customers and render bills to those Customers, as agent for and on behalf of PCBC, in a manner consistent with the meter reading and billing practices of Company employed in billing its own Customers, such bills to be rendered and collected by Company on behalf of PCBC and to be computed based on the usage of each PCBC Customer at the rates from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended. It is the understanding and intent of the parties to this Agreement that, except for the Surcharges provided in Section VI of this Agreement, the rates of the PCBC shall reflect or mirror the rates of Company.

B. It is the intent of the Company and PCBC under this Agreement that the bills delivered to each PCBC Customer reflect the amount due for the water used (such amount to be determined by applying the rates of PCBC to the consumption of water by PCBC Customers as determined by monthly or estimated meter readings). Company shall be responsible for the collection of delinquent bills on behalf of PCBC. The bills delivered to the PCBC Customers will be delivered by, and be payable to, Company, as agent for PCBC.

C. Company, in consideration of the respective rights, duties, obligations, agreements and undertakings of the parties under this Agreement, shall be entitled to receive

from PCBC an amount for water service rendered to PCBC Customers equal to the consumption of each individual PCBC Customer at Company rates from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended. Company shall prepare and deliver monthly statements or schedules to PCBC which shall reflect the total amount collected by Company, as agent for PCBC, and the total amount retained by Company for the water service provided to PCBC Customers at the respective rates of PCBC and Company, plus the Surcharges as provided in this Section V and Section VI below. A PCBC Customer shall be charged a municipal B & O surcharge on his usage only if that PCBC Customer resides within a municipality which imposes such a surcharge. In addition, the monthly statement to be provided to PCBC and to the County Commission by Company will also include the costs of any additions or extensions, and related refunds, made at the cost of the PCBC under Section III, and the cost of any fire hydrants under Section X installed at the cost of PCBC.

In addition to the other payments to be made under this Section V, Company agrees to pay PCBC a Joint Use Line payment (the "Use Fee") for the use of the PCBC Facilities and the facilities constructed by PCBC and leased to the County Commission (the "Use Fee Facilities"). Such Use Fee shall be sufficient to pay the actual monthly debt service, including principal and interest, on the amount of debt incurred by PCBC with respect to the Use Fee Facilities (the "Series A Bonds"); provided, however, Company's Use Fee shall not exceed $463,372 annually and shall terminate when such debt and the interest thereon has been

paid in full. Payment of the Use Fee shall be made directly to the trustee or paying agent for the Series A Bonds as designated from time to time in writing by PCBC.

In the event Company fails to pay the Use Fee at the times and in the amounts set forth herein, the PCBC shall be entitled to collect for its own account all service charges and surcharges from PCBC customers as may be necessary to pay the principal of and interest on the Series 1999 A Bonds, or at the option of PCBC, to require (through written notification to the Company) that the Company will collect such service charges and surcharges from PCBC Customers, and remit the same on a monthly basis to the PCBC and to the County Commission, respectively. The Company hereby acknowledges and recognizes the lien on and pledge of service charges, as described in the Ordinance adopted by PCBC, pursuant to which the Series A Bonds shall be issued.

D. PCBC agrees to have its accountants review, at least annually, at the expense of PCBC, the system of accounts maintained by Company for PCBC and report the results of that review to PCBC, Company and the County Commission.

E. In addition to such other obligations, duties and responsibilities set forth in this Agreement, Company agrees to pay directly to vendors the reasonable costs of the following three items on behalf of PCBC, up to a maximum aggregate amount for all three items of $8,000 in each calendar year during the term hereof, upon the receipt of an invoice for such costs from the vendor, which has been approved by PCBC for payment and forwarded by PCBC to Company:

1. Legal and Accounting Expenses

2. Liability Insurance and Bonds

3. Regulatory Commission Fees

PCBC agrees that the $8,000 provided under this Agreement shall be the total amount to be paid by Company to PCBC under this Agreement between Company and PCBC after the amount described in paragraph C. In the event that either Company or PCBC determines that the maximum aggregate amount of $8,000 is inadequate or excessive to pay the reasonable costs of the above-mentioned three items, then either party may petition the Utilities Division of the Public Service Commission to audit and review the costs incurred by PCBC for such items and to fix the maximum aggregate amount for said items which Company will pay pursuant to this Subsection E.

VI. Installation of Domestic Services.

After the proposed construction of the PCBC Facilities has been completed, Company shall install domestic service lines, including the tap on the PCBC Facilities and the service line from the PCBC Facilities to the established curb line or within the public right of way nearest the main in accordance with the Rules and Regulations of the Public Service Commission. This installation shall include the meter setting. All such service lines from the PCBC Facilities to the Customer's property line, meter settings and taps shall be constructed and installed by Company and shall be the property of Company. Company shall install all meters at its cost, shall own the meters, and shall assume the obligation to repair, maintain and replace the meters.

VII. Payment to Company Upon Termination of the Agreement.

A. Company and PCBC agree that the annual Use Fee of $463,372 to be made by Company to pay debt service on the Series A Bonds is in anticipation of a forty-year contractual relationship under this Agreement, and if PCBC elects to exercise its right to terminate this Agreement at any time prior to the end of the forty-year term, then PCBC agrees to pay Company as a termination fee ("termination fee") at the time of such termination an amount equal to a portion of the contribution by Company to the cost of the Project on a pro rata basis based on the remaining years in the forty-year agreement, less any depreciation which Company may have recovered through its rates on such amount, such obligation shall be payable solely from the PCBC Facilities. Further, if the Agreement terminates prior to retirement of the Series A Bonds, Company shall have no further obligation to pay any Use Fee after such termination, provided, however, notwithstanding any other provision hereof to the contrary, in the event this Agreement is terminated by PCBC due to the failure of the Company to pay all or any portion of the Use Fee, no termination fee shall be payable by PCBC to the Company.

B. At the time of termination of this Agreement, Company will be entitled to receive payment for the termination fee, all water delivered to PCBC Facilities customers through the termination date of this Agreement in accordance with the provisions of Section V of this Agreement, and all water meters installed on PCBC's distribution system at the time of such termination will be removed by Company. PCBC agrees that it will either replace those meters, install nipples in place of those meters or buy the meters from Company at the depreciated original cost of those meters as provided in Subsection D of this Section VII.

C. Upon termination of the Agreement, PCBC also agrees that it will purchase from Company, at the depreciated original cost of those items, all of the units of property installed, replaced or relocated by Company on the PCBC Facilities under Section IV of this Agreement and all service lines from the PCBC Facilities to the Customers' property line, meter settings and taps installed at the cost of Company and reflected on the books of Company at the time of the termination of the Agreement.

D. Upon termination of the Agreement, Company shall, within thirty (30) days of such termination, provide to PCBC (i) the total cost of all such items described in Subparagraphs B and C of this Section VII installed at the cost of Company and (ii) the total depreciation accrued on all of such items. PCBC agrees that it will pay to Company the total net depreciated cost (original cost less depreciation) of such items over a three-year period with such payments to be made in thirty-six (36) equal monthly payments of principal, plus accrued interest at the "Prime Rate," as defined below, commencing forty-five (45) days after termination of the Agreement. The Prime Rate shall be the prime rate as shown in The Wall Street Journal being defined therein as the "base rate on corporate loans at large U.S. money center commercial banks" and reported as the "Prime Rate" under the heading "Money Rates," as those terms shall be from time to time changed. The Prime Rate shall change not more often than the first day of each calendar quarter, and for each calendar quarter it shall be determined on the last day of the preceding calendar quarter on which The Wall Street Journal is published with the aforesaid prime rate quotation. In the event that The Wall Street Journal

ceases to publish such rates, the Prime Rate shall be the prime rate established by One Valley Bank, National Association, of Charleston, West Virginia, from time to time.

VIII. Installation of Private Fire Protection Services.

Fire services, approved by PCBC, may be installed by Company from the PCBC Facilities, but only in accordance with the Rules and Regulations of the Public Service Commission. Fire service will be installed by Company at the expense of the applicant and will be billed by Company to the applicant and paid by the applicant directly to Company at a rate equal to the then approved Company's private protection rate.

IX. Installation of Fire Hydrants.

Public fire protection facilities approved by PCBC may be installed on the PCBC Facilities covered by this Agreement at the request of an appropriate governmental unit, and installation shall be made pursuant to the Rules and Regulations of the Public Service Commission, provided that all such fire hydrants shall have a flow capability of at least 500 GPM at 20 psi residential pressure for a sustained period of time.

X. Water Service Franchise Territories.

It is expressly understood and agreed by Company and PCBC that:

A. Company shall be permitted to own Company Facilities purchased by Company and to serve Company Customers served directly from those Company Facilities within the water service franchise area of PCBC as are necessary to enjoy and fulfill its rights and obligations under this Agreement, subject to the terms and conditions set forth in this Agreement.

B. Except as otherwise provided in this Agreement, all persons residing outside of PCBC's water service franchise area, as defined above, and served, either at present or in the future, by Company shall be considered Customers of Company.

C. PCBC agrees that, as a part of the consideration for this Agreement, Company shall have the right, even after termination of this Agreement, to transfer water through the PCBC Facilities, and all future additions and future extensions thereto, and to serve customers who may be connected, directly or indirectly, to Company water mains, whether inside or outside PCBC's service area, provided, however, in the event this Agreement is terminated by PCBC for the failure of the Company to pay the Use Fee, Company shall have no right to transfer water or to serve customers as provided in this paragraph.

XI. Conditions Precedent to Effectiveness of Agreement.

Company and PCBC understand and agree that this Agreement, and the obligations of each of them hereunder, are expressly conditioned upon the following, each of which is a condition precedent to the validity and enforceability of this Agreement:

A. Rates and Surcharges. The Public Service Commission shall have approved the rates and billing arrangements requested by PCBC in the Application, or any supplements thereto, filed with the Public Service Commission seeking approval of this Agreement.

B. The Public Service Commission shall have approved this Agreement and all of the terms, conditions, undertakings, agreements and limitations of that Agreement.

Specifically, and without in anyway limiting the generality of this condition, the Order approving this Agreement and the transactions contemplated thereby shall:

(1) Authorize the inclusion in depreciable utility plant of Company any amounts expended by Company for the cost of installing, replacing or relocating any water lines or facilities on the PCBC Facilities which are defined as a "unit of property," in the NARUC Uniform System of Accounts and which are relocated or replaced by Company at its cost pursuant to Section IV under this Agreement and the cost to Company to install service lines, meter settings and taps on the PCBC Facilities pursuant to Section VII;

(2) Authorize Company to include in depreciable utility plant an amount equal to the tax expense associated with the obligations assumed by Company under the Agreement to the extent that the undertaking by Company to operate, maintain, repair or replace the PCBC Facilities under this Agreement, causes such PCBC Facilities, or any part thereof, to constitute taxable income or to otherwise generate tax expense for Company;

(3) Authorize the recognition in rate base of Company Facilities or other Company Property held by the County Commission and leased to Company under the Capital Lease, all as described in the Application; and

(4) Authorize the implementation of the Surcharges and the other rates requested in the Application.

C. The Public Service Commission shall not have attached to its Order any terms, conditions or limitations which shall adversely affect this Agreement or the economic feasibility of this project between the parties insofar as taking any action or refraining from

taking any action which, in the opinion of their respective counsel, might require them, or either of them, to breach any of their obligations under any Mortgage Indenture, as supplemented, or any other agreement to which either of them might be a party.

XII. Representations and Warranties.

A. PCBC represents and warrants to Company as follows:

(1) The execution, delivery and performance of this Agreement by PCBC has been duly authorized, and this Agreement constitutes a valid and binding obligation of PCBC enforceable in accordance with its terms; and

(2) The execution and performance of this Agreement in accordance with its terms by PCBC will not violate any provisions of law or violate the terms or conditions of any grants or loans made to PCBC for construction of the PCBC Facilities.

B. Company represents and warrants to PCBC as follows:

(1) The execution, delivery and performance of this Agreement by Company has been duly authorized, and this Agreement constitutes a valid and binding obligation of Company enforceable in accordance with its terms; and

(2) The execution and performance of this Agreement in accordance with its terms by Company will not violate any provisions of Company's indentures.

XIII. Assignability.

This Agreement shall be binding upon the successors and assigns of the respective parties hereto.

XIV. Notice.

Any notice, demand or request given hereunder shall be deemed sufficient if in writing and sent by certified mail, postal charges prepaid, to West Virginia-American Water Company, Attention: President, 1600 Pennsylvania Avenue, P. O. Box 1906, Charleston, WV 25327; and to PCBC addressed to the Putnam County Building Commission, 3389 Winfield Road, Winfield, West Virginia 25213, or to such address as the parties shall indicate by written notice to the other parties.

XV. Captions.

The captions preceding the text of the sections of this Agreement are inserted solely for convenience and reference and shall not be used to construe, interpret or affect any provision of this Agreement.

XVI. Governing Law. This Agreement shall be governed by West Virginia law.

XVII. Severability. If any provision of this Agreement is, for any reason, determined to be invalid, illegal or unenforceable in any respect, the Parties hereto shall negotiate in good faith and make such amendments, modifications or supplements of or to this Agreement, that to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the Parties as reflected in this Agreement, and the other provisions of this Agreement shall, as so amended, modified or supplemented, or otherwise affected by such action, remain in full force and effect.

XVIII. Amendment. This Agreement may not be amended to change the amount of the Use Fee without the prior written consent of the insurer of (if any), and trustee for the Series A Bonds.

Putnam County Building Commission (West Virginia)

WDA Loan (Loan Program III 2000 Series A)

2000 Series A (Use Fees)

Use Fee and Debt Service Schedules

	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*				Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
February 1, 2000							
March 1, 2000							
April 1, 2000							
May 1, 2000							
June 1, 2000							204,291.88
July 1, 2000							
August 1, 2000							
September 1, 2000							
October 1, 2000	3,888.88	34,048.64	539.89	38,477.41			
November 1, 2000	3,888.89	34,048.65	539.89	38,477.43			
December 1, 2000	3,888.89	34,048.65	539.89	38,477.43		102,145.94	102,145.94
January 1, 2001	3,888.89	34,048.64	539.90	38,477.43			
February 1, 2001	3,888.89	34,048.64	539.90	38,477.43			
March 1, 2001	3,888.89	34,048.65	539.90	38,477.44			
April 1, 2001	3,888.89	34,048.65	539.90	38,477.44			
May 1, 2001	3,888.89	34,048.65	539.90	38,477.44			
June 1, 2001	3,888.89	34,048.65	539.90	38,477.44	35,000.00	204,291.88	
July 1, 2001	4,166.66	33,921.77	285.62	38,374.05			
August 1, 2001	4,166.66	33,921.77	285.62	38,374.05			
September 1, 2001	4,166.66	33,921.77	285.62	38,374.05			
October 1, 2001	4,166.66	33,921.77	285.62	38,374.05			
November 1, 2001	4,166.67	33,921.77	285.62	38,374.06			
December 1, 2001	4,166.67	33,921.78	285.62	38,374.07		203,530.63	
January 1, 2002	4,166.67	33,921.77	285.62	38,374.06			
February 1, 2002	4,166.67	33,921.77	285.62	38,374.06			
March 1, 2002	4,166.67	33,921.77	285.62	38,374.06			
April 1, 2002	4,166.67	33,921.77	285.62	38,374.06			
May 1, 2002	4,166.67	33,921.77	285.62	38,374.06			
June 1, 2002	4,166.67	33,921.78	285.62	38,374.07	50,000.00	203,530.63	
July 1, 2002	4,583.33	33,721.77	285.62	38,590.72			
August 1, 2002	4,583.33	33,721.77	285.62	38,590.72			
September 1, 2002	4,583.33	33,721.77	285.62	38,590.72			
October 1, 2002	4,583.33	33,721.77	285.62	38,590.72			
November 1, 2002	4,583.33	33,721.77	285.62	38,590.72			
December 1, 2002	4,583.33	33,721.78	285.62	38,590.73		202,330.63	
January 1, 2003	4,583.33	33,721.77	285.62	38,590.72			
February 1, 2003	4,583.33	33,721.77	285.62	38,590.72			
March 1, 2003	4,583.34	33,721.77	285.62	38,590.73			
April 1, 2003	4,583.34	33,721.77	285.62	38,590.73			
May 1, 2003	4,583.34	33,721.77	285.62	38,590.73			
June 1, 2003	4,583.34	33,721.78	285.62	38,590.74	55,000.00	202,330.63	

Payment Date (1)	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission* Principal	Interest (2)	Admin Fee	Total	Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee* Principal	Interest	Cap/Accrued Interest (3)
July 1, 2003	4,583.33	33,492.60	285.62	38,361.55			
August 1, 2003	4,583.33	33,492.60	285.62	38,361.55			
September 1, 2003	4,583.33	33,492.60	285.62	38,361.55			
October 1, 2003	4,583.33	33,492.61	285.62	38,361.56			
November 1, 2003	4,583.33	33,492.61	285.62	38,361.56			
December 1, 2003	4,583.33	33,492.61	285.62	38,361.56			200,955.63
January 1, 2004	4,583.33	33,492.60	285.62	38,361.55			
February 1, 2004	4,583.33	33,492.60	285.62	38,361.55			
March 1, 2004	4,583.34	33,492.60	285.62	38,361.56			
April 1, 2004	4,583.34	33,492.61	285.62	38,361.57			
May 1, 2004	4,583.34	33,492.61	285.62	38,361.57			
June 1, 2004	4,583.34	33,492.61	285.62	38,361.57	55,000.00	200,955.63	
July 1, 2004	5,000.00	33,263.43	285.62	38,549.05			
August 1, 2004	5,000.00	33,263.44	285.62	38,549.06			
September 1, 2004	5,000.00	33,263.44	285.62	38,549.06			
October 1, 2004	5,000.00	33,263.44	285.62	38,549.06			
November 1, 2004	5,000.00	33,263.44	285.62	38,549.06			
December 1, 2004	5,000.00	33,263.44	285.62	38,549.06			199,580.63
January 1, 2005	5,000.00	33,263.43	285.62	38,549.05			
February 1, 2005	5,000.00	33,263.44	285.62	38,549.06			
March 1, 2005	5,000.00	33,263.44	285.62	38,549.06			
April 1, 2005	5,000.00	33,263.44	285.62	38,549.06			
May 1, 2005	5,000.00	33,263.44	285.62	38,549.06			
June 1, 2005	5,000.00	33,263.44	285.62	38,549.06	60,000.00	199,580.63	
July 1, 2005	5,000.00	33,007.18	285.62	38,292.80			
August 1, 2005	5,000.00	33,007.19	285.62	38,292.81			
September 1, 2005	5,000.00	33,007.19	285.62	38,292.81			
October 1, 2005	5,000.00	33,007.19	285.62	38,292.81			
November 1, 2005	5,000.00	33,007.19	285.62	38,292.81			
December 1, 2005	5,000.00	33,007.19	285.62	38,292.81			198,043.13
January 1, 2006	5,000.00	33,007.18	285.62	38,292.80			
February 1, 2006	5,000.00	33,007.19	285.62	38,292.81			
March 1, 2006	5,000.00	33,007.19	285.62	38,292.81			
April 1, 2006	5,000.00	33,007.19	285.62	38,292.81			
May 1, 2006	5,000.00	33,007.19	285.62	38,292.81			
June 1, 2006	5,000.00	33,007.19	285.62	38,292.81	60,000.00	198,043.13	
July 1, 2006	5,416.66	32,744.68	285.62	38,446.96			
August 1, 2006	5,416.66	32,744.69	285.62	38,446.97			
September 1, 2006	5,416.66	32,744.69	285.62	38,446.97			
October 1, 2006	5,416.66	32,744.69	285.62	38,446.97			
November 1, 2006	5,416.67	32,744.69	285.62	38,446.98			
December 1, 2006	5,416.67	32,744.69	285.62	38,446.98			196,468.13
January 1, 2007	5,416.67	32,744.68	285.62	38,446.97			
February 1, 2007	5,416.67	32,744.69	285.62	38,446.98			
March 1, 2007	5,416.67	32,744.69	285.62	38,446.98			
April 1, 2007	5,416.67	32,744.69	285.62	38,446.98			
May 1, 2007	5,416.67	32,744.69	285.62	38,446.98			
June 1, 2007	5,416.67	32,744.69	285.62	38,446.98	65,000.00	196,468.13	

Payment Date (1)	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission* Principal	Interest (2)	Admin Fee	Total	Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee* Principal	Interest	Cap/Accrued Interest (3)
July 1, 2007	5,833.33	32,453.54	285.62	38,572.49			
August 1, 2007	5,833.33	32,453.54	285.62	38,572.49			
September 1, 2007	5,833.33	32,453.54	285.62	38,572.49			
October 1, 2007	5,833.33	32,453.54	285.62	38,572.49			
November 1, 2007	5,833.33	32,453.54	285.62	38,572.49			
December 1, 2007	5,833.33	32,453.55	285.62	38,572.50		194,721.25	
January 1, 2008	5,833.33	32,453.54	285.62	38,572.49			
February 1, 2008	5,833.33	32,453.54	285.62	38,572.49			
March 1, 2008	5,833.34	32,453.54	285.62	38,572.50			
April 1, 2008	5,833.34	32,453.54	285.62	38,572.50			
May 1, 2008	5,833.34	32,453.54	285.62	38,572.50			
June 1, 2008	5,833.34	32,453.55	285.62	38,572.51	70,000.00	194,721.25	
July 1, 2008	5,833.33	32,138.54	285.62	38,257.49			
August 1, 2008	5,833.33	32,138.54	285.62	38,257.49			
September 1, 2008	5,833.33	32,138.54	285.62	38,257.49			
October 1, 2008	5,833.33	32,138.54	285.62	38,257.49			
November 1, 2008	5,833.33	32,138.54	285.62	38,257.49			
December 1, 2008	5,833.33	32,138.55	285.62	38,257.50		192,831.25	
January 1, 2009	5,833.33	32,138.54	285.62	38,257.49			
February 1, 2009	5,833.33	32,138.54	285.62	38,257.49			
March 1, 2009	5,833.34	32,138.54	285.62	38,257.50			
April 1, 2009	5,833.34	32,138.54	285.62	38,257.50			
May 1, 2009	5,833.34	32,138.54	285.62	38,257.50			
June 1, 2009	5,833.34	32,138.55	285.62	38,257.51	70,000.00	192,831.25	
July 1, 2009	6,250.00	31,817.70	285.62	38,353.32			
August 1, 2009	6,250.00	31,817.71	285.62	38,353.33			
September 1, 2009	6,250.00	31,817.71	285.62	38,353.33			
October 1, 2009	6,250.00	31,817.71	285.62	38,353.33			
November 1, 2009	6,250.00	31,817.71	285.62	38,353.33			
December 1, 2009	6,250.00	31,817.71	285.62	38,353.33		190,906.25	
January 1, 2010	6,250.00	31,817.70	285.62	38,353.32			
February 1, 2010	6,250.00	31,817.71	285.62	38,353.33			
March 1, 2010	6,250.00	31,817.71	285.62	38,353.33			
April 1, 2010	6,250.00	31,817.71	285.62	38,353.33			
May 1, 2010	6,250.00	31,817.71	285.62	38,353.33			
June 1, 2010	6,250.00	31,817.71	285.62	38,353.33	75,000.00	190,906.25	
July 1, 2010	6,666.66	31,467.70	285.62	38,419.98			
August 1, 2010	6,666.66	31,467.71	285.62	38,419.99			
September 1, 2010	6,666.66	31,467.71	285.62	38,419.99			
October 1, 2010	6,666.66	31,467.71	285.62	38,419.99			
November 1, 2010	6,666.67	31,467.71	285.62	38,420.00			
December 1, 2010	6,666.67	31,467.71	285.62	38,420.00		188,806.25	
January 1, 2011	6,666.67	31,467.70	285.62	38,419.99			
February 1, 2011	6,666.67	31,467.71	285.62	38,420.00			
March 1, 2011	6,666.67	31,467.71	285.62	38,420.00			
April 1, 2011	6,666.67	31,467.71	285.62	38,420.00			
May 1, 2011	6,666.67	31,467.71	285.62	38,420.00			
June 1, 2011	6,666.67	31,467.71	285.62	38,420.00	80,000.00	188,806.25	

	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*				Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2011	7,083.33	31,067.70	285.62	38,436.65			
August 1, 2011	7,083.33	31,067.71	285.62	38,436.66			
September 1, 2011	7,083.33	31,067.71	285.62	38,436.66			
October 1, 2011	7,083.33	31,067.71	285.62	38,436.66			
November 1, 2011	7,083.33	31,067.71	285.62	38,436.66			
December 1, 2011	7,083.33	31,067.71	285.62	38,436.66		186,406.25	
January 1, 2012	7,083.33	31,067.70	285.62	38,436.65			
February 1, 2012	7,083.33	31,067.71	285.62	38,436.66			
March 1, 2012	7,083.34	31,067.71	285.63	38,436.68			
April 1, 2012	7,083.34	31,067.71	285.63	38,436.68			
May 1, 2012	7,083.34	31,067.71	285.63	38,436.68			
June 1, 2012	7,083.34	31,067.71	285.63	38,436.68	85,000.00	186,406.25	
July 1, 2012	7,500.00	30,642.70	285.63	38,428.33			
August 1, 2012	7,500.00	30,642.71	285.63	38,428.34			
September 1, 2012	7,500.00	30,642.71	285.63	38,428.34			
October 1, 2012	7,500.00	30,642.71	285.63	38,428.34			
November 1, 2012	7,500.00	30,642.71	285.63	38,428.34			
December 1, 2012	7,500.00	30,642.71	285.63	38,428.34		183,856.25	
January 1, 2013	7,500.00	30,642.70	285.63	38,428.33			
February 1, 2013	7,500.00	30,642.71	285.63	38,428.34			
March 1, 2013	7,500.00	30,642.71	285.63	38,428.34			
April 1, 2013	7,500.00	30,642.71	285.63	38,428.34			
May 1, 2013	7,500.00	30,642.71	285.63	38,428.34			
June 1, 2013	7,500.00	30,642.71	285.63	38,428.34	90,000.00	183,856.25	
July 1, 2013	7,916.66	30,192.70	285.63	38,394.99			
August 1, 2013	7,916.66	30,192.71	285.63	38,395.00			
September 1, 2013	7,916.66	30,192.71	285.63	38,395.00			
October 1, 2013	7,916.66	30,192.71	285.63	38,395.00			
November 1, 2013	7,916.67	30,192.71	285.63	38,395.01			
December 1, 2013	7,916.67	30,192.71	285.63	38,395.01		181,156.25	
January 1, 2014	7,916.67	30,192.70	285.63	38,395.00			
February 1, 2014	7,916.67	30,192.71	285.63	38,395.01			
March 1, 2014	7,916.67	30,192.71	285.63	38,395.01			
April 1, 2014	7,916.67	30,192.71	285.63	38,395.01			
May 1, 2014	7,916.67	30,192.71	285.63	38,395.01			
June 1, 2014	7,916.67	30,192.71	285.63	38,395.01	95,000.00	181,156.25	
July 1, 2014	8,333.33	29,717.70	285.63	38,336.66			
August 1, 2014	8,333.33	29,717.71	285.63	38,336.67			
September 1, 2014	8,333.33	29,717.71	285.63	38,336.67			
October 1, 2014	8,333.33	29,717.71	285.63	38,336.67			
November 1, 2014	8,333.33	29,717.71	285.63	38,336.67			
December 1, 2014	8,333.33	29,717.71	285.63	38,336.67		178,306.25	
January 1, 2015	8,333.33	29,717.70	285.63	38,336.66			
February 1, 2015	8,333.33	29,717.71	285.63	38,336.67			
March 1, 2015	8,333.34	29,717.71	285.63	38,336.68			
April 1, 2015	8,333.34	29,717.71	285.63	38,336.68			
May 1, 2015	8,333.34	29,717.71	285.63	38,336.68			
June 1, 2015	8,333.34	29,717.71	285.63	38,336.68	100,000.00	178,306.25	

Payment Date (1)	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission* Principal	Interest (2)	Admin Fee	Total	Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee* Principal	Interest	Cap/Accrued Interest (3)
July 1, 2015	8,750.00	29,217.70	285.63	38,253.33			
August 1, 2015	8,750.00	29,217.71	285.63	38,253.34			
September 1, 2015	8,750.00	29,217.71	285.63	38,253.34			
October 1, 2015	8,750.00	29,217.71	285.63	38,253.34			
November 1, 2015	8,750.00	29,217.71	285.63	38,253.34			
December 1, 2015	8,750.00	29,217.71	285.63	38,253.34		175,306.25	
January 1, 2016	8,750.00	29,217.70	285.63	38,253.33			
February 1, 2016	8,750.00	29,217.71	285.63	38,253.34			
March 1, 2016	8,750.00	29,217.71	285.63	38,253.34			
April 1, 2016	8,750.00	29,217.71	285.63	38,253.34			
May 1, 2016	8,750.00	29,217.71	285.63	38,253.34			
June 1, 2016	8,750.00	29,217.71	285.63	38,253.34	105,000.00	175,306.25	
July 1, 2016	9,583.32	28,670.83	285.63	38,539.78			
August 1, 2016	9,583.32	28,670.83	285.63	38,539.78			
September 1, 2016	9,583.32	28,670.83	285.63	38,539.78			
October 1, 2016	9,583.34	28,670.83	285.63	38,539.80			
November 1, 2016	9,583.34	28,670.84	285.63	38,539.81			
December 1, 2016	9,583.34	28,670.84	285.63	38,539.81		172,025.00	
January 1, 2017	9,583.33	28,670.83	285.63	38,539.79			
February 1, 2017	9,583.33	28,670.83	285.63	38,539.79			
March 1, 2017	9,583.34	28,670.83	285.63	38,539.80			
April 1, 2017	9,583.34	28,670.83	285.63	38,539.80			
May 1, 2017	9,583.34	28,670.84	285.63	38,539.81			
June 1, 2017	9,583.34	28,670.84	285.63	38,539.81	115,000.00	172,025.00	
July 1, 2017	10,000.00	28,071.87	285.63	38,357.50			
August 1, 2017	10,000.00	28,071.87	285.63	38,357.50			
September 1, 2017	10,000.00	28,071.87	285.63	38,357.50			
October 1, 2017	10,000.00	28,071.88	285.63	38,357.51			
November 1, 2017	10,000.00	28,071.88	285.63	38,357.51			
December 1, 2017	10,000.00	28,071.88	285.63	38,357.51		168,431.25	
January 1, 2018	10,000.00	28,071.87	285.63	38,357.50			
February 1, 2018	10,000.00	28,071.87	285.63	38,357.50			
March 1, 2018	10,000.00	28,071.87	285.63	38,357.50			
April 1, 2018	10,000.00	28,071.88	285.63	38,357.51			
May 1, 2018	10,000.00	28,071.88	285.63	38,357.51			
June 1, 2018	10,000.00	28,071.88	285.63	38,357.51	120,000.00	168,431.25	
July 1, 2018	10,416.66	27,446.87	285.63	38,149.16			
August 1, 2018	10,416.66	27,446.87	285.63	38,149.16			
September 1, 2018	10,416.66	27,446.87	285.63	38,149.16			
October 1, 2018	10,416.66	27,446.88	285.63	38,149.17			
November 1, 2018	10,416.67	27,446.88	285.63	38,149.18			
December 1, 2018	10,416.67	27,446.88	285.63	38,149.18		164,681.25	
January 1, 2019	10,416.67	27,446.87	285.63	38,149.17			
February 1, 2019	10,416.67	27,446.87	285.63	38,149.17			
March 1, 2019	10,416.67	27,446.87	285.63	38,149.17			
April 1, 2019	10,416.67	27,446.88	285.63	38,149.18			
May 1, 2019	10,416.67	27,446.88	285.63	38,149.18			
June 1, 2019	10,416.67	27,446.88	285.63	38,149.18	125,000.00	164,681.25	

Payment Date (1)	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission* Principal	Interest (2)	Admin Fee	Total	Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee* Principal	Interest	Cap/Accrued Interest (3)
July 1, 2019	11,250.00	26,795.83	285.63	38,331.46			
August 1, 2019	11,250.00	26,795.83	285.63	38,331.46			
September 1, 2019	11,250.00	26,795.83	285.63	38,331.46			
October 1, 2019	11,250.00	26,795.83	285.63	38,331.46			
November 1, 2019	11,250.00	26,795.84	285.63	38,331.47			
December 1, 2019	11,250.00	26,795.84	285.63	38,331.47		160,775.00	
January 1, 2020	11,250.00	26,795.83	285.63	38,331.46			
February 1, 2020	11,250.00	26,795.83	285.63	38,331.46			
March 1, 2020	11,250.00	26,795.83	285.63	38,331.46			
April 1, 2020	11,250.00	26,795.83	285.63	38,331.46			
May 1, 2020	11,250.00	26,795.84	285.63	38,331.47			
June 1, 2020	11,250.00	26,795.84	285.63	38,331.47	135,000.00	160,775.00	
July 1, 2020	12,083.33	26,092.70	285.63	38,461.66			
August 1, 2020	12,083.33	26,092.71	285.63	38,461.67			
September 1, 2020	12,083.33	26,092.71	285.63	38,461.67			
October 1, 2020	12,083.33	26,092.71	285.63	38,461.67			
November 1, 2020	12,083.33	26,092.71	285.63	38,461.67			
December 1, 2020	12,083.33	26,092.71	285.63	38,461.67		156,556.25	
January 1, 2021	12,083.33	26,092.70	285.63	38,461.66			
February 1, 2021	12,083.33	26,092.71	285.63	38,461.67			
March 1, 2021	12,083.34	26,092.71	285.63	38,461.68			
April 1, 2021	12,083.34	26,092.71	285.63	38,461.68			
May 1, 2021	12,083.34	26,092.71	285.63	38,461.68			
June 1, 2021	12,083.34	26,092.71	285.63	38,461.68	145,000.00	156,556.25	
July 1, 2021	12,916.66	25,352.60	285.63	38,554.89			
August 1, 2021	12,916.66	25,352.60	285.63	38,554.89			
September 1, 2021	12,916.66	25,352.60	285.63	38,554.89			
October 1, 2021	12,916.66	25,352.61	285.63	38,554.90			
November 1, 2021	12,916.67	25,352.61	285.63	38,554.91			
December 1, 2021	12,916.67	25,352.61	285.63	38,554.91		152,115.63	
January 1, 2022	12,916.67	25,352.60	285.63	38,554.90			
February 1, 2022	12,916.67	25,352.60	285.63	38,554.90			
March 1, 2022	12,916.67	25,352.60	285.63	38,554.90			
April 1, 2022	12,916.67	25,352.61	285.63	38,554.91			
May 1, 2022	12,916.67	25,352.61	285.63	38,554.91			
June 1, 2022	12,916.67	25,352.61	285.63	38,554.91	155,000.00	152,115.63	
July 1, 2022	13,333.33	24,561.45	285.63	38,180.41			
August 1, 2022	13,333.33	24,561.46	285.63	38,180.42			
September 1, 2022	13,333.33	24,561.46	285.63	38,180.42			
October 1, 2022	13,333.33	24,561.46	285.63	38,180.42			
November 1, 2022	13,333.33	24,561.46	285.63	38,180.42			
December 1, 2022	13,333.33	24,561.46	285.63	38,180.42		147,368.75	
January 1, 2023	13,333.33	24,561.45	285.63	38,180.41			
February 1, 2023	13,333.33	24,561.46	285.63	38,180.42			
March 1, 2023	13,333.34	24,561.46	285.63	38,180.43			
April 1, 2023	13,333.34	24,561.46	285.63	38,180.43			
May 1, 2023	13,333.34	24,561.46	285.63	38,180.43			
June 1, 2023	13,333.34	24,561.46	285.63	38,180.43	160,000.00	147,368.75	

	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*				Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2023	14,166.66	23,744.79	285.63	38,197.08			
August 1, 2023	14,166.66	23,744.79	285.63	38,197.08			
September 1, 2023	14,166.66	23,744.79	285.63	38,197.08			
October 1, 2023	14,166.66	23,744.79	285.63	38,197.08			
November 1, 2023	14,166.67	23,744.79	285.63	38,197.09			
December 1, 2023	14,166.67	23,744.80	285.63	38,197.10		142,468.75	
January 1, 2024	14,166.67	23,744.79	285.63	38,197.09			
February 1, 2024	14,166.67	23,744.79	285.63	38,197.09			
March 1, 2024	14,166.67	23,744.79	285.63	38,197.09			
April 1, 2024	14,166.67	23,744.79	285.63	38,197.09			
May 1, 2024	14,166.67	23,744.80	285.63	38,197.10			
June 1, 2024	14,166.67	23,744.79	285.63	38,197.09	170,000.00	142,468.75	
July 1, 2024	15,416.66	22,877.08	285.63	38,579.37			
August 1, 2024	15,416.66	22,877.08	285.63	38,579.37			
September 1, 2024	15,416.66	22,877.08	285.63	38,579.37			
October 1, 2024	15,416.66	22,877.08	285.63	38,579.37			
November 1, 2024	15,416.67	22,877.09	285.63	38,579.39			
December 1, 2024	15,416.67	22,877.09	285.63	38,579.39		137,262.50	
January 1, 2025	15,416.67	22,877.08	285.63	38,579.38			
February 1, 2025	15,416.67	22,877.08	285.63	38,579.38			
March 1, 2025	15,416.67	22,877.08	285.63	38,579.38			
April 1, 2025	15,416.67	22,877.08	285.63	38,579.38			
May 1, 2025	15,416.67	22,877.09	285.63	38,579.39			
June 1, 2025	15,416.67	22,877.09	285.63	38,579.39	185,000.00	137,262.50	
July 1, 2025	16,250.00	21,932.81	285.63	38,468.44			
August 1, 2025	16,250.00	21,932.81	285.63	38,468.44			
September 1, 2025	16,250.00	21,932.81	285.63	38,468.44			
October 1, 2025	16,250.00	21,932.81	285.63	38,468.44			
November 1, 2025	16,250.00	21,932.82	285.63	38,468.45			
December 1, 2025	16,250.00	21,932.82	285.63	38,468.45		131,596.88	
January 1, 2026	16,250.00	21,932.81	285.63	38,468.44			
February 1, 2026	16,250.00	21,932.81	285.63	38,468.44			
March 1, 2026	16,250.00	21,932.81	285.63	38,468.44			
April 1, 2026	16,250.00	21,932.81	285.63	38,468.44			
May 1, 2026	16,250.00	21,932.82	285.63	38,468.45			
June 1, 2026	16,250.00	21,932.82	285.63	38,468.45	195,000.00	131,596.88	
July 1, 2026	17,083.33	20,917.18	285.63	38,286.14			
August 1, 2026	17,083.33	20,917.19	285.63	38,286.15			
September 1, 2026	17,083.33	20,917.19	285.63	38,286.15			
October 1, 2026	17,083.33	20,917.19	285.63	38,286.15			
November 1, 2026	17,083.33	20,917.19	285.63	38,286.15			
December 1, 2026	17,083.33	20,917.19	285.63	38,286.15		125,503.13	
January 1, 2027	17,083.33	20,917.18	285.63	38,286.14			
February 1, 2027	17,083.33	20,917.19	285.63	38,286.15			
March 1, 2027	17,083.34	20,917.19	285.63	38,286.16			
April 1, 2027	17,083.34	20,917.19	285.63	38,286.16			
May 1, 2027	17,083.34	20,917.19	285.63	38,286.16			
June 1, 2027	17,083.34	20,917.19	285.63	38,286.16	205,000.00	125,503.13	

Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*					Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2027	18,333.33	19,849.48	285.63	38,468.44			
August 1, 2027	18,333.33	19,849.48	285.63	38,468.44			
September 1, 2027	18,333.33	19,849.48	285.63	38,468.44			
October 1, 2027	18,333.33	19,849.48	285.63	38,468.44			
November 1, 2027	18,333.33	19,849.48	285.63	38,468.44			
December 1, 2027	18,333.33	19,849.48	285.63	38,468.44		119,096.88	
January 1, 2028	18,333.33	19,849.48	285.63	38,468.44			
February 1, 2028	18,333.33	19,849.48	285.63	38,468.44			
March 1, 2028	18,333.34	19,849.48	285.63	38,468.45			
April 1, 2028	18,333.34	19,849.48	285.63	38,468.45			
May 1, 2028	18,333.34	19,849.48	285.63	38,468.45			
June 1, 2028	18,333.34	19,849.48	285.63	38,468.45	220,000.00	119,096.88	
July 1, 2028	19,166.66	18,703.64	285.63	38,155.93			
August 1, 2028	19,166.66	18,703.64	285.63	38,155.93			
September 1, 2028	19,166.66	18,703.65	285.63	38,155.94			
October 1, 2028	19,166.66	18,703.65	285.63	38,155.94			
November 1, 2028	19,166.67	18,703.65	285.63	38,155.95			
December 1, 2028	19,166.67	18,703.65	285.63	38,155.95		112,221.88	
January 1, 2029	19,166.67	18,703.64	285.63	38,155.94			
February 1, 2029	19,166.67	18,703.64	285.63	38,155.94			
March 1, 2029	19,166.67	18,703.65	285.63	38,155.95			
April 1, 2029	19,166.67	18,703.65	285.63	38,155.95			
May 1, 2029	19,166.67	18,703.65	285.63	38,155.95			
June 1, 2029	19,166.67	18,703.65	285.63	38,155.95	230,000.00	112,221.88	
July 1, 2029	20,416.66	17,505.73	285.63	38,208.02			
August 1, 2029	20,416.66	17,505.73	285.63	38,208.02			
September 1, 2029	20,416.66	17,505.73	285.63	38,208.02			
October 1, 2029	20,416.66	17,505.73	285.63	38,208.02			
November 1, 2029	20,416.67	17,505.73	285.63	38,208.03			
December 1, 2029	20,416.67	17,505.73	285.63	38,208.03		105,034.38	
January 1, 2030	20,416.67	17,505.73	285.63	38,208.03			
February 1, 2030	20,416.67	17,505.73	285.63	38,208.03			
March 1, 2030	20,416.67	17,505.73	285.63	38,208.03			
April 1, 2030	20,416.67	17,505.73	285.63	38,208.03			
May 1, 2030	20,416.67	17,505.73	285.63	38,208.03			
June 1, 2030	20,416.67	17,505.73	285.63	38,208.03	245,000.00	105,034.38	
July 1, 2030	21,666.66	16,229.68	285.63	38,181.97			
August 1, 2030	21,666.66	16,229.69	285.63	38,181.98			
September 1, 2030	21,666.66	16,229.69	285.63	38,181.98			
October 1, 2030	21,666.66	16,229.69	285.63	38,181.98			
November 1, 2030	21,666.67	16,229.69	285.63	38,181.99			
December 1, 2030	21,666.67	16,229.69	285.63	38,181.99		97,378.13	
January 1, 2031	21,666.67	16,229.68	285.63	38,181.98			
February 1, 2031	21,666.67	16,229.69	285.63	38,181.99			
March 1, 2031	21,666.67	16,229.69	285.63	38,181.99			
April 1, 2031	21,666.67	16,229.69	285.63	38,181.99			
May 1, 2031	21,666.67	16,229.69	285.63	38,181.99			
June 1, 2031	21,666.67	16,229.69	285.63	38,181.99	260,000.00	97,378.13	

	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission*				Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2031	23,333.33	14,848.43	285.63	38,467.39			
August 1, 2031	23,333.33	14,848.44	285.63	38,467.40			
September 1, 2031	23,333.33	14,848.44	285.63	38,467.40			
October 1, 2031	23,333.33	14,848.44	285.63	38,467.40			
November 1, 2031	23,333.33	14,848.44	285.63	38,467.40			
December 1, 2031	23,333.33	14,848.44	285.63	38,467.40		89,090.63	
January 1, 2032	23,333.33	14,848.43	285.63	38,467.39			
February 1, 2032	23,333.33	14,848.44	285.63	38,467.40			
March 1, 2032	23,333.34	14,848.44	285.63	38,467.41			
April 1, 2032	23,333.34	14,848.44	285.63	38,467.41			
May 1, 2032	23,333.34	14,848.44	285.63	38,467.41			
June 1, 2032	23,333.34	14,848.44	285.63	38,467.41	280,000.00	89,090.63	
July 1, 2032	24,583.33	13,360.93	285.63	38,229.89			
August 1, 2032	24,583.33	13,360.94	285.63	38,229.90			
September 1, 2032	24,583.33	13,360.94	285.63	38,229.90			
October 1, 2032	24,583.33	13,360.94	285.63	38,229.90			
November 1, 2032	24,583.33	13,360.94	285.63	38,229.90			
December 1, 2032	24,583.33	13,360.94	285.63	38,229.90		80,165.63	
January 1, 2033	24,583.33	13,360.93	285.63	38,229.89			
February 1, 2033	24,583.33	13,360.94	285.63	38,229.90			
March 1, 2033	24,583.34	13,360.94	285.63	38,229.91			
April 1, 2033	24,583.34	13,360.94	285.63	38,229.91			
May 1, 2033	24,583.34	13,360.94	285.63	38,229.91			
June 1, 2033	24,583.34	13,360.94	285.63	38,229.91	295,000.00	80,165.63	
July 1, 2033	26,250.00	11,793.75	285.63	38,329.38			
August 1, 2033	26,250.00	11,793.75	285.63	38,329.38			
September 1, 2033	26,250.00	11,793.75	285.63	38,329.38			
October 1, 2033	26,250.00	11,793.75	285.63	38,329.38			
November 1, 2033	26,250.00	11,793.75	285.63	38,329.38			
December 1, 2033	26,250.00	11,793.75	285.63	38,329.38		70,762.50	
January 1, 2034	26,250.00	11,793.75	285.63	38,329.38			
February 1, 2034	26,250.00	11,793.75	285.63	38,329.38			
March 1, 2034	26,250.00	11,793.75	285.63	38,329.38			
April 1, 2034	26,250.00	11,793.75	285.63	38,329.38			
May 1, 2034	26,250.00	11,793.75	285.63	38,329.38			
June 1, 2034	26,250.00	11,793.75	285.63	38,329.38	315,000.00	70,762.50	
July 1, 2034	27,916.66	10,120.31	285.63	38,322.60			
August 1, 2034	27,916.66	10,120.31	285.63	38,322.60			
September 1, 2034	27,916.66	10,120.31	285.63	38,322.60			
October 1, 2034	27,916.66	10,120.32	285.63	38,322.61			
November 1, 2034	27,916.67	10,120.32	285.63	38,322.62			
December 1, 2034	27,916.67	10,120.31	285.63	38,322.61		60,721.88	
January 1, 2035	27,916.67	10,120.31	285.63	38,322.61			
February 1, 2035	27,916.67	10,120.31	285.63	38,322.61			
March 1, 2035	27,916.67	10,120.31	285.63	38,322.61			
April 1, 2035	27,916.67	10,120.31	285.63	38,322.61			
May 1, 2035	27,916.67	10,120.32	285.63	38,322.62			
June 1, 2035	27,916.67	10,120.32	285.63	38,322.62	335,000.00	60,721.88	

	Schedule of Monthly Use Fee Payments				Debt Service Schedule		
	Putnam County Building Commission				Municipal Bond Commission		
	Deposits Due to the Municipal Bond Commission				*Payments Due to the Trustee*		
Payment Date (1)	Principal	Interest (2)	Admin Fee	Total	Principal	Interest	Cap/Accrued Interest (3)
July 1, 2035	29,583.33	8,340.62	285.63	38,209.58			
August 1, 2035	29,583.33	8,340.62	285.63	38,209.58			
September 1, 2035	29,583.33	8,340.62	285.63	38,209.58			
October 1, 2035	29,583.33	8,340.63	285.63	38,209.59			
November 1, 2035	29,583.33	8,340.63	285.63	38,209.59			
December 1, 2035	29,583.33	8,340.63	285.63	38,209.59		50,043.75	
January 1, 2036	29,583.33	8,340.62	285.63	38,209.58			
February 1, 2036	29,583.33	8,340.62	285.63	38,209.58			
March 1, 2036	29,583.34	8,340.62	285.63	38,209.59			
April 1, 2036	29,583.34	8,340.63	285.63	38,209.60			
May 1, 2036	29,583.34	8,340.63	285.63	38,209.60			
June 1, 2036	29,583.34	8,340.63	285.63	38,209.60	355,000.00	50,043.75	
July 1, 2036	31,666.66	6,454.68	285.63	38,406.97			
August 1, 2036	31,666.66	6,454.69	285.63	38,406.98			
September 1, 2036	31,666.66	6,454.69	285.63	38,406.98			
October 1, 2036	31,666.66	6,454.69	285.63	38,406.98			
November 1, 2036	31,666.67	6,454.69	285.63	38,406.99			
December 1, 2036	31,666.67	6,454.69	285.63	38,406.99		38,728.13	
January 1, 2037	31,666.67	6,454.68	285.63	38,406.98			
February 1, 2037	31,666.67	6,454.69	285.63	38,406.99			
March 1, 2037	31,666.67	6,454.69	285.63	38,406.99			
April 1, 2037	31,666.67	6,454.69	285.63	38,406.99			
May 1, 2037	31,666.67	6,454.69	285.63	38,406.99			
June 1, 2037	31,666.67	6,454.69	285.63	38,406.99	380,000.00	38,728.13	
July 1, 2037	33,750.00	4,435.93	285.63	38,471.56			
August 1, 2037	33,750.00	4,435.94	285.63	38,471.57			
September 1, 2037	33,750.00	4,435.94	285.63	38,471.57			
October 1, 2037	33,750.00	4,435.94	285.63	38,471.57			
November 1, 2037	33,750.00	4,435.94	285.63	38,471.57			
December 1, 2037	33,750.00	4,435.94	285.63	38,471.57		26,615.63	
January 1, 2038	33,750.00	4,435.93	285.63	38,471.56			
February 1, 2038	33,750.00	4,435.94	285.63	38,471.57			
March 1, 2038	33,750.00	4,435.94	285.63	38,471.57			
April 1, 2038	33,750.00	4,435.94	285.63	38,471.57			
May 1, 2038	33,750.00	4,435.94	285.63	38,471.57			
June 1, 2038	33,750.00	4,435.94	285.63	38,471.57	405,000.00	26,615.63	
July 1, 2038	35,833.33	2,284.37	285.63	38,403.33			
August 1, 2038	35,833.33	2,284.37	285.63	38,403.33			
September 1, 2038	35,833.33	2,284.37	285.63	38,403.33			
October 1, 2038	35,833.33	2,284.38	285.63	38,403.34			
November 1, 2038	35,833.33	2,284.38	285.63	38,403.34			
December 1, 2038	35,833.33	2,284.38	285.63	38,403.34		13,706.25	
January 1, 2039	35,833.33	2,284.37	285.63	38,403.33			
February 1, 2039	35,833.33	2,284.37	285.63	38,403.33			
March 1, 2039	35,833.34	2,284.38	285.63	38,403.35			
April 1, 2039	35,833.34	2,284.38	285.63	38,403.35			
May 1, 2039	35,833.34	2,284.38	285.63	38,403.35			
June 1, 2039	35,833.34	2,284.37	285.63	38,403.34	430,000.00	13,706.25	

Payment Date (1)	Schedule of Monthly Use Fee Payments Putnam County Building Commission *Deposits Due to the Municipal Bond Commission* Principal	Interest (2)	Admin Fee	Total	Debt Service Schedule Municipal Bond Commission *Payments Due to the Trustee* Principal	Interest	Cap/Accrued Interest (3)
TOTALS	6,610,000.00	11,097,548.00	135,105.07	17,842,653.07	6,610,000.00	11,097,548.00	306,437.82

(1) Deposits are due with the Municipal Bond Commission two (2) working day prior to the first of each month.

(2) Excludes Accrued Interest of $28,373.87 deposited with the Trustee on January 26, 2000, and Capitalized Interest of $270,913.80 deposited with the Municipal Bond Commission. Assumes Capitalized Interest was net-funded at an earnings rate of 4.0%. Capitalized Interest was paid for from Bond proceeds and is a pre-paid Use Fee payment.

(3) Includes Accrued Interest of $28,373.87 deposited with the Trustee on January 26, 2000 and will require approximately $175,918.01 in Capitalized Interest funds for the June 1, 2000, deposit with the Trustee and $102,145.94 for the December 1, 2000, deposit with the Trustee. The final amounts of the deposits will need to be finalized on May 31, 2000, and November 29, 2000, by the West Virginia Water Development Authority and the Municipal Bond Commission.

Putnam County Building Commission (West Virginia)

WDA Loans (Loan Program III)

Series A (Use Fees)

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
6/01/2000	-	-	204,291.88	204,291.88
12/01/2000	-	-	204,291.88	204,291.88
6/01/2001	35,000.00	4.350%	204,291.88	239,291.88
12/01/2001	-	-	203,530.63	203,530.63
6/01/2002	50,000.00	4.800%	203,530.63	253,530.63
12/01/2002	-	-	202,330.63	202,330.63
6/01/2003	55,000.00	5.000%	202,330.63	257,330.63
12/01/2003	-	-	200,955.63	200,955.63
6/01/2004	55,000.00	5.000%	200,955.63	255,955.63
12/01/2004	-	-	199,580.63	199,580.63
6/01/2005	60,000.00	5.125%	199,580.63	259,580.63
12/01/2005	-	-	198,043.13	198,043.13
6/01/2006	60,000.00	5.250%	198,043.13	258,043.13
12/01/2006	-	-	196,468.13	196,468.13
6/01/2007	65,000.00	5.375%	196,468.13	261,468.13
12/01/2007	-	-	194,721.25	194,721.25
6/01/2008	70,000.00	5.400%	194,721.25	264,721.25
12/01/2008	-	-	192,831.25	192,831.25
6/01/2009	70,000.00	5.500%	192,831.25	262,831.25
12/01/2009	-	-	190,906.25	190,906.25
6/01/2010	75,000.00	5.600%	190,906.25	265,906.25
12/01/2010	-	-	188,806.25	188,806.25
6/01/2011	80,000.00	6.000%	188,806.25	268,806.25
12/01/2011	-	-	186,406.25	186,406.25
6/01/2012	85,000.00	6.000%	186,406.25	271,406.25
12/01/2012	-	-	183,856.25	183,856.25
6/01/2013	90,000.00	6.000%	183,856.25	273,856.25
12/01/2013	-	-	181,156.25	181,156.25
6/01/2014	95,000.00	6.000%	181,156.25	276,156.25
12/01/2014	-	-	178,306.25	178,306.25
6/01/2015	100,000.00	6.000%	178,306.25	278,306.25
12/01/2015	-	-	175,306.25	175,306.25
6/01/2016	105,000.00	6.250%	175,306.25	280,306.25
12/01/2016	-	-	172,025.00	172,025.00
6/01/2017	115,000.00	6.250%	172,025.00	287,025.00
12/01/2017	-	-	168,431.25	168,431.25
6/01/2018	120,000.00	6.250%	168,431.25	288,431.25
12/01/2018	-	-	164,681.25	164,681.25
6/01/2019	125,000.00	6.250%	164,681.25	289,681.25
12/01/2019	-	-	160,775.00	160,775.00
6/01/2020	135,000.00	6.250%	160,775.00	295,775.00
12/01/2020	-	-	156,556.25	156,556.25
6/01/2021	145,000.00	6.125%	156,556.25	301,556.25
12/01/2021	-	-	152,115.63	152,115.63
6/01/2022	155,000.00	6.125%	152,115.63	307,115.63

Putnam County Building Commission (West Virginia)

WDA Loans (Loan Program III)

Series A (Use Fees)

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
12/01/2022	-	-	147,368.75	147,368.75
6/01/2023	160,000.00	6.125%	147,368.75	307,368.75
12/01/2023	-	-	142,468.75	142,468.75
6/01/2024	170,000.00	6.125%	142,468.75	312,468.75
12/01/2024	-	-	137,262.50	137,262.50
6/01/2025	185,000.00	6.125%	137,262.50	322,262.50
12/01/2025	-	-	131,596.88	131,596.88
6/01/2026	195,000.00	6.250%	131,596.88	326,596.88
12/01/2026	-	-	125,503.13	125,503.13
6/01/2027	205,000.00	6.250%	125,503.13	330,503.13
12/01/2027	-	-	119,096.88	119,096.88
6/01/2028	220,000.00	6.250%	119,096.88	339,096.88
12/01/2028	-	-	112,221.88	112,221.88
6/01/2029	230,000.00	6.250%	112,221.88	342,221.88
12/01/2029	-	-	105,034.38	105,034.38
6/01/2030	245,000.00	6.250%	105,034.38	350,034.38
12/01/2030	-	-	97,378.13	97,378.13
6/01/2031	260,000.00	6.375%	97,378.13	357,378.13
12/01/2031	-	-	89,090.63	89,090.63
6/01/2032	280,000.00	6.375%	89,090.63	369,090.63
12/01/2032	-	-	80,165.63	80,165.63
6/01/2033	295,000.00	6.375%	80,165.63	375,165.63
12/01/2033	-	-	70,762.50	70,762.50
6/01/2034	315,000.00	6.375%	70,762.50	385,762.50
12/01/2034	-	-	60,721.88	60,721.88
6/01/2035	335,000.00	6.375%	60,721.88	395,721.88
12/01/2035	-	-	50,043.75	50,043.75
6/01/2036	355,000.00	6.375%	50,043.75	405,043.75
12/01/2036	-	-	38,728.13	38,728.13
6/01/2037	380,000.00	6.375%	38,728.13	418,728.13
12/01/2037	-	-	26,615.63	26,615.63
6/01/2038	405,000.00	6.375%	26,615.63	431,615.63
12/01/2038	-	-	13,706.25	13,706.25
6/01/2039	430,000.00	6.375%	13,706.25	443,706.25
Total	**6,610,000.00**	**-**	**11,403,985.82**	**18,013,985.82**

THIS 2000 B OPERATION AND MAINTENANCE AGREEMENT is made as of January 26, 2000, by and among WEST VIRGINIA-AMERICAN WATER COMPANY, a West Virginia corporation (hereinafter the "Company"), PUTNAM COUNTY BUILDING COMMISSION, a public corporation ("PCBC") and THE COUNTY COMMISSION OF PUTNAM COUNTY, WEST VIRGINIA (the "County Commission").

W I T N E S S E T H:

WHEREAS, Company, County Commission and PCBC have agreed to enter into a public/private water utility project (the "Project") for the construction of certain water utility assets (a) by PCBC (the "Commission Facilities"), (b) by PCBC and leased to the County (the "County Leased Facilities") and (c) by Company (the "Company Facilities") to provide water service to various areas of Putnam County, West Virginia; and

WHEREAS, after completion of the Project, all as more fully described herein and in the Application (the "Application") by Company, PCBC and County Commission filed or to be filed with the Public Service Commission of West Virginia (the "Public Service Commission"), PCBC will construct and own the County Leased Facilities and lease the same to the County Commission to provide water service to PCBC customers in Putnam County, West Virginia; and

WHEREAS, the County Leased Facilities to be constructed by PCBC are generally shown and described on the series of maps identified and incorporated by reference herein collectively as Appendix A; and

WHEREAS, Company currently provides the supply of potable water to substantial areas of Putnam County from Company's Kanawha Valley Treatment Plant and transmission and distribution system; and

WHEREAS, Company, through its existing water transmission and distribution facilities in Putnam County or through the Company Facilities to be constructed by Company, at its cost, as a part of the Project, will be in a position to serve citizens of Putnam County from Company Facilities or County Leased Facilities; and

WHEREAS, Company has offered to enter into this Agreement and to undertake the operation, maintenance, repair and replacement of the County Leased Facilities and to supply the estimated water needs of the customers to be served from the County Leased Facilities in Putnam County; and

WHEREAS, PCBC and the County Commission believe it is in the best interests of the residents of Putnam County for Company to operate, maintain, repair and replace the County Leased Facilities and to provide water service to the residents of Putnam County served by the Project as provided in this Agreement; and

WHEREAS, the PCBC wants Company to provide potable water directly to PCBC customers served through the County Leased Facilities and to provide assistance in the operation, maintenance, repair and replacement of the County Leased Facilities; and

WHEREAS, all new customers to be served from the Commission Facilities, the County Leased Facilities or the Company Facilities constructed as a part of the Project (all of such new customers being hereinafter referred to as "Project Customers") will be required to

pay a surcharge (the "Surcharge") of $12.00 per month for ten (10) years to the County Commission; and

WHEREAS, the County Commission has leased the County Leased Facilities from PCBC pursuant to the Agreement of Lease dated as of January 31, 2000 (the "Lease").

NOW, THEREFORE, for and in consideration of the premises, which are hereby made an integral part of this Agreement and which are not to be construed as mere recitals, the covenants and agreements contained herein and other good and valuable considerations, the receipt and sufficiency of all of which are hereby acknowledged, the County Commission, the Company and PCBC agree:

I. Supply of Water to Customers Served by the County Leased Facilities.

A. Upon the construction of the County Leased Facilities, Company agrees to provide to the Customers served from the County Leased Facilities (the "Leased Facilities Customers"), subject to the terms, conditions, undertakings, agreements and limitations provided in this Agreement, the total water requirements of the Leased Facilities Customers, said water delivered to the Leased Facilities Customers to be of the same quality as that supplied to Company's Customers in Kanawha and Putnam Counties. Company will be paid for the water supplied to the Customers in the manner set forth in Section V of this Agreement at the rates of Company from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended.

B. Company shall monitor the water quality and be responsible for compliance with all state and federal standards for furnishing water to the public.

C. In the event of an extended shortage of water, or if the supply of water from Company is otherwise diminished or impaired, the supply of water to the Leased Facilities Customers shall be reduced or diminished in approximately the same proportion as the supply of the water to Company's Kanawha and Putnam County customers is reduced or diminished. Any notification given to Company's Kanawha and Putnam County customers of any anticipated shortage of water shall also be given to Leased Facilities Customers.

II. Term of This Agreement.

The term of this Agreement shall extend for forty (40) years from the date hereof and thereafter may continue in effect from year to year by mutual consent of the parties; provided, however, PCBC shall have the right to terminate this Agreement on (i) sixty (60) days' prior written notice and (ii) payment at the time of such termination to Company of the amount calculated as set forth in Section VIII below; provided further, however, that in the event that termination is based upon Company's failure to remit the hereinafter described surcharge to the County Commission upon proper notice, and within a reasonable period to cure such default, no amount will be due Company hereunder, and Company will be obligated to collect service charges and surcharges from PCBC Customers, and remit the same on a monthly basis to the PCBC and to the County Commission, respectively.

III. Future Additions to and Future Extension of County Leased Facilities.

Company and PCBC are aware that there may be written requests by PCBC for future additional use of water by Leased Facilities Customers and that there may be future approved PCBC additions and extensions made to County Leased Facilities. In addition to the other requirements set forth in this Agreement, PCBC and Company hereby specifically agree that such additional use, additions and extensions will be made only if, in the opinion of Company, Company's Kanawha Valley Treatment Plant and, when interconnected, Company's Huntington Treatment Plant, have sufficient treatment capacity and transmission, distribution and pumping facilities, including County Leased Facilities and Company's transmission and distribution mains, adequate to serve PCBC's Customers and if Company believes it otherwise economically feasible to meet the total then present and anticipated needs of both the Leased Facilities Customers and the other customers of Company's Kanawha Valley and Huntington Districts. Further, the County Commission, PCBC and Company agree as follows:

A. Future Additions. All future additions to the County Leased Facilities constructed by PCBC shall be subject to this Agreement; provided, however, that future additions to the system must be approved by the County Commission, Company and PCBC.

B. Future Extension. Customer extensions from the County Leased Facilities and within PCBC boundary lines may be installed by either PCBC or Company. When PCBC receives a request for a Customer extension, PCBC shall notify Company in writing within fifteen (15) days of its receipt of said request whether it will install the Customer extension or desires Company to make the installation.

(1) In the event PCBC desires Company to install and own the Customer extension, (i) Company shall contract on its own behalf with the Customer requesting the extension and make the installation pursuant to the Rules and Regulations of the Public Service Commission, (ii) all Customers attaching to the Customer extension shall be considered Leased Facilities Customers for billing purposes at the rates of PCBC in accordance with Section V, and (iii) the Customer extension shall be, without further cost or expense of any kind, the property of Company.

(2) In the event PCBC elects to install and own the Customer extension, the construction for that Customer extension by PCBC will be contracted to a contractor acceptable to Company, and all plans and specifications for that extension shall be submitted to and approved by Company before becoming a part of PCBC's Facilities and being subject to this Agreement. When that extension is contracted to a contractor acceptable to Company, Company, on behalf of and as agent for PCBC, will contract directly with such contractor to provide the extension. Any extension deposits taken by Company on behalf of and as agent for PCBC pursuant to the Rules and Regulations of the Public Service Commission will be retained by Company and credited against the cost of the extension, and the balance of the deposit above the cost of the extension, if any, will be returned to the contracting Customer. Company, on behalf of and as agent for PCBC, will make refunds to the contracting Customers for the extensions pursuant to the Rules and Regulations of the Public Service Commission based on the rates of Company, using funds advanced to Company by PCBC (to the extent such advances are legally permissible).

(3) Refunds made pursuant to the Rules and Regulations of the Public Service Commission to Customers contracting directly with Company pursuant to subparagraph III B shall be the sole responsibility of Company, and the cost of such extensions, to the extent refunded or reimbursed to Customers pursuant to the Public Service Commission's Rules and Regulations, shall be properly includable in Company's depreciable utility plant in calculating Company's cost of service and resulting rates.

C. Surcharges Applicable. Customers served from future additions or future extensions to the Commission Facilities, the Company Facilities or the County Leased Facilities that are not otherwise connected to Company facilities shall be subject to the Surcharges provided in Section V of this Agreement.

IV. Operation and Maintenance of County Leased Facilities by Company; Company as Agent.

A. Company hereby agrees to operate, maintain, repair and replace (i) County Leased Facilities, and (ii) all water lines added thereto as additions and extensions with the written approval of the County Commission, Company and PCBC. Notwithstanding the foregoing, Company shall not be under any obligation to maintain, repair or replace at its expense, any condition, defect or malfunction arising from the installation of future additions or future extensions to the County Leased Facilities which fail to meet the standards of Company, if such discrepancy in design or installation is reported in writing by Company to PCBC within fifteen (15) days of discovery.

B. In the event that it becomes necessary to relocate, replace, maintain or repair any condition, defect or malfunction arising from faulty installation of any future additions or extensions for which notice as hereinabove set forth has been given to PCBC by Company, such replacement, relocation, maintenance or repair will be made by a contractor approved by Company or by Company upon notification by PCBC using funds advanced by Company for which Company shall be reimbursed upon termination of this Agreement under the procedures set forth in Section VIII hereof.

C. In the event Company, under the terms of this Agreement, is required to install, relocate or replace any "unit of property" within the County Leased Facilities as defined in the Uniform System of Accounts of the National Association of Regulatory Utility Commissioners ("NARUC"), Company shall make such installation, relocation or replacement at its cost; provided, however, that in every such instance the unit of property shall be, and shall remain, the property of Company (unless purchased by PCBC from Company after termination of this Agreement as provided in Section VIII hereof or constitutes a part of the County Funded Portion, in which event such property will remain the property of the PCBC subject to the Lease) and shall be properly includable in the depreciable utility plant of Company in calculating its cost of service and resulting rates.

D. PCBC agrees that, in those instances in which Company installs, replaces or relocates any unit of property on the County Leased Facilities pursuant to the provisions of Subsection C of this Section IV, PCBC will, simultaneously therewith, convey to Company all related rights of way, easements, licenses or other property interests necessary for Company

to have and own such unit of property in the location and manner in which it is installed, replaced or relocated on the County Leased Facilities.

E. The Company is hereby appointed as the agent for PCBC to design, construct and install the County Leased Facilities in accordance with good utility construction standards, and the Company shall have the right to enter into such contracts with third parties as it deems necessary or desirable to effectuate such design, construction and installation without further act or deed of PCBC.

V. Reading Meters, Billing of Customers and Payments to PCBC, Including Joint Use Payments; Surcharges to Project Customers.

A. All Customers served directly from the County Leased Facilities under this Agreement shall be Leased Facilities Customers and all Customers served directly from Company Facilities shall be the Customers of Company. Company shall read all meters of the Leased Facilities Customers and render bills to those Customers, as agent for and on behalf of PCBC, in a manner consistent with the meter reading and billing practices of Company employed in billing its own Customers, such bills to be rendered and collected by Company on behalf of PCBC and to be computed based on the usage of each PCBC Customer at the rates from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended. It is the understanding and intent of the parties to this Agreement that, except for the Surcharges provided in Section VI of this Agreement, the rates of the PCBC shall reflect or mirror the rates of Company.

B. It is the intent of the County Commission, Company and PCBC under this Agreement that the bills delivered to each Leased Facilities Customer reflect the amount due for the water used (such amount to be determined by applying the rates of PCBC to the consumption of water by Leased Facilities Customers as determined by monthly or estimated meter readings). From the amount of money collected from each Project Customer in payment of each monthly bill, Company will pay to the County Commission on a customer-by-customer basis the amount of the Surcharges approved in Company or PCBC's tariff. Notwithstanding the foregoing, in the event that a Project Customer fails to pay at least the amount of the Surcharge from each bill rendered to that Customer, then monies retained by Company from other Project Customers (exclusive of the Surcharge) shall not be used to pay to the County Commission the difference between the amount of the Surcharge and the actual amount paid by that Project Customer. Company shall be responsible for the collection of delinquent bills on behalf of PCBC. The bills delivered to the Leased Facilities Customers will be delivered by, and be payable to, Company, as agent for PCBC.

C. Company, in consideration of the respective rights, duties, obligations, agreements and undertakings of the parties under this Agreement, shall be entitled to receive from PCBC an amount for water service rendered to Leased Facilities Customers equal to the consumption of each individual Leased Facilities Customer at Company rates from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended. Company shall prepare and deliver monthly statements or schedules to PCBC which shall reflect the total amount collected by Company, as agent for PCBC, and the total amount retained by

Company for the water service provided to Leased Facilities Customers at the respective rates of PCBC and Company, plus the Surcharges as provided in this Section V and Section VI below. A Leased Facilities Customer shall be charged a municipal B & O surcharge on his usage only if that Leased Facilities Customer resides within a municipality which imposes such a surcharge. In addition, the monthly statement to be provided to PCBC and to the County Commission by Company will also include the costs of any additions or extensions, and related refunds, made at the cost of the PCBC under Section III, and the cost of any fire hydrants under Section X installed at the cost of PCBC.

D. County Commission and PCBC agree to have its accountants review, at least annually, at their expense, the system of accounts maintained by Company for PCBC and report the results of that review to PCBC, Company and the County Commission.

VI. Collection of the Surcharge.

Subject to the terms and conditions of this Agreement, County Commission, Company and PCBC agree that Company shall be responsible for collecting the Surcharges imposed on the Project Customers as follows:

A. Company Responsibilities.

(1) Within a reasonable number of days after (i) execution of this Agreement, (ii) receipt by PCBC or the County Commission of the grants, loans or other funding sufficient to cover the cost of the County Leased Facilities, and (iii) receipt of the requisite regulatory approvals, PCBC shall proceed to construct, or contract for the construction of the County Leased Facilities portion of the Project. Except as expressly set forth in this Agreement, the

Company shall treat Project Customers as required by the Water Rules and the tariffs filed with the Public Service Commission by PCBC.

(2) Beginning with the first bills rendered to all Project Customers after the completion of the construction contemplated under this Agreement and the commencement of water service to the Project Customers, Company shall add the Surcharge of $12.00 per month for ten (10) years to all bills rendered to Project Customers. Within thirty (30) days after the end of each monthly billing cycle, Company shall remit to the County Commission all Surcharges collected, along with a list of those Project Customers, if any, who have failed to pay the Surcharges; provided, however, that upon written notification from PCBC to the effect that County Commission has not paid the rent required of it with respect to the County Leased Facilities, then Company shall remit the Surcharges to PCBC until such time as it is notified by PCBC that County Commission is current with respect to such rent.

(3) Company assumes no responsibility for the payment, prompt or otherwise, by the Project Customers of the Surcharges, but shall act solely as collecting agent for the County Commission. In the event of a partial payment of a Company bill by a Project Customer subject to a Surcharge, the amount of such payment shall be applied first to the Surcharge and the balance, if any, shall be applied to the amount due for water service from Company or PCBC.

(4) Surcharges shall be subject to all provisions of the Water Rules and Company and PCBC's tariffs applicable to payments for water service, including terminations for nonpayment thereof. Company shall employ all reasonable means at its disposal consistent

with its general business practices to induce the prompt payment of Surcharges for Project Customers.

B. PCBC Responsibilities.

(1) PCBC shall indemnify and hold Company harmless from and against any and all costs, liabilities or expenses, including reasonable attorney's fees, arising from, in connection with, or related to suits, actions or proceedings related to this Agreement or the erroneous collection or failure to bill Surcharges as a result of a good faith mistake on the part of Company.

(2) All obligations of PCBC hereunder may be satisfied only from its interest in the County Leased Facilities.

C. Adjustment and Termination of Surcharge.

(1) Until such time as Surcharges have been collected by Company and remitted to the County Commission for the time required by this Agreement, all Project Customers and all other applicants for service directly connecting to the Project or any extensions or additions to the Project as provided in Section III of this Agreement shall be assessed the monthly Surcharges as provided under this Agreement.

(2) Surcharges to Project Customers shall terminate when Company has collected and remitted to the County Commission total Surcharges for each new Project Customer for 120 months.

VII. Installation of Domestic Services.

After the proposed construction of the County Leased Facilities has been completed, Company shall install domestic service lines, including the tap on the County Leased Facilities and the service line from the County Leased Facilities to the established curb line or within the public right of way nearest the main in accordance with the Rules and Regulations of the Public Service Commission. This installation shall include the meter setting. All such service lines from the County Leased Facilities to the Customer's property line, meter settings and taps shall be constructed and installed by Company and shall be the property of Company. Company shall install all meters at its cost, shall own the meters, and shall assume the obligation to repair, maintain and replace the meters.

VIII. Termination of the Agreement.

A. At the time of termination of this Agreement, Company will be entitled to receive payment for the termination fee, all water delivered to County Leased Facilities customers through the termination date of this Agreement in accordance with the provisions of Section V of this Agreement, and all water meters installed on County Leased Facilities at the time of such termination will be removed by Company. PCBC agrees that it will either replace those meters, install nipples in place of those meters or buy the meters from Company at the depreciated original cost of those meters as provided in Subsection D of this Section VIII.

B. Upon termination of the Agreement, PCBC also agrees that it will purchase from Company, at the depreciated original cost of those items, all of the units of

property installed, replaced or relocated by Company on the County Leased Facilities under Section IV of this Agreement and all service lines from the County Leased Facilities to the Customers' property line, meter settings and taps installed at the cost of Company and reflected on the books of Company at the time of the termination of the Agreement.

C. Upon termination of the Agreement, Company shall, within thirty (30) days of such termination, provide to PCBC (i) the total cost of all such items described in Subparagraphs A and B of this Section VIII installed at the cost of Company and (ii) the total depreciation accrued on all of such items. PCBC agrees that it will pay to Company the total net depreciated cost (original cost less depreciation) of such items over a three-year period with such payments to be made in thirty-six (36) equal monthly payments of principal, plus accrued interest at the "Prime Rate," as defined below, commencing forty-five (45) days after termination of the Agreement. The Prime Rate shall be the prime rate as shown in The Wall Street Journal being defined therein as the "base rate on corporate loans at large U.S. money center commercial banks" and reported as the "Prime Rate" under the heading "Money Rates," as those terms shall be from time to time changed. The Prime Rate shall change not more often than the first day of each calendar quarter, and for each calendar quarter it shall be determined on the last day of the preceding calendar quarter on which The Wall Street Journal is published with the aforesaid prime rate quotation. In the event that The Wall Street Journal ceases to publish such rates, the Prime Rate shall be the prime rate established by One Valley Bank, National Association, of Charleston, West Virginia, from time to time.

IX. Installation of Private Fire Protection Services.

Fire services, approved by PCBC, may be installed by Company from the County Leased Facilities, but only in accordance with the Rules and Regulations of the Public Service Commission. Fire service will be installed by Company at the expense of the applicant and will be billed by Company to the applicant and paid by the applicant directly to Company at a rate equal to the then approved Company's private protection rate.

X. Installation of Fire Hydrants.

Public fire protection facilities approved by PCBC may be installed on the County Leased Facilities covered by this Agreement at the request of an appropriate governmental unit, and installation shall be made pursuant to the Rules and Regulations of the Public Service Commission, provided that all such fire hydrants shall have a flow capability of at least 500 GPM at 20 psi residential pressure for a sustained period of time.

XI. Water Service Franchise Territories.

It is expressly understood and agreed by Company and PCBC that:

A. Company shall be permitted to own Company Facilities purchased by Company and to serve Company Customers served directly from those Company Facilities within the water service franchise area of PCBC as are necessary to enjoy and fulfill its rights and obligations under this Agreement, subject to the terms and conditions set forth in this Agreement.

B. Except as otherwise provided in this Agreement, all persons residing outside of PCBC's water service franchise area, as defined above, and served, either at present or in the future, by Company shall be considered Customers of Company.

C. PCBC agrees that, as a part of the consideration for this Agreement, Company shall have the right, even after termination of this Agreement, to transfer water through the County Leased Facilities, and all future additions and future extensions thereto, and to serve customers who may be connected, directly or indirectly, to Company water mains, whether inside or outside PCBC's service area.

XII. Conditions Precedent to Effectiveness of Agreement.

Company and PCBC understand and agree that this Agreement, and the obligations of each of them hereunder, are expressly conditioned upon the following, each of which is a condition precedent to the validity and enforceability of this Agreement:

A. Rates and Surcharges The Public Service Commission shall have approved the rates and billing arrangements requested by PCBC in the Application, or any supplements thereto, filed with the Public Service Commission seeking approval of this Agreement.

B. The Public Service Commission shall have approved this Agreement and all of the terms, conditions, undertakings, agreements and limitations of that Agreement. Specifically, and without in anyway limiting the generality of this condition, the Order approving this Agreement and the transactions contemplated thereby shall:

(1) Authorize the inclusion in depreciable utility plant of Company any amounts expended by Company for the cost of installing, replacing or relocating any water lines or facilities on the County Leased Facilities which are defined as a "unit of property," in the NARUC Uniform System of Accounts and which are relocated or replaced by Company at its cost pursuant to Section IV under this Agreement and the cost to Company to install service lines, meter settings and taps on the County Leased Facilities pursuant to Section VII;

(2) Authorize Company to include in depreciable utility plant an amount equal to the tax expense associated with the obligations assumed by Company under the Agreement to the extent that the undertaking by Company to operate, maintain, repair or replace the County Leased Facilities under this Agreement, causes such County Leased Facilities, or any part thereof, to constitute taxable income or to otherwise generate tax expense for Company;

(3) Authorize the recognition in rate base of Company Facilities or other Company Property held by the County Commission and leased to Company under the Capital Lease, all as described in the Application; and

(4) Authorize the implementation of the Surcharges and the other rates requested in the Application.

C. The Public Service Commission shall not have attached to its Order any terms, conditions or limitations which shall adversely affect this Agreement or the economic feasibility of this project between the parties insofar as taking any action or refraining from taking any action which, in the opinion of their respective counsel, might require them, or

either of them, to breach any of their obligations under any Mortgage Indenture, as supplemented, or any other agreement to which either of them might be a party.

XIII. Representations and Warranties.

A. PCBC represents and warrants to Company as follows:

(1) The execution, delivery and performance of this Agreement by PCBC has been duly authorized, and this Agreement constitutes a valid and binding obligation of PCBC enforceable in accordance with its terms; and

(2) The execution and performance of this Agreement in accordance with its terms by PCBC will not violate any provisions of law or violate the terms or conditions of any grants or loans made to PCBC for construction of the County Leased Facilities.

B. Company represents and warrants to PCBC as follows:

(1) The execution, delivery and performance of this Agreement by Company has been duly authorized, and this Agreement constitutes a valid and binding obligation of Company enforceable in accordance with its terms; and

(2) The execution and performance of this Agreement in accordance with its terms by Company will not violate any provisions of Company's indentures.

XIV. Assignability.

This Agreement shall be binding upon the successors and assigns of the respective parties hereto.

XV. Notice.

Any notice, demand or request given hereunder shall be deemed sufficient if in writing and sent by certified mail, postal charges prepaid, to West Virginia-American Water Company, Attention: President, 1600 Pennsylvania Avenue, P. O. Box 1906, Charleston, WV 25327; to PCBC addressed to the Putnam County Building Commission, 3389 Winfield Road, Winfield, West Virginia 25213; and to County Commission, Court House, Winfield, West Virginia 25213, or to such address as the parties shall indicate by written notice to the other parties.

XVI. Captions.

The captions preceding the text of the sections of this Agreement are inserted solely for convenience and reference and shall not be used to construe, interpret or affect any provision of this Agreement.

XVII. Revocation of Prior O&M Agreements. This Agreement replaces in all respects the prior Agreements dated March 4, 1998, and September 9, 1998 (the "Prior Agreements"), between Company and County Commission relating to water projects in Putnam County, and Company and County Commission agree that the Prior Agreements are void and of no force and effect. County Commission has been added as a signatory to this Agreement for purposes of revoking the Prior Agreements.

XVIII. Governing Law. This Agreement shall be governed by West Virginia law.

XIX. Severability. If any provision of this Agreement is, for any reason, determined to be invalid, illegal or unenforceable in any respect, the Parties hereto shall

This FIRST AMENDMENT TO 2000 B OPERATION AND MAINTENANCE AGREEMENT made as of the 23rd day of July, 2008 (hereinafter the "First Amendment"), by and among WEST VIRGINIA-AMERICAN WATER COMPANY, a West Virginia corporation (hereinafter "Company"), the PUTNAM COUNTY BUILDING COMMISSION, a public corporation (hereinafter the "PCBC") and the COUNTY COMMISSION OF PUTNAM COUNTY, WEST VIRGINIA (hereinafter the "County Commission") (collectively the "Parties").

WITNESSETH:

WHEREAS, Company, the County Commission, and the PCBC entered into an agreement titled "2000 B Operation and Maintenance Agreement" dated as of January 26, 2000 (hereinafter the "Agreement") consisting of a public/private water utility project for the construction of certain water utility assets (a) by the PCBC (hereinafter the "Commission Facilities"), (b) by PCBC and leased to the County Commission (hereinafter the "County Leased Facilities") and (c) by the Company (hereinafter the "Company Facilities") to provide water service to various areas of Putnam County, West Virginia (collectively, the "Project");

WHEREAS, under Article II of the Agreement the term is for a period of forty (40) years from the date thereof;

WHEREAS, pursuant to Article III of the Agreement the Parties have agreed to enter into a public/private water utility project to construct and install additions and extensions to the Project (hereinafter the "Series 2008 A Facilities");

WHEREAS, the term of the First Amendment shall be for a period of forty (40) years from the date hereof;

WHEREAS, pursuant to Article III of the Agreement the First Amendment will be subject to the terms, covenants, and conditions of the Agreement;

WHEREAS, the County Commission has leased the County Leased Facilities associated with the Series 2008 A Facilities from the PCBC pursuant to an agreement dated as of July 23, 2008; and

WHEREAS, the County Leased Facilities associated with the Series 2008 A Facilities to be constructed by the PCBC are generally shown and described on the series of maps identified and incorporated by reference herein as Appendix A.

NOW, THEREFORE, for and in consideration of the premises, which are hereby made an integral part of the First Amendment and which are not to be construed as mere recitals, the covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County Commission, Company and the PCBC agree:

1. Except as amended and modified herein, the Agreement shall remain in full force and effect.

2. The "Project" is hereby re-defined to collectively include the Project, as defined in the Agreement, and the Series 2008 A Facilities.

3. "Project Customers" is hereby re-defined to collectively include those customers served by the Project, as defined in the Agreement, and the customers to be served by the Series 2008 A Facilities.

4. Artile II of the Agreement is hereby amended to read in its entirety as follows:

"The term of the Agreement shall extend for forty (40) years from the date thereof and thereafter may continue in effect from year to year by mutual consent of the parties, while the term of the First Amendment shall extend for forty (40) years from the date hereof and thereafter may continue in effect from year to year by mutual consent of the parties; provided, however, PCBC shall have the right to terminate the Agreement and/or the First Amendment on (i) sixty (60) days' prior written notice and (ii) payment at the time of such termination to Company of the amount calculated as set forth in Section VIII below; provided further, however, that in the event that termination is based upon Company's failure to remit the hereinafter described surcharge to the County Commission upon proper notice, and within a reasonable period to cure such default, no amount will be due Company hereunder, and Company will be obligated to collect service charges and surcharges from the PCBC Customers, and remit the same on a monthly basis to the PCBC and to the County Commission, respectively."

5. This document may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same document.

[REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the West Virginia-American Water Company, the County Commission of Putnam County, West Virginia, and the Putnam County Building Commission have caused this First Amendment to be signed, by their duly authorized officers, all as of the day and year first written above.

WEST VIRGINIA-AMERICAN WATER COMPANY

By: _____
Its: VP Operations

PUTNAM COUNTY BUILDING COMMISSION

By: _____
Its: _____

COUNTY COMMISSION OF PUTNAM COUNTY, WEST VIRGINIA

By: _____
Its: _____

IN WITNESS WHEREOF, the West Virginia-American Water Company, the County Commission of Putnam County, West Virginia, and the Putnam County Building Commission have caused this First Amendment to be signed, by their duly authorized officers, all as of the day and year first written above.

WEST VIRGINIA-AMERICAN WATER COMPANY

By: _____

Its: _____

PUTNAM COUNTY BUILDING COMMISSION

By: _____

Its: Chairman

COUNTY COMMISSION OF PUTNAM COUNTY, WEST VIRGINIA

By: _____

Its: _____

STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

I, J.G. Judy, a notary public of said county, do certify that Douglas R. Amos, a Vice President of West Virginia-American Water Company, who signed the writing hereto annexed, bearing date as of the 23rd day of July, 2008, has this day in my said county, before me, acknowledged the same to be the act and deed of said corporation.

Given under my hand this 23rd day of July, 2008.

My commission expires: February 10, 2015.

OFFICIAL SEAL
STATE OF WEST VIRGINIA
NOTARY PUBLIC
J.G. Judy
2134 Zabel Drive
Charleston, WV 25312
My Commission Expires February 10, 2015

(NOTARIAL SEAL)

J.G. Judy
Notary Public

STATE OF WEST VIRGINIA,

COUNTY OF PUTNAM, TO-WIT:

I, Sheryl A. Otey, a notary public of said county, do certify that Frank Armada, the Chairman of the Putnam County Building Commission, who signed the writing hereto annexed, bearing date as of the 23rd day of July, 2008, has this day in my said county, before me, acknowledged the same to be the act and deed of said corporation.

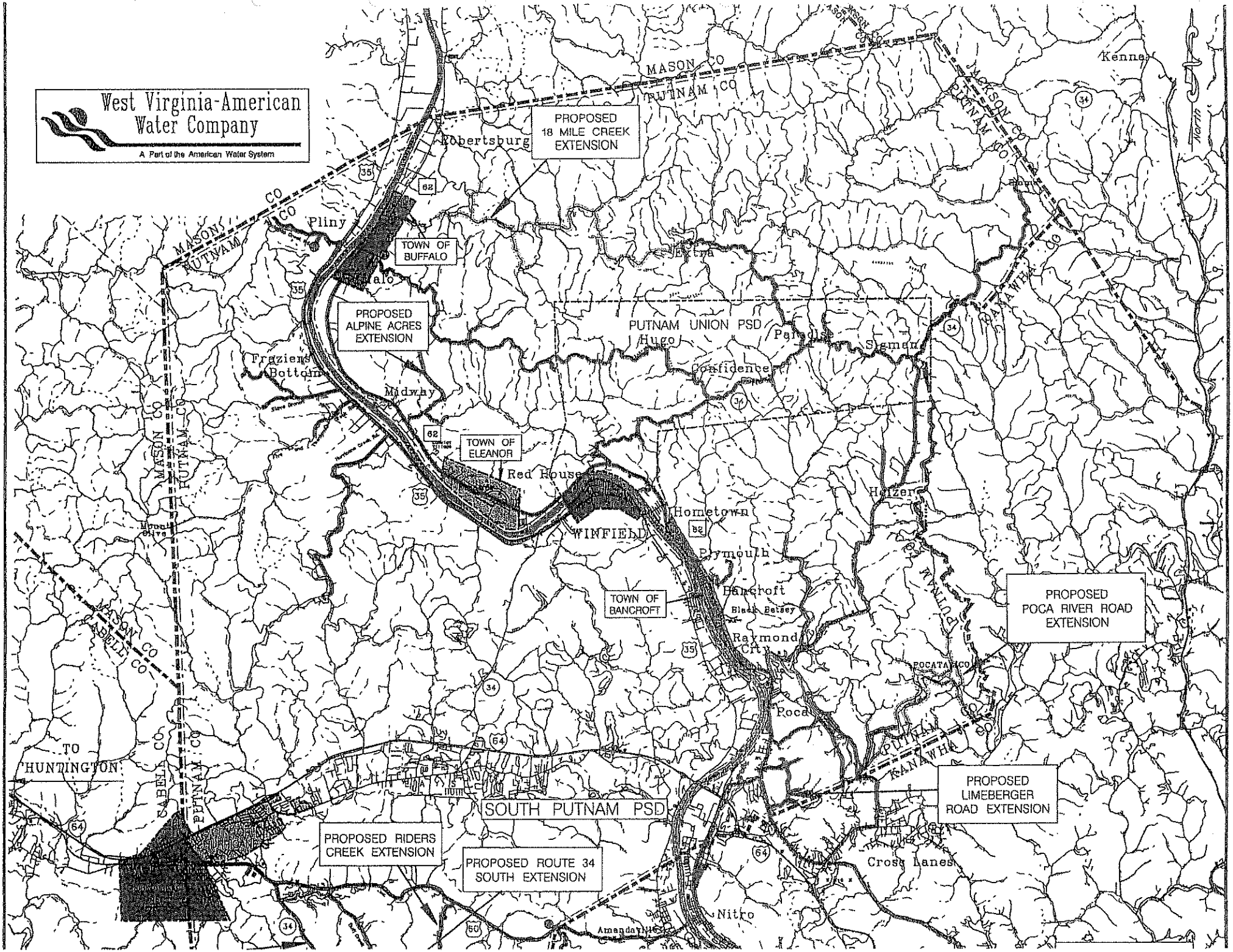
Given under my hand this 15th day of July, 2008.

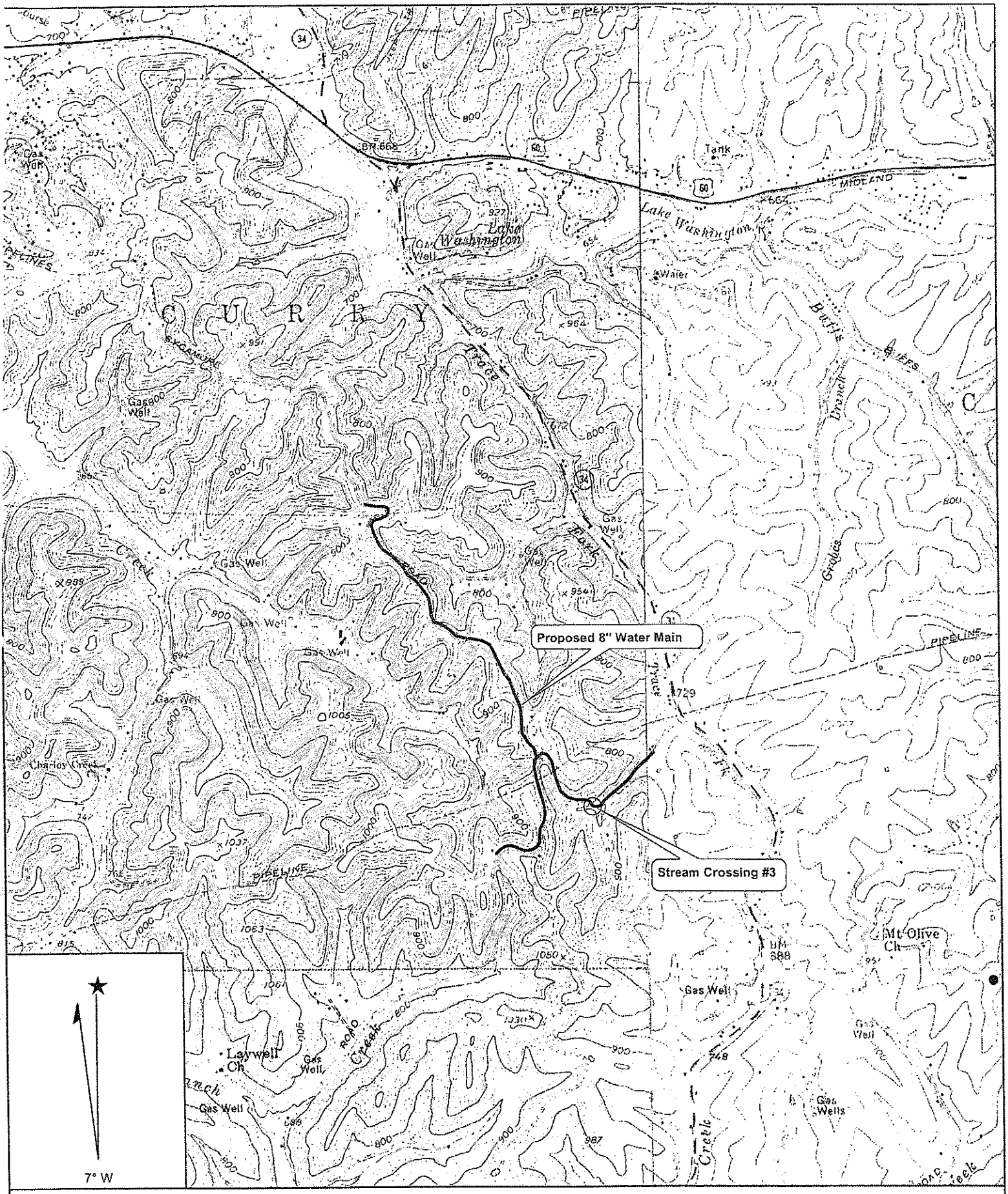
My commission expires: Feb. 26, 2016.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
SHERYL A. OTEY
PUTNAM COUNTY COMMISSION
3389 WINFIELD ROAD
WINFIELD, WV 25213
My commission expires Feb. 26, 2016

Sheryl A. Otey
Notary Public

(NOTARIAL SEAL)

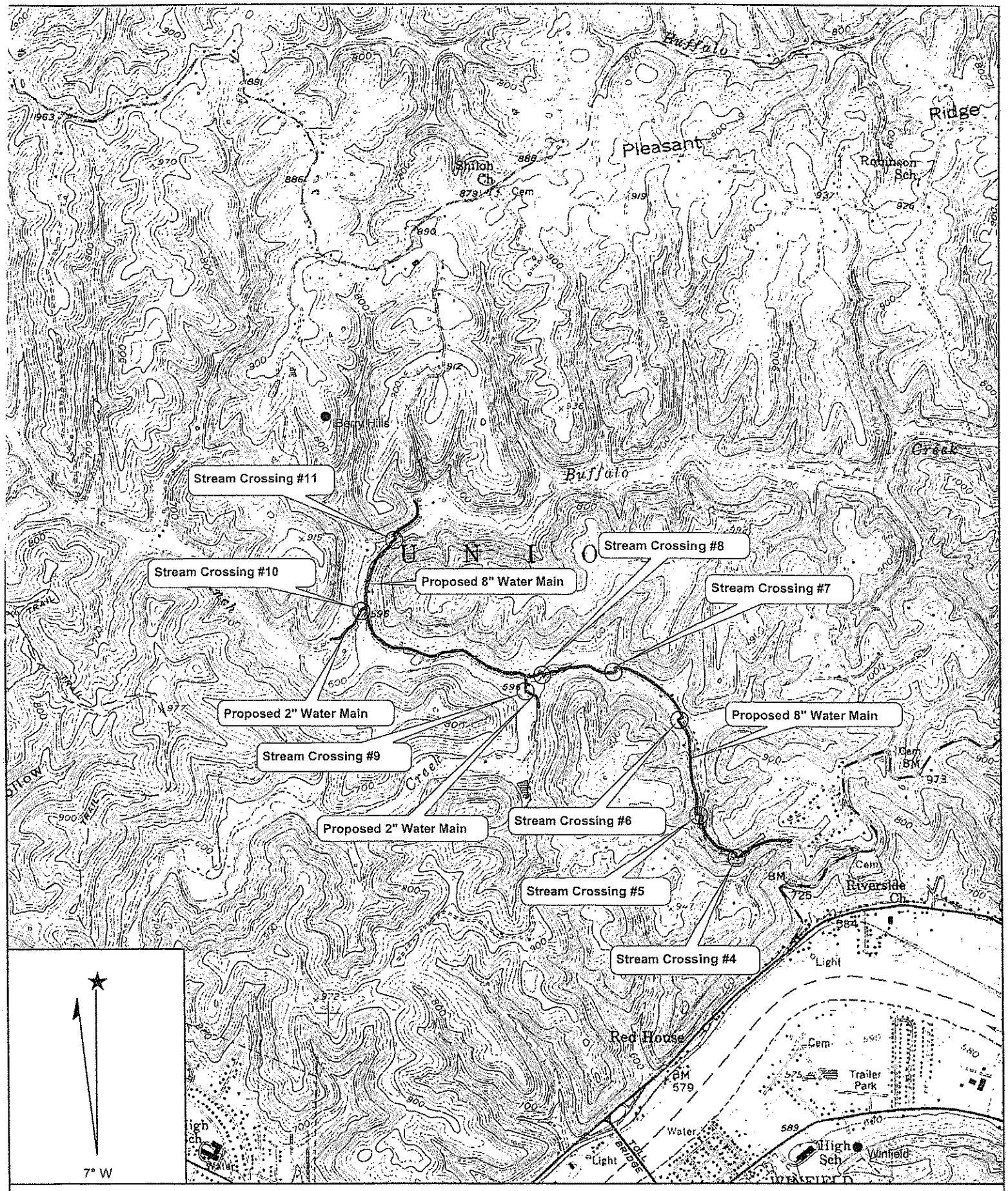

West Virginia-American Water Company
A Part of the American Water System
PROPOSED 18 MILE CREEK EXTENSION
TOWN OF BUFFALO
PROPOSED ALPINE ACRES EXTENSION
PUTNAM UNION PSD
TOWN OF ELEANOR
TOWN OF BANCROFT
PROPOSED POCA RIVER ROAD EXTENSION
PROPOSED LIMEBERGER ROAD EXTENSION
SOUTH PUTNAM PSD
PROPOSED RIDERS CREEK EXTENSION
PROPOSED ROUTE 34 SOUTH EXTENSION
TO HUNTINGTON
Robertsburg
Pliny
Buffalo
Extra
Hugo
Confidence
Fraziers Bottom
Midway
Red House
WINFIELD
Hometown
Plymouth
Bancroft
Black Betsey
Raymond City
Poca
Cross Lanes
Nitro
Amandaville
Hurricane
Milton
MASON CO
PUTNAM CO
KANAWHA CO
JACKSON CO
ROANE CO
CABELL CO



Name: HURRICANE
Date: 11/14/2007
Scale: 1 inch equals 2000 feet

Location: 038° 23' 33.32" N 082° 00' 30.66" W
Caption: Lake Hollow Water Extension
Stream Crossing Location Map

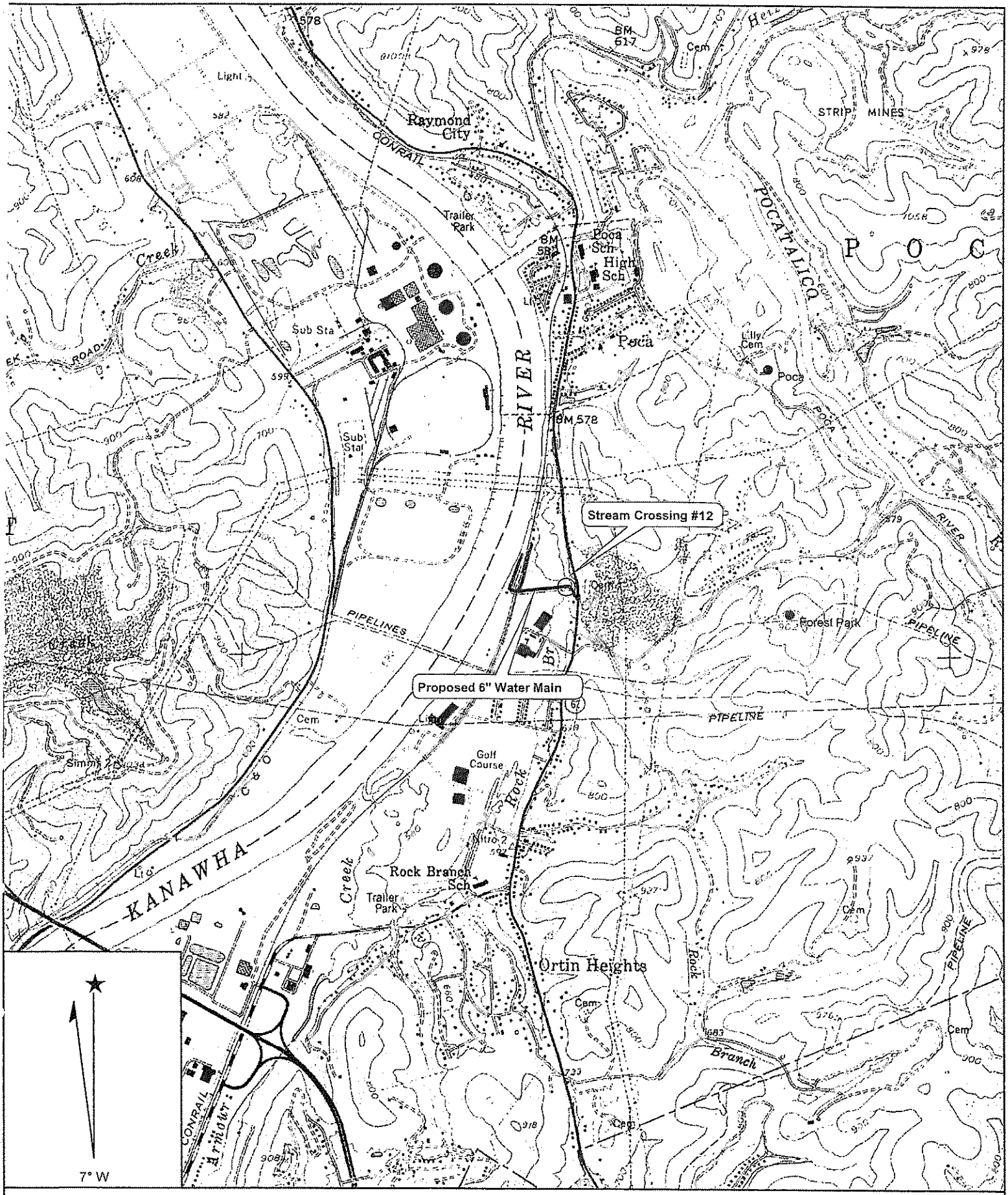
Copyright (C) 1998, Maptech, Inc.



Name: WINFIELD
Date: 11/14/2007
Scale: 1 inch equals 2000 feet

Location: 038° 33' 41.09" N 081° 54' 22.09" W
Caption: Lime Kiln Water Extension
Stream Crossing Location Map

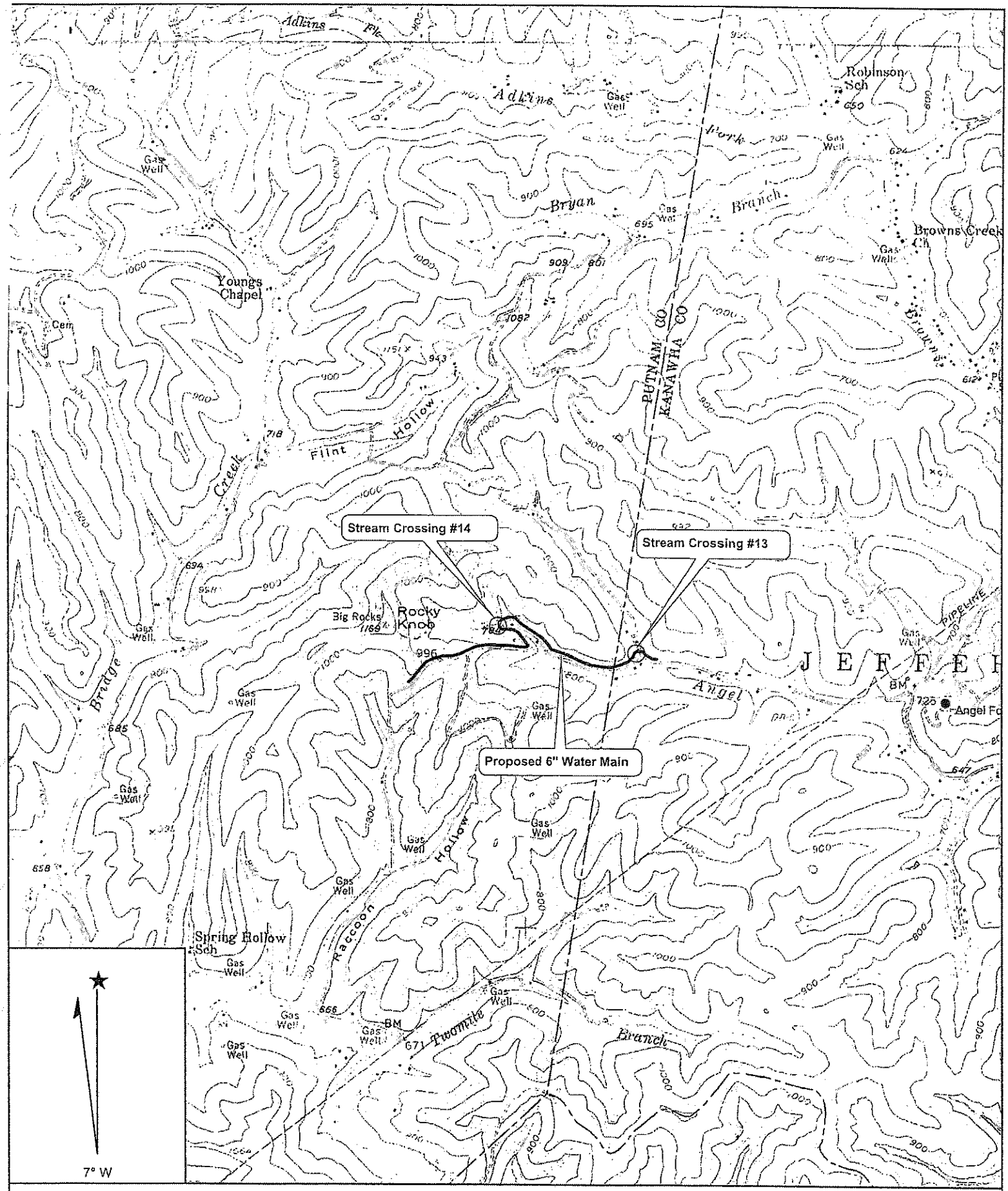
Copyright (C) 1998, Maptech, Inc.



Name: ST ALBANS
Date: 11/14/2007
Scale: 1 inch equals 2000 feet

Location: 038° 27' 39.98" N 081° 49' 4.61" W
Caption: Old Delta Rd. Water Extension
Stream Crossing Location Map

Copyright (C) 1998, Maptech, Inc.



Name: GARRETTS BEND
Date: 11/14/2007
Scale: 1 inch equals 2000 feet

Location: 038° 20' 56.39" N 081° 55' 4.47" W
Caption: Woods Drive Water Extension
Stream Crossing Location Map

Copyright (C) 1998, Maptech, Inc.

THE COUNTY COMMISSION OF PUTNAM COUNTY

ORDINANCE AUTHORIZING AND APPROVING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN PUBLIC WATERWORKS FACILITIES BY THE PUTNAM COUNTY BUILDING COMMISSION AND THE LEASING OF A PORTION OF SUCH FACILITIES BY THE PUTNAM COUNTY BUILDING COMMISSION TO THE COUNTY COMMISSION OF PUTNAM COUNTY; AUTHORIZING AND CONFIRMING APPROPRIATION OF LEASE PAYMENTS FOR THE CURRENT FISCAL YEAR; APPROVING, RATIFYING AND CONFIRMING AN AGREEMENT BY AND AMONG THE COUNTY COMMISSION OF PUTNAM COUNTY, THE PUTNAM COUNTY BUILDING COMMISSION AND WEST VIRGINIA-AMERICAN WATER COMPANY; APPROVING THE ISSUANCE OF CERTAIN BONDS BY THE PUTNAM COUNTY BUILDING COMMISSION; AND AUTHORIZING AND RATIFYING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ENTERING INTO OF SUCH LEASE AND AGREEMENT AND ISSUANCE OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED AND ENACTED BY THE COUNTY COMMISSION OF PUTNAM COUNTY:

WHEREAS, The County Commission of Putnam County, West Virginia (the "County Commission") and the Putnam County Building Commission (the "Issuer") have deemed it necessary and desirable for the health and welfare of the citizens of Putnam County that the Issuer acquire, construct and equip certain public waterworks facilities in Putnam County, West Virginia, to be owned by the Issuer (the "Series 2008 A Facilities");

WHEREAS, to finance the acquisition, construction and equipping of the Series 2008 A Facilities, the Issuer has determined, and the County Commission has deemed it desirable and does hereby approve, that the Issuer shall issue its Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund) (the "Series 2008 A Bonds"), in an aggregate principal amount not to exceed $2,914,000;

WHEREAS, the County Commission has determined that leasing a portion of the Series 2008 A Facilities (such portion to be hereinafter referred to as the "Series 2008 B Facilities") from the Issuer pursuant to an Agreement and Lease of Series 2008 B Facilities (the "Lease") is in the best interests of the citizens of Putnam County;

WHEREAS, the County Commission and the Issuer have determined that amending that certain agreement dated January 26, 2000 with the Company which provides for assistance in the acquisition, construction, equipping, operation, maintenance, repair and replacement of the Series 2008 A Facilities (collectively, the "2000 B / 2008 A O&M Agreement") is in the best interests of the citizens of the Putnam County;

WHEREAS, the County Commission has determined it necessary and desirable, and in the best interests of the citizens of Putnam County, that the County Commission appropriate revenues in the current fiscal year (July 1, 2007 - June 30, 2008), sufficient to pay the rentals required under the Lease during the current fiscal year; and

WHEREAS, the County Commission now wishes to authorize, approve and ratify all actions taken by the County Commission, the Issuer and their employees, designees and agents related to the acquisition, construction and equipping of the Series 2008 A Facilities, the issuance of the Bonds, the entering into of the Lease, the execution and delivery of the 2000 B / 2008 A O&M Agreement, the execution of a deed of trust and security agreement by the Issuer on the Series 2008 A Facilities, the appropriation of the monies sufficient to pay the rentals under the Lease and the execution of all other instruments, certificates and other documents related thereto.

NOW, THEREFORE, BE IT HEREBY ORDERED by The County Commission of Putnam County, West Virginia, as follows:

1. The Issuer is hereby authorized to acquire, construct, equip, own and lease the Series 2008 A Facilities.

2. The Issuer is hereby authorized and requested to issue the Series 2008 A Bonds in an aggregate principal amount of not more than $2,914,000, the proceeds of which shall be used to acquire, construct and equip the Series 2008 A Facilities.

3. The County Commission hereby authorizes, approves and consents to the leasing of the Series 2008 A Facilities from the Issuer pursuant to the terms of the Lease.

4. The County Commission hereby approves, ratifies and authorizes the execution and delivery of the amendment to the Series 2000 B / 2008 A O&M Agreement.

5. The County Commission hereby confirms and approves the appropriation of sufficient funds in the current fiscal year for the payment of rentals under the Lease for the remainder of the current fiscal year.

6. The County Commission hereby authorizes, ratifies, approves and confirms all actions taken by the County Commission, the Issuer and their respective officers, employees, designees and agents related to the acquisition, construction and equipping of the Series 2008 A Facilities, the issuance of the Bonds, the authorization, execution and delivery of the Lease, the execution and delivery of the amendment to the 2000 B / 2008 A O&M Agreement, the execution of a deed of trust and security agreement by the Issuer on the Series 2008 A Facilities, the appropriation of the monies sufficient to pay the rent under the Lease during the current fiscal year and the execution of all other documents related thereto.

7. Upon adoption hereof, an abstract of this Ordinance determined by the County Commission to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in the Charleston Gazette and the Hurrican Breezee, newspapers of general circulation in Putnam County, together with a notice stating that this Ordinance has been adopted and that any person interested may appear before the Issuer upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Clerk of the County Commission for review by interested persons during office hours of the Clerk of the County Commission. At such hearing, all objections and suggestions shall be heard and the County Commission shall take such action as it shall deem proper in the premises.

Passed on First Reading:	-	May 20, 2008
Passed on Second Reading:	-	May 27, 2008
Passed on Final Reading Following Public Hearing:	-	June 17, 2008

President

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by THE COUNTY COMMISSION OF PUTNAM COUNTY on the 17th day of June, 2008.

Dated: July 23, 2008.

[SEAL]

Clerk

07.14.08
191700.00002

THE COUNTY COMMISSION OF PUTNAM COUNTY
ORDINANCE

A public hearing will be held on the following-entitled Ordinance at a regular meeting of the Council of the County Commission of Putnam County (the "County") to be held on Tuesday, June 17, 2008, at 9:00 a.m. at the County Commission meeting room of the Putnam County Courthouse located at 3389 Winfield Road, Winfield, West Virginia, and at such hearing any person interested may appear before the Council and present protests, and all protests and suggestions shall be heard by the Council and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

ORDINANCE AUTHORIZING AND APPROVING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN PUBLIC WATERWORKS FACILITIES BY THE PUTNAM COUNTY BUILDING COMMISSION AND THE LEASING OF A PORTION OF SUCH FACILITIES BY THE PUTNAM COUNTY BUILDING COMMISSION TO THE COUNTY COMMISSION OF PUTNAM COUNTY; AUTHORIZING AND CONFIRMING APPROPRIATION OF LEASE PAYMENTS FOR THE CURRENT FISCAL YEAR; APPROVING, RATIFYING AND CONFIRMING AN AGREEMENT BY AND AMONG THE COUNTY COMMISSION OF PUTNAM COUNTY, THE PUTNAM COUNTY BUILDING COMMISSION AND WEST VIRGINIA-AMERICAN WATER COMPANY; APPROVING THE ISSUANCE OF CERTAIN BONDS BY THE PUTNAM COUNTY BUILDING COMMISSION; AND AUTHORIZING AND RATIFYING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ENTERING INTO OF SUCH LEASE AND AGREEMENT AND ISSUANCE OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

The above-quoted title of the Ordinance describes generally the contents thereof and the purposes contemplated thereby. The County contemplates the approvals described in the Ordinance. The proceeds of the Bonds will be used to provide funds for the acquisition, construction and equipping of the waterworks facilities and to pay certain costs of issuance of the Bonds and related costs. The Bonds are payable solely from lease revenues to be derived from the ownership and operation of the waterworks facilities. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

The above titled Ordinance was adopted by the Council of the County Commission of Putnam County on May 27, 2008.

A certified copy of the above-entitled Ordinance is on file with the Council at the office of the County Commission for review by interested parties during regular office hours.

Following the public hearing, the Council intends to enact the Ordinance upon final reading.

Dated: June 2, 2008.

Brian Wood
Clerk

OTICE OF PUBLIC HEARING ON HE COUNTY COMMISSION OF PUTNAM COUNTY ORDINANCE

A public hearing will be held on the llowing-entitled Ordinance at a regular eeting of the Council of the County ommission of Putnam County (the County") to be held on Tuesday, June 17, 008, at 9:00 a.m. at the County ommission meeting room of the Putnam ounty Courthouse loacted at 3389 Vinfield Road, Winfield, West Virginia, nd at such hearing any person interested ay appear before the Council and present rotests, and all protests and suggestions hall be heard by the Council and it shall hen take such actions as it shall deem roper in the premises upon an Ordinance ntitled:

ORDINANCE AUTHORIZING AND APPROVING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN PUBLIC WATERWORKS FACILITIES BY THE PUTNAM COUNTY BUILDING COMMISSION AND THE LEASING OF A PORTION OF SUCH FACILITIES BY THE PUTNAM COUNTY BUILDING COMMISSION TO THE COUNTY COMMISSION OF PUTNAM COUNTY; AUTHORIZING AND CONFIRMING APPROPRIATION OF LEASE PAYMENTS FOR THE CURRENT FISCAL YEAR; APPROVING, RATIFYING AND CONFIRMING AN AGREEMENT BY AND AMONG THE COUNTY COMMISSION OF PUTNAM COUNTY, THE PUTNAM COUNTY BUILDING COMMISSION AND WEST VIRGINIA-AMERICAN WATER COMPANY; APPROVING THE ISSUANCE OF CERTAIN BONDS BY THE PUTNAM COUNTY BUILDING COMMISSION; AND AUTHORIZING AND RATIFYING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ENTERING INTO OF SUCH LEASE AND AGREEMENT AND ISSUANCE OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

The above-quoted title of the Ordinance describes generally the contents thereof and the purposes contemplated thereby. The County contemplates the approvals described in the Ordinance. The proceeds of the Bonds will be used to provide funds for the acquisition, construction and equipping of the waterworks facilities and to pay certain costs of issuance of the Bonds and related costs. The Bonds are payable solely from lease revenues to be derived from the ownership and operation of the waterworks facilities. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

The above-titled Ordinance was adopted by the Council of the County Commission of Putnam County on May 27, 2008.

A certified copy of the above-entitled Ordinance is on file with the Council at the office of the County Commission for review by interested parties during regular office hours.

Following the public hearing, the Council intends to enact the Ordinance upon final reading.

Dated: June 2, 2008.

s/ Brian Wood

6-5-2t

) 1900

COOKIE ALLEN
PUBLISHER

PHONE 304-562-9881

THE HURRICANE BREEZE

HE WEEKLY NEWSPAPER FOR ALL OF PUTNAM COUNTY
488 HURRICANE CREEK ROAD
P.O. BOX 310
HURRICANE, WEST VIRGINIA 25526

CERTIFICATE OF PUBLICATION

STATE OF WEST VIRGINIA,
COUNTY OF PUTNAM, To wit:

This day personally appeared before me, a Notary Public of said County of Putnam,.....Ron.Allen.....of The Hurricane Breeze, and after being duly sworn deposes and says that the attached legal publication was duly published in The Hurricane Breeze for.. Two..(2) consecutive issues, in its issues dated .... June 5 & 12, 2008..

Ron Allen
.....
The Hurricane Breeze

Subscribed and sworn to before me this..13th.....day of..... June....., 2008...

Lora V Hart
.....
Notary Public

OFFICIAL SEAL
STATE OF WEST VIRGINIA
NOTARY PUBLIC
LORA V. HART
105 Willard Circle
Hurricane, WV 25526
My Commission Expires Mar. 8, 2010

APPROVED: Stephen A. Andes

DATE: 5-27-08

MINUTES
PUTNAM COUNTY COMMISSION REGULAR SESSION
May 20, 2008

OPENING

President Stephen A. Andes, Commissioner R. Joseph Haynes and Commissioner Gary O. Tillis were present when the 9:00 a.m. meeting was convened in the Putnam County Commission Chambers by County Clerk Brian Wood. The Pledge of Allegiance followed.

BRIAN WOOD, COUNTY CLERK

Mr. Wood presented the following documents for the Commissioner's approval and signature:

1. Edit registers

Commissioner Haynes made a motion to approve and sign the presented documents. Commissioner Tillis seconded the motion. The motion carried unanimously.

GENERAL BUSINESS

Commissioner Haynes made a motion to approve the minutes of May 6, 2008. Commissioner Tillis seconded the motion. The motion carried unanimously.

COURT ORDERS APPROVED

Commissioner Haynes made a motion to approve and sign the following orders and personnel payroll orders:

1. An Order to increase the rate of pay for part-time Telecommunicators to $10.00 per hour, effective May 11, 2008 as presented by the Commission Assistant. New hires will train at $8.50 then go to the $10.00 per hour rate after completing training.

2. An Order to make a payroll change for Mike Price, Full-time, Telecommunicator, Department 712, $11.76/hourly, effective May 4, 2008 as presented by the Commission Assistant

3. An Order to add to payroll Trina Bradley, Part-time, Telecommunicator, Department 712, $8.50/hourly, effective May 11, 2008 as presented by the Commission Assistant

4. An Order reflecting a previous motion regarding a grievance hearing as presented by the Commission Assistant

Commissioner Tillis seconded the motion. The motion carried unanimously.

JOHN STUMP, STEPTOE & JOHNSON

Mr. Stump presented to the Commission for approval an Ordinance on First Reading authorizing and approving the acquisition, construction and equipping of certain public waterworks facilities by the Putnam County Building Commission and the leasing of a portion of such facilities by the Putnam County Building Commission to the County Commission of Putnam County; authorizing and confirming appropriation of lease payments for the current fiscal year; approving, ratifying and confirming an agreement by and among the County Commission of Putnam County, the Putnam County Building Commission and West Virginia –American Water Company; approving the issuance of certain bonds by the Putnam County Building Commission; and authorizing and ratifying execution and delivery of all documents relating to the entering into of such lease and agreement and issuance of such bonds and adopting other provisions relating thereto. Commissioner Haynes made a motion to approve the Bond Ordinance on First Reading and to authorize the President to sign said Ordinance. Commissioner Tillis seconded the motion. The motion carried unanimously.

BRIAN DONAT, COUNTY ADMINISTRATOR

Commissioner Haynes made a motion to authorize the President to sign an Extended Warranty & Support Services Agreement with BI, Inc. totaling $18,214.00 for Home Confinement monitoring equipment as presented by Mr. Donat. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to authorize the President to sign a Right of Entry Agreement for the Avtex Site in Nitro, WV, as presented by Mr. Donat. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to authorize the President to sign a Commission on Drunk Driving Prevention Grant Application totaling $10,000 as presented by Mr. Donat. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to authorize the President to sign a 2006 Community Participation Grant Resolution and Application for the Putnam County Library totaling $8,000 to replace a retaining wall as presented by Mr. Donat. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to authorize the President to sign a 2006 Community Participation Grant Resolution and Application for the Morrison Hollow Waterline Extension Project totaling $10,000 as presented by Mr. Donat. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to authorize the President to sign a 2007 Community Participation Grant Request for Extension for the Hoge House as presented by Mr. Donat. Commissioner Tillis seconded the motion. The motion carried unanimously.

Mr. Donat presented the following orders for approval:

1. An Order to issue a check from the Putnam County Community Criminal Justice Fund in the amount of $237.00 payable to Redwood Biotech for drug testing supplies

2. An Order to issue a check from the Putnam County Community Criminal Justice Fund in the amount of $216.00 payable to Kroll Laboratory Specialists, Inc. for drug testing supplies

3. An Order to issue a check from the Putnam County Community Criminal Justice Fund in the amount of $137.00 payable to Jamey Hunt for mileage reimbursement

4. An Order to issue a check from the Putnam County Community Criminal Justice Fund in the amount of $2,400.00 payable to MTB Inc. for Mason County's April and May rent

5. An Order to issue a check from the Putnam County Community Criminal Justice Fund in the amount of $189.14 payable to nTelos for phone service

Commissioner Haynes made a motion to approve the orders as presented. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to issue a check from the Technology Fund in the amount of $25,842.96 payable to Alpha Technologies. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to issue a check from the Dog Fund in the amount of $2,235.00 for the month of March 2008 payable to the Putnam County Humane Society for adoption reimbursements. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for WVU Extension to cover supplies and employee expenses. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for the Judicial Building to cover uniforms. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for the Sheriff's Department to cover capital outlay and contracted services. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for EMS to cover automobile supplies. Commissioner Tillis seconded the motion. The motion carried unanimously.

TERRY MARTIN, REGIONAL INTERGOVERNMENTAL COUNCIL

The public hearing for the Hometown Storm Sewer Project was postponed until June 10, 2008.

RESOLUTION – ROUTE 35 FINANCING

The Resolution for Route 35 Financing was postponed until May 27, 2008.

ESTATE SETTLEMENTS

The Fiduciary Supervisor Ms. Scragg, presented the following documents to the Commission and recommended that they be approved as presented:

Short Form Settlements: Velva M. Allen, Rachel L. Bailey, Lois Louise Bonnett, William Frances Brown, Sr., Richard Wayne Carte, Virginia Christean Crawford, Teresa Louise Goff, Cleo L. Janey, Edna Janette Whittington Kapp, Henry Benton Kinder, Wateman D. Newhouse, Paula Kay Schultz, Kenneth Ray Stephens, Louella F. Walker, Lola May Warner

Long Form Settlement: Carl L. Worley

An Order to re-open the estate of Denver Thomas, deceased, for the sole purpose of pursuing Asbestos Litigation

An Order to approve and confirm the actions of the Fiduciary Supervisor and/or her deputies on behalf of the Commission from May 5, 2008 through May 9, 2008 and May 12, 2008 through May 16, 2008

Commissioner Haynes made a motion to approve the documents as presented. Commissioner Tillis seconded the motion. The motion carried unanimously.

RECESS

At 9:45 a.m., Commissioner Haynes made a motion to recess until 1:30 p.m. Commissioner Tillis seconded the motion. The motion carried unanimously.

At 1:30 p. m., Commissioner Haynes made a motion to return to regular session. Commissioner Tillis seconded the motion. The motion carried unanimously.

ELECTION CERTIFICATION

At 1:30 p.m., Commissioner Haynes made a motion to reconvene as a Board of Canvassers for the May 13, 2008 Primary Election. Commissioner Tillis seconded the motion. The motion carried unanimously.

Hearing no objection from candidate or member of the public, Commissioner Haynes made a motion to certify the election results. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to adjourn as a Board of Canvassers for the May 13, 2008 Primary Election. Commissioner Tillis seconded the motion. The motion carried unanimously.

ADJOURN

At 1:45 p.m., having no further business, Commissioner Haynes made a motion and Commissioner Tillis seconded to adjourn the regular session of the County Commission until Tuesday, May 27, 2008 at 9:00 a.m.

Respectfully submitted,

Sherry Otey

Sherry Otey
Commission Assistant

APPROVED: Stephen A. Andes

DATE: 6-3-08

MINUTES
PUTNAM COUNTY COMMISSION REGULAR SESSION
May 27, 2008

OPENING

President Stephen A. Andes, Commissioner R. Joseph Haynes and Commissioner Gary O. Tillis were present when the 9:00 a.m. meeting was convened in the Putnam County Commission Chambers by County Clerk Brian Wood. The Pledge of Allegiance followed.

BRIAN WOOD, COUNTY CLERK

Mr. Wood presented the following documents for the Commissioner's approval and signature:

1. Edit registers and checks

Commissioner Haynes made a motion to approve and sign the presented documents. Commissioner Tillis seconded the motion. The motion carried unanimously.

GENERAL BUSINESS

Commissioner Haynes made a motion to approve the minutes of May 20, 2008. Commissioner Tillis seconded the motion. The motion carried unanimously.

ERRONEOUS ASSESSMENTS

Commissioner Haynes made a motion to approve the Assessor's Erroneous Assessment Orders as presented:

Michael D. White, Ralph A. Wagner, Jr. et ux, three for Teays Valley Church of the Nazarene, Dana &/or Mary Beth Sargent, Mark E. &/or Julie L. Mullins, Nelson T. &/or Cynthia R. Graham, Juanita Gillispie, Denny Lee &/or Retha Mae Dickerson, Kimberly D. (Hudson) Cobb, Susan A. Beller, Patrick E. &/or Angela J. Akers

Order denied: Owens William Jr. &/or Beverly A. Deweese,

Commissioner Tillis seconded the motion. The motion carried unanimously.

13 Erroneous Assessments were approved totaling $1,970.48 in deduction of taxes.

COURT ORDERS APPROVED

Commissioner Haynes made a motion to approve and sign the following orders and personnel payroll orders:

1. An Order to add to payroll Sylvia Holstein, Part-time, Kennel Tech, Department 716, $6.50/hourly, effective May 28, 2008 as presented by the Commission Assistant

2. An Order to add to payroll Donald Edward Swisher, Part-time, EMT-Paramedic, Department 715, $9.18/hourly, effective May 25, 2008 as presented by the Commission Assistant

Commissioner Tillis seconded the motion. The motion carried unanimously.

JOHN STUMP, STEPTOE & JOHNSON

Mr. Stump presented to the Commission for approval an Ordinance on Second Reading authorizing and approving the acquisition, construction and equipping of certain public waterworks facilities by the Putnam County Building Commission and the leasing of a portion of such facilities by the Putnam County Building Commission to the County Commission of Putnam County; authorizing and confirming appropriation of lease payments for the current fiscal year; approving, ratifying and confirming an agreement by and among the County Commission of Putnam County, the Putnam County Building Commission and West Virginia –American Water Company; approving the issuance of certain bonds by the Putnam County Building Commission; and authorizing and ratifying execution and delivery of all documents relating to the entering into of such lease and agreement and issuance of such bonds and adopting other provisions relating thereto. Commissioner Haynes made a motion to approve the Bond Ordinance on Second Reading. Commissioner Tillis seconded the motion. The motion carried unanimously.

The Ordinance approving lease of service building from Putnam County Building Commission was postponed.

RESOLUTION – ROUTE 35 FINANCING

Senator Mike Hall, Mason County Commissioner Bob Baird and Route 35 Committee Co-Chairman John Myers spoke in support for the West Virginia Division of Highways to seek alternative funding sources for completion of Route 35 in Mason and Putnam Counties.

After all three commissioners stated that safety is paramount in the completion of Route 35, Commissioner Haynes made a motion to support, endorse and encourage the WV Division of Highways to seek alternative funding sources, including the possibility of toll roads, to accomplish the completion of a modern four lane US Route 35 from its intersection with Interstate 64 in Putnam County to the Ohio River in Mason County by 2013. Commissioner Tillis seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to authorize the President to sign a Joint Resolution of the Commissions of Mason and Putnam Counties to support, endorse and encourage the WV Division of Highways to seek alternative funding sources, including the possibility of toll roads, to accomplish the completion of a modern four lane US Route 35 from its intersection with Interstate

64 in Putnam County to the Ohio River in Mason County by 2013. Commissioner Tillis seconded the motion. The motion carried unanimously.

ANIMAL RESCUE

At the Putnam County Commission meeting on April 1, 2008 Mr. James Parsons made a request for an amount he felt reasonable for the emergency housing of animals which had been rescued from a third party in November 2007. After review by County Administrator Brian Donat and County Attorney Jennifer Scragg, Commissioner Haynes made a motion to approve a total compensation of up to $1,500 to Mr. Parsons. Commissioner Tillis seconded the motion. The motion carried unanimously.

BRIAN DONAT, COUNTY ADMINISTRATOR

Commissioner Haynes made a motion to approve a budget revision for the Prosecuting Attorney's Office to cover printing, postage, professional services and capital outlay-equipment as presented by Mr. Donat. Commissioner Tillis seconded the motion. The motion carried unanimously.

ESTATE SETTLEMENTS

The Fiduciary Supervisor Ms. Scragg, presented the following document to the Commission and recommended that they be approved as presented:

An Order to void a court order dated April 29, 2008 and that this order is a replacement to disburse the sum of $183.00 from the Fiduciary Special Fund made payable to Brian Wood, Clerk, for recording of settlements

Commissioner Haynes made a motion to approve the document as presented. Commissioner Tillis seconded the motion. The motion carried unanimously.

ADJOURN

At 10:00 a.m., having no further business, Commissioner Haynes made a motion and Commissioner Tillis seconded to adjourn the regular session of the County Commission until Tuesday, June 3, 2008 at 9:00 a.m.

Respectfully submitted,

Sherry Otey

Sherry Otey
Commission Assistant

APPROVED: Stephen A. Andes

DATE: 6.24.08

MINUTES
PUTNAM COUNTY COMMISSION REGULAR SESSION
June 17, 2008

OPENING

President Stephen A. Andes and Commissioner R. Joseph Haynes were present when the 9:00 a.m. meeting was convened in the Putnam County Commission Chambers by County Clerk Brian Wood. The Pledge of Allegiance followed. Commissioner Gary O. Tillis was absent.

BRIAN WOOD, COUNTY CLERK

Mr. Wood presented the following documents for the Commissioner's approval and signature:

1. Edit registers and checks

2. An Order to transfer from the Putnam County Community Criminal Justice Fund to the General County Fund, the sum of $19,966.04 for payroll expenses

3. An Order to transfer from the Worthless Check Fund to the General County Fund, the sum of $1,124.68 for payroll expenses

Commissioner Haynes made a motion to approve and sign the presented documents. Commissioner Andes seconded the motion. The motion carried unanimously.

GENERAL BUSINESS

Commissioner Haynes made a motion to approve the minutes of June 10, 2008. Commissioner Andes seconded the motion. The motion carried unanimously.

ERRONEOUS ASSESSMENT

Commissioner Haynes made a motion to approve the Assessor's Erroneous Assessment Orders as presented:

Billy S. Jr. &/or Linda L. Browning, four for Drake Properties LLC, two for John W. &/or Susan Fleck, J. R. Gaylor, Rhonda Gail &/or Robert Todd Fizer, Robert K. Murdoch, Pamela Lynn (Hughes) Neal, State of West Virginia, James K. Tucker

Commissioner Andes seconded the motion. The motion carried unanimously.

13 Erroneous Assessments were approved totaling $1,423.89 in deduction of taxes.

COURT ORDERS APPROVED

Commissioner Haynes made a motion to approve and sign the following orders and personnel payroll orders:

1. An Order to issue checks from the Hotel/Motel Tax Fund to Parks and Recreation Commission in the amount of $50,500.00 and the Convention and Visitors Bureau in the amount of $50,500.00 as presented by the Commission Assistant

2. An Order to make a payroll change for Dustin Parsons, Full-time, Telecommunicator, Department 712, $10.92/hourly, effective June 15, 2008 as present by the Commission Assistant

3. An Order to make a payroll change for Carlton Edmunds, Part-time, Telecommunicator, Department 712, $10.00/hourly, effective June 15, 2008 as presented by the Commission Assistant

4. An Order to add to payroll Brian Craft, Part-time, Telecommunicator, Department 712, $10.00/hourly, effective June 15, 2008 as presented by the Office Assistant

5. An Order to make a payroll change for Rayanna Easterling, Full-time, Telecommunicator, Department 712, $11.19/hourly, effective June 15, 2008 as presented by the Office Assistant

Commissioner Andes seconded the motion. The motion carried unanimously.

JOHN STUMP, STEPTOE & JOHNSON

At 9:30 a.m., the public hearing was opened. Mr. Stump presented to the Commission for approval an Ordinance on Third Reading authorizing and approving the acquisition, construction and equipping of certain public waterworks facilities by the Putnam County Building Commission and the leasing of a portion of such facilities by the Putnam County Building Commission to the County Commission of Putnam County; authorizing and confirming appropriation of lease payments for the current fiscal year; approving, ratifying and confirming an agreement by and among the County Commission of Putnam County, the Putnam County Building Commission and West Virginia—American Water Company; approving the issuance of certain bonds by the Putnam County Building Commission; and authorizing and ratifying execution and delivery of all documents relating to the entering into of such lease and agreement and issuance of such bonds and adopting other provisions relating thereto.

Mr. Stump asked for public comment. There was none. The public hearing was closed.

Commissioner Haynes made a motion to approve the Bond Ordinance on Third Reading. Commissioner Andes seconded the motion. The motion carried unanimously.

BRIAN DONAT, COUNTY ADMINISTRATOR

Commissioner Haynes made a motion to authorize the President to sign a Property Transfer Agreement with the Board of Education as presented by Mr. Donat. Commissioner Andes seconded the motion. The motion carried unanimously.

The Transfer of Ownership for a Transport Van to Putnam Seniors was postponed until next week.

The Request for Payment – 2006 Community Participation Grant – South Putnam PSD Project was postponed until next week.

Commissioner Haynes made a motion to authorize the President to sign the Request for Payment – WV Commission on Drunk Driving Prevention for $10,000 as presented by Mr. Donat. Commissioner Andes seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for the County Clerk Fund #402 to cover materials and capital outlay as presented by Mr. Donat. Commissioner Andes seconded the motion. The motion carried unanimously.

Mr. Donat presented the following budget revisions for approval:

1. A budget revision for the Circuit Clerk's office Fund #403 to cover materials/supplies

2. A budget revision for the Circuit Clerk's office Fund #403 to cover capital outlay/equipment

Commissioner Haynes made a motion to approve the budget revisions as presented. Commissioner Andes seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for the Sheriff's Tax Office Fund #404 to cover printing, supplies and capital outlay as presented by Mr. Donat. Commissioner Andes seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for the Prosecuting Attorney Fund #405 to cover travel, maintenance/repair, supplies/materials and capital outlay/equipment as presented by Mr. Donat. Commissioner Andes seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for the County Clerk-Election Fund #413 to cover contracted services and worker's compensation as presented by Mr. Donat. Commissioner Andes seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for Courthouse Fund #424 to cover automobile supplies as presented by Mr. Donat. Commissioner Andes seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for the Judicial Building Fund #425 to cover materials/supplies as presented by Mr. Donat. Commissioner Andes seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for Data Processing Fund #428 to cover contracted services as presented by Mr. Donat. Commissioner Andes seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for the Sheriff's Department Fund #700 to cover automobile supplies as presented by Mr. Donat. Commissioner Andes seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for the Putnam Animal Relief Center Fund #716 to cover materials as presented by Mr. Donat. Commissioner Andes seconded the motion. The motion carried unanimously.

Commissioner Haynes made a motion to approve a budget revision for the VOCA Fund #726 to cover training/education and materials/supplies as presented by Mr. Donat. Commissioner Andes seconded the motion. The motion carried unanimously.

Mr. Donat presented the following orders for approval:

1. An Order to issue a check from the General County Fund in the amount of $3,763.47 payable to Putnam County Fair Board as payment for one-half of the sound system project for the fairgrounds

2. An Order to issue a check from the General County Fund in the amount of $2,000.00 payable to Putnam County Fire Service Board for payment of West Virginia Department of Health and Human Resources grant

3. An Order to issue a check from the General County Fund in the amount of $2,000.00 payable to Winfield Volunteer Fire Department for payment of West Virginia Department of Health and Human Resources grant

4. An Order to issue a check from the General County Fund in the amount of $25,842.96 payable to Putnam County Technology Fund to reimburse for payment made from the Technology Fund for the Homeland Security COOP-COG grant

5. An Order to issue a check from the General County Fund in the amount of $6,450.00 payable to IT Solutions Associates as part of the Homeland Security COOP-COG grant

Commissioner Haynes made a motion to approve the orders as presented. Commissioner Andes seconded the motion. The motion carried unanimously.

Mr. Donat presented the following orders for approval:

1. An Order to issue a check from the Putnam County Community Criminal Justice Fund in the amount of $192.04 payable to nTelos for phone service

2. An Order to issue a check from the Putnam County Community Criminal Justice Fund in the amount of $486.43 payable to Express Printing for supplies

3. An Order to issue a check from the Putnam County Community Criminal Justice Fund in the amount of $127.50 payable to Allie Crawford for professional services

4. An Order to issue a check from the Putnam County Community Criminal Justice Fund in the amount of $270.00 payable to Kimberly Sanford for professional services

5. An Order to issue a check from the Putnam County Community Criminal Justice Fund in the amount of $225.00 payable to Chris Moles for parenting classes

Commissioner Haynes made a motion to approve the orders as presented. Commissioner Andes seconded the motion. The motion carried unanimously.

ESTATE SETTLEMENTS

The Fiduciary Supervisor Ms. Scragg, presented the following documents to the Commission and recommended that they be approved as presented:

An Order to disburse the sum of $225.00 from the Fiduciary Special Fund made payable to Brian Wood, Clerk, for recording of settlements

An Order to refer the estate of William Franklin Goff, Sr., deceased, to Fiduciary Commissioner Timothy LaFon

An Order to approve and confirm the actions of the Fiduciary Supervisor and/or her deputies on behalf of the Commission from June 9, 2008 through June 13, 2008

Commissioner Haynes made a motion to approve the documents as presented. Commissioner Andes seconded the motion. The motion carried unanimously.

ADJOURN

At 9:50 a.m., having no further business, Commissioner Haynes made a motion and Commissioner Andes seconded to adjourn the regular session of the County Commission until Tuesday, June 24, 2008 at 9:00 a.m.

Respectfully submitted,

Sherry Otey

Sherry Otey
Commission Assistant

WEST VIRGINIA
Water Development Authority
Celebrating 34 Years of Service 1974 - 2008

July 23, 2008

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

TO WHOM IT MAY CONCERN:

In reliance upon the certificate of Griffith & Associates, independent certified public accountants, and an opinion of Steptoe & Johnson PLLC, as bond counsel, that the coverage and parity test requirements have been met, the undersigned duly authorized representative of the West Virginia Water Development Authority (the "WDA"), the registered owner of the Series 2000 B Bonds, hereinafter defined and described, hereby consents to the issuance of the Waterworks Lease Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund) (the "Series 2008 A Bonds"), in the aggregate principal amounts of $2,914,000, by the Putnam County Building Commission (the "Issuer"), under the terms of the ordinance authorizing the Series 2008 A Bonds, on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's outstanding Waterworks Lease Revenue Bonds, Series 2000 B (West Virginia Water Development Authority), dated January 27, 2000, issued in the original aggregate principal amount of $3,800,000 (the "Series 2000 B Bonds").

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

Chris E. Jarrett – Executive Director

180 Association Drive, Charleston, WV 25311-1217
phone (304) 558-3612 / fax (304) 558-0299
www.wvwda.org

Bid Opening Requirement
Item 4

Certification of Bidder Regarding Compliance with the
WV Jobs Act (SB 103) WV Code 21-1C-1

WV JOBS ACT REQUIREMENTS

(a) Contractors shall hire at least 75% of employees for the project from the local labor market.
- At least two employees from outside local labor market permissible for each employer
- Employees shall have resided in the local labor market

(b) Any employer unable to employ the minimum number of employees from the local labor market shall provide the nearest office of the Division of Employment Services, Bureau of Employment Programs the following:
(1) the number of qualified employees needed; and
(2) a job description of positions to be filled

(c) If, within 3 business days following the placing of the job order with the Division of Employment Services (the "Division"), the Division is unable to refer any qualified applicants to the employer or refers less qualified job applicants than the number requested, then the Division shall issue a waiver to the employer stating the unavailability of applicants and permit the employer to fill any positions covered by the waiver from outside the local labor market.

CONTRACTOR REQUIREMENTS

The contractor hereby agrees to the following:

(a) The contractor will comply with the Act and will file or cause to be filed with the WV Division of Labor and the Infrastructure Council copies of waiver certificates and certified payrolls as required by the Act, or other comparable documents that include the number of employees, the county and state where the employees reside and their occupation

(b) the contractor will follow the procedure established by the Division of Labor for efficient collection of the data;

(c) the contractor will ensure that each subcontract for shall contain provisions conforming to the requirement of the Act

(d) the contractor will provide with each pay requisition a certification that the contract is in compliance with the Act

Name & Title of Signer (Please type)	
Tina Enyart-President	
Signature: Tina Enyart	Date April 24, 2008

Rev. 2 April 2, 2003

State of West Virginia

Certificate

I, Betty Ireland, Secretary of State of the State of West Virginia, hereby certify that

WEST VIRGINIA-AMERICAN WATER COMPANY

was incorporated under the laws of West Virginia and a Certificate of Incorporation was issued by the West Virginia Secretary of State's Office on October 4, 1926.

I further certify that the corporation has not been revoked by the State of West Virginia nor has the West Virginia Secretary of State issued a Certificate of Dissolution to the corporation.

Accordingly, I hereby issue this

CERTIFICATE OF EXISTENCE

Given under my hand and the Great Seal of the State of West Virginia on this day of October 19, 2007

Betty Ireland

Secretary of State

CLOSING MEMORANDUM

To: **Financing Team**

From: **John C. Stump, Esquire**

Date: **July 23, 2008**

Re: **Putnam County Building Commission Water Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund)**

1. DISBURSEMENTS TO THE PUTNAM COUNTY BUILDING COMMISSION

Payor:	West Virginia Infrastructure Fund
Source:	Series 2008 A Bonds Proceeds
Amount:	$37,500
Form:	Wire
Payee:	Putnam County Building Commission
ABA #:	051502858
Account #:	15-1252-8
Bank:	Putnam County Bank
Contact:	Jerry Brown, 304.562.9931
Account:	Series 2008 A Bonds Construction Trust Fund

2. DISBURSEMENTS TO MUNICIPAL BOND COMMISSION

Payor:	West Virginia Infrastructure Fund
Source:	Series 2008 A Bonds Proceeds
Amount:	$75,689
Form:	Wire Transfer
Payee:	Putnam County Building Commission
Bank:	BB&T for benefit of Municipal Bond Commission
Routing #:	051503394
Account:	5270517317
Contact:	Sara Boardman, 304.558.3971
Account:	Series 2008 A Bonds Reserve Account

PUTNAM COUNTY BUILDING COMMISSION

INVOICES RELATING TO CONSTRUCTION AND OTHER SERVICES FOR THE PROPOSED WATER PROJECT AND AUTHORIZING PAYMENT

The invoices attached hereto and incorporated herein by reference relation to the construction of the Water Project funded by Infrastructure & Jobs Development Council ("IJDC") and West Virginia American Water Company ("WVAWC") have been reviwed and:

a) None of the items for which payment is proposed to be made has formed the basis for any disbursement theretofore made.

b) Each item for which the payment is proposed to be paid is or was necessary in connection with the Project and constitutes a Cost of the project.

c) Each of such costs has been otherwise properly incurred.

d) The payment for each of the items proposed is due and owing.

There is hereby authorized and approved the attached invoices as follows:

Vendor	Total	IJDC	WVAWC
Huntington Banks (Registrar)	500.00	500.00	
Steptoe & Johnson (Bond Counsel)	29,500.00	29,500.00	
Steptoe & Johnson (PSC)	7,500.00	7,500.00	
Municipal Bond Commission (Reserves)	75,689.00	75,689.00	
Total	113,189.00	113,189.00	

Approved the 22nd day of July, 2008.

By: Brian Donat

Its: County Administrator

State of West Virginia

WATER DEVELOPMENT AUTHORITY

180 Association Drive, Charleston, WV 25311-1217
(304) 558-3612 - (304) 558-0299 (Fax)
Internet: www.wvwda.org - Email: contact@wvwda.org

BOND CLOSING ATTENDANCE LIST

Date **July 23, 2008** Time **9:30 am** LGA **Putnam Co. Bldg. Commission** Program **IF**

NAME	COMPANY, AGENCY, OR ORGANIZATION	TELEPHONE	FAX	E-MAIL
Sammie Cole	Jackson Kelly PLLC	340.1318	340.1272	sycole@jacksonkelly.com
John Stump	Steptoe & Johnson PLLC	353.8196	353.8181	john.stump@steptoe-johnson.com
Brian Donat				
Barbara B Meadows	Water Development Authority	558.3612	558.0299	bmeadows@wvwda.org
Ryan White	Jackson Kelly PLLC	340-1283	340-1272	srwhite@jacksonkelly.com

The Authority requests that the following information concerning the individual who will be responsible for sending Debt Service Payments to the Municipal Bond Commission be provided. (If that individual is in attendance, he/she should also sign above.) Please Print:

Name Brian Donat Telephone 304.586.0201 E-Mail bdonat@putnamwv.org

Address 3389 Winfield Road, Winfield, West Virginia 25213

REMINDER: As a participant in this program, the Local Governmental Agency (LGA) agrees and is required to submit annually to the WDA a copy of its audited financial statements and a copy of its adopted budget. Also, pursuant to the Loan Agreement and the NonArbitrage Certificate (both of which are contained in the bond transcript) you are to provide annually to the WDA a rebate calculation certificate or an exception opinion showing whether a rebate amount is due to the US Government under arbitrage requirements in Section 148(f) of the US Internal Revenue Code, 1986, as amended.

SWEEP RESOLUTION

Putnam County Building Commission

WHEREAS, Putnam County Building Commission (the "Issuer") is a governmental body and political subdivision of West Virginia;

WHEREAS, the Issuer has issued bonds, as more specifically set forth on Exhibit A, attached hereto and incorporated herein by reference (the "Bonds");

WHEREAS, the Issuer makes or will make monthly debt service payments on and transfers reserve funds for the Bonds by check to the West Virginia Municipal Bond Commission (the "MBC") which in turn pays the owners of the Bonds and deposits funds in the reserve accounts;

WHEREAS, the MBC may accept such monthly payments by electronic funds transfer, thereby eliminating delay in payments and lost checks;

WHEREAS, the Issuer finds and determines that it is in the best interest of the Issuer, its citizens and the owners of the Bonds that the monthly debt service and reserve fund payments be made by electronic funds transfer with the State Treasurer sweeping the Issuer's account.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1) The monthly debt service payments on and reserve funds for the Bonds, as set forth in Exhibit A, shall be made to the MBC by an electronic transfer by the State Treasurer from the accounts set forth in Exhibit A in such form and at such directions as are provided by the MBC.

2) The Chairman, Secretary and Treasurer are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.

3) This resolution shall be effective immediately upon adoption.

Adopted this 15th day of July, 2008.

Chairman

PWSID: WV3304012
WV3304017

State of West Virginia

OFFICE OF ENVIRONMENTAL HEALTH SERVICES

CAPITOL and WASHINGTON STREETS 1 DAVIS SQUARE, SUITE 200 CHARLESTON, WEST VIRGINIA 25301
TELEPHONE 304-558-2981

(Water) **PERMIT**

PROJECT: Putnam County Water Line Extension **PERMIT NO.:** 17,840

LOCATION: Putnam County **COUNTY:** Putnam **DATE:** 1-11-2008

THIS IS TO CERTIFY that after reviewing plans, specifications, application forms, and other essential information that

Putnam County Commission
3389 Winfield Road
Nitro, West Virginia 25143

is hereby granted approval to: install approximately 24,900 LF of 8", 35,000 LF of 6" and 11,400 LF of 2" water line; one (1) 26 G.P.M. duplex constant pressure water booster station; and all necessary valves and appurtenances with water to be provided by the West Virginia American Water Company.

Facilities are to serve 120 new customers in the Beech Hill Road, Dry Branch Road, Lake Hollow/Sycamore Ridge, Lime Kiln Road, Old Delta Road, Panther Lick Road and Wood Drive areas in Putnam County.

NOTE: **This permit is contingent upon: 1) All new water line being disinfected, flushed and bacteriologically tested, prior to use; and 2) Maintaining a minimum ten (10) feet horizontal separation and a minimum 18" vertical separation between crossing sewer and water lines with the water line to be over the sewer line.**

The Environmental Engineering Division of the **OEHS St. Albans District Office** (304-722-0611) is to be notified when construction begins.

Validity of this permit is contingent upon conformity with plans, specifications, application forms, and other information submitted to the West Virginia Bureau for Public Health.

FOR THE DIRECTOR

William S. Herold, Jr., P.E., Assistant Manager
Infrastructure and Capacity Development
Environmental Engineering Division

WSH:emt

pc: Terradon Corporation
David A. Carovillano, P.E., WV-American Water Co.
James W. Ellars, P.E., PSC-Engineering Division
Amy Swann, PSC
Putnam County Health Department
OEHS-EED St. Albans District Office

*CONFORMED ORDINANCE

PUTNAM COUNTY BUILDING COMMISSION

WATERWORKS LEASE REVENUE BONDS, SERIES 2000 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

BOND ORDINANCE

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PUTNAM COUNTY BUILDING COMMISSION

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF A NEW PUBLIC WATERWORKS SYSTEM OF THE PUTNAM COUNTY BUILDING COMMISSION AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE ISSUER OF NOT MORE THAN $5,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2000 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED AND ENACTED BY THE PUTNAM COUNTY BUILDING COMMISSION:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 8, Article 33 of the West Virginia Code of 1931, as amended (the "Act") and certain provisions of Chapter 8, Article 16 of the West Virginia Code of 1931, as amended (collectively with the Act, the "Bond Act"), and other applicable provisions of law.

Section 1.02. Findings. It is hereby found, determined and declared that:

A. The Putnam County Building Commission (the "Issuer") is a public corporation with perpetual existence and a county building commission within the meaning

of the Act, duly created pursuant to a resolution adopted by The County Commission of Putnam County (the "County Commission" or "Lessee") on August 28, 1980.

B. The Issuer does not presently own or operate a public waterworks system. However, the County Commission has requested and it is deemed necessary and desirable for the health and welfare of the inhabitants of Putnam County that there be acquired and constructed a public waterworks system of the Issuer, consisting of certain water mains as more thoroughly described in the Lease, as hereinafter defined, together with all appurtenant facilities, (collectively, the "Project" or the "Series 2000 B Facilities"), to be leased to the County Commission pursuant to an Agreement and Lease of Series 2000 B Facilities, dated as of January 27, 2000, (the "Lease").

C. The Issuer and the County Commission have determined that the Series 2000 B Facilities should be operated, maintained, repaired and replaced by West Virginia-American Water Company, a West Virginia corporation (the "Company"), pursuant to the terms of an Agreement by and among the Issuer, the County Commission and the Company, to be executed on January 26, 2000, (the "2000 B O & M Agreement"). The Issuer and the County Commission have also determined that the customers served by the Series 2000 B Facilities should pay a monthly surcharge to the County Commission (the "Surcharges"), which Surcharges have been approved by the West Virginia Public Service Commission.

D. The County Commission, with the assistance of the Company, has provided the Issuer with plans and specifications for the acquisition, construction and equipping of the Project, which plans and specifications have been prepared by the Company as Consulting Engineers and have heretofore been filed with the Issuer. The Issuer and the County Commission have agreed to appoint the Company, and the Company has agreed to accept such appointment, as their agent for the purpose of acquisition, construction and equipping of the Project.

E. The Issuer will receive all of its Revenues (hereinafter defined) from the County Commission under and pursuant to the Lease. The Revenues will be sufficient to pay all costs of operation and maintenance of the System, to pay the principal of and interest on the Series 2000 B Bonds and to make payments into all funds and accounts and other payments provided for herein.

F. It is deemed necessary for the Issuer to issue its Waterworks Lease Revenue Bonds, Series 2000 B (West Virginia Water Development Authority), in the total aggregate principal amount of not more than $5,000,000 (the "Series 2000 B Bonds"), initially to be represented by a single bond, to permanently finance the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest upon the Series 2000 B Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the

Project; engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the West Virginia Water Development Authority (the "Authority"), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2000 B Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2000 B Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

G. The period of usefulness of the Series 2000 B Facilities after completion of the Project is not less than 40 years.

H. It is in the best interests of the Issuer that its Series 2000 B Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement to be entered into by and between the Issuer and the Authority, in form satisfactory to the Issuer and the Authority, as shall be approved by supplemental resolution of the Issuer.

I. There are no outstanding bonds or other obligations of the Issuer which will rank prior to or on a parity with or junior and subordinate to the Series 2000 B Bonds as to liens, pledge, source of and security for payment.

J. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Series 2000 B Facilities and issuance of the Series 2000 B Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the approval of the Project by the West Virginia Infrastructure and Jobs Development Council and the obtaining of a certificate of convenience and necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the date of issuance of the Series 2000 B Bonds or such final order will not be subject to appeal or rehearing.

K. The Project has been approved by the West Virginia Infrastructure and Jobs Development Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2000 B Bonds by the registered owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be

performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders of any and all of such Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

Section 1.04. Definitions. The following terms shall have the following meanings herein unless the context expressly requires otherwise:

"Act" means Chapter 8, Article 33 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2000 B Bonds, or any other agency, board or department of the State that succeeds to the functions of the Authority.

"Authorized Officer" means the Chairman of the Issuer, or any other officer of the Issuer specifically designated by resolution of the Issuer.

"Bondholder," "Holder of the Bonds," "Holder," "Registered Owner" or any similar term whenever used herein with respect to an outstanding Bond or Bonds, means the person in whose name such Bond is registered.

"Bond Act" means, collectively, the Act and certain provisions of Chapter 8, Article 16 of the West Virginia Code of 1931, as amended.

"Bond Legislation," "Ordinance," "Bond Ordinance" or "Local Act" means this Bond Ordinance and all ordinances, orders and resolutions supplemental hereto or amendatory hereof.

"Bond Registrar" means the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns.

"Bonds" means the Series 2000 B Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

"Bond Year" means the 12-month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"Chairman" means the Chairman of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2000 B Bonds for the proceeds representing the purchase price of the Series 2000 B Bonds from the Authority.

"Code" means the Internal Revenue Code of 1986, as amended, and the Regulations.

"Commission" means the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia that succeeds to the functions of the Commission.

"Company" means West Virginia-American Water Company, a West Virginia corporation.

"Consulting Engineers" means West Virginia-American Water Company, so long as the 2000 B O & M Agreement is in effect, and upon the termination of the 2000 B O & M Agreement, any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the Series 2000 B Facilities or any portion thereof, in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; provided, however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions or political subdivisions.

"Costs" or "Costs of the Project" means those costs described in Section 1.02F hereof to be a part of the cost of acquisition and construction of the Project.

"County Commission" or "Lessee" means The County Commission of Putnam County, Putnam County, West Virginia, a political subdivision of the State of West Virginia.

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns.

"FDIC" means the Federal Deposit Insurance Corporation and any successor to the functions of the FDIC.

"Fiscal Year" means each 12-month period beginning on July 1 and ending on the succeeding June 30.

"Government Obligations" means direct obligations of, or obligations the timely payment of the principal of and interest on which is guaranteed by, the United States of America.

"Herein," "hereto" and similar words shall refer to this entire Bond Legislation.

"Independent Certified Public Accountants" means any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the Series 2000 B Facilities or for any other purpose except keeping the accounts of the Series 2000 B Facilities in the normal operation of its business and affairs.

"Issuer" or "Lessor" means the Putnam County Building Commission, a public corporation with perpetual existence and a county building commission within the meaning of the Act, and, as appropriate, its lessee's, agents and assigns.

"Lease" means the Agreement and Lease of Series 2000 B Facilities, of even date herewith, by and between the Issuer as lessor and the County Commission as lessee, all amendments thereof and supplements thereto and any subsequent lease or leases of all or any portion of the Project.

"Lease Term" shall have the meaning assigned to such term under Section 5.01 of the Lease.

"Loan Agreement" means the Loan Agreement to be entered into between the Authority and the Issuer, providing for the purchase of the Series 2000 B Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"Net Proceeds" means the face amount of the Series 2000 B Bonds, plus accrued interest and premium, if any, less original issue discount, if any.

"2000 B O & M Agreement" means the Agreement among the Issuer, the County Commission and the Company, to be executed on January 26, 2000, relating to the acquisition, construction and equipping of the Project and the subsequent operation, maintenance, repair and replacement of the Series 2000 B Facilities, as it may be amended from time to time and as approved by the Public Service Commission of West Virginia.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, operation and maintenance of the Series 2000 B Facilities, as hereinafter defined, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the Costs, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and the Paying Agent (all as herein defined), other than those capitalized as part of the Costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Series 2000 B Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value

of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Outstanding" when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond canceled by the Bond Registrar at or prior to said date; (ii) any Bond for the payment of which moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption, shall be in trust hereunder, and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof; and (iv) for purposes of consents or other action by a specified percentage of Bondholders, any Bonds registered to the Issuer.

"Paying Agent" means the Commission or such other entity or authority as may be designated as a Paying Agent by the Issuer in the Supplemental Resolution.

"Program" means the Authority's loan program, under which the Authority purchases the water development revenue bonds of local governmental entities satisfying certain legal and other requirements with the proceeds of the water development revenue bonds of the Authority.

"Project" or "Series 2000 B Facilities" means the Project as described in Section 1.02B hereof.

"Qualified Investments" means and includes any of the following:

(a) Government Obligations;

(b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;

(c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

(d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National

Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;

(e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

(f) Money market funds or similar funds whose only assets are investments of the type described in paragraphs (a) through (e) above;

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments securing said repurchase agreements either must mature as nearly as practicable coincident with the maturity of said repurchase agreements or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreements, and provided further that the holder of such repurchase agreement shall have a prior perfected security interest in the collateral therefor; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

(h) The West Virginia "consolidated fund" managed by the West Virginia Investment Management Board pursuant to Chapter 12, Article 6 of the West Virginia Code of 1931, as amended; and

(i) Obligations of States or political subdivisions or agencies thereof, the interest on which is exempt from federal

Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2000 B Bonds and not so included, may be included in another Supplemental Resolution.

"Surcharges" means those monthly surcharges paid by customers of the Series 2000 B Facilities to the County Commission, which have been approved by the West Virginia Public Service Commission.

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

income taxation, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Registered Owner," "Bondholder," "Holder" or any similar term means, whenever used herein with respect to an outstanding Bond or Bonds, the person in whose name such Bond is registered.

"Registrar" means the Bond Registrar.

"Regulations" means temporary and permanent regulations promulgated under the Code, or any predecessor thereto.

"Revenues" means all Rent to be paid to or on behalf of the Issuer by the County Commission under the Lease, as such term is defined in the Lease; provided that, in the event the Lease is terminated, Revenues shall include all receipts, revenues, income and other monies from the subsequent leasing, subleasing, operation, management, sale or other disposition of the Series 2000 B Facilities, or any part thereof, and all Surcharges, and all rights to receive the same, determined in accordance with generally accepted accounting principles.

"Revenue Fund" means the Revenue Fund established by Section 5.01 hereof.

"Secretary" means the Secretary of the Issuer.

"Series 2000 B Bonds" means the Waterworks Lease Revenue Bonds, Series 2000 B (West Virginia Water Development Authority), of the Issuer, authorized by this Ordinance.

"Series 2000 B Bonds Construction Trust Fund" means the Series 2000 B Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2000 B Bonds Sinking Fund" means the Series 2000 B Bonds Sinking Fund established by Section 5.02 hereof.

"Series 2000 B Facilities" means the Project and any further additions, betterments and improvements thereto hereafter constructed or acquired from any sources whatsoever.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 2000 B

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not to exceed $5,000,000, in accordance with the plans and specifications which have been prepared by the Company, heretofore filed in the office of the Issuer. The proceeds of the Series 2000 B Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer, with the assistance of the Company, has received bids and will enter into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the Authority.

The cost of the Project is estimated not to exceed $5,000,000, of which the entire amount will be obtained from proceeds of the Series 2000 B Bonds.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF LOAN AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2000 B Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2000 B Bonds of the Issuer. The Series 2000 B Bonds shall be issued as a single bond, designated "Waterworks Lease Revenue Bond, Series 2000 B (West Virginia Water Development Authority)," in the principal amount of not more than $5,000,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2000 B Bonds remaining after capitalizing interest on the Series 2000 B Bonds, if any, shall be deposited in or credited to the Series 2000 B Bonds Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Series 2000 B Bonds shall be issued in such principal amounts; shall bear interest at such rate or rates, not exceeding the then legal maximum, payable semiannually on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Bonds shall be paid by check or draft of the Paying Agent mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2000 B Bonds shall be issued in the form of a single bond, fully registered to the Authority, with a debt service schedule attached, representing the aggregate principal amount of the Series 2000 B Bonds, all as provided in the Supplemental Resolution. The Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall be dated

as of the date specified in a Supplemental Resolution and shall bear interest from the date so specified therein.

Section 3.03. Execution of Bonds. The Series 2000 B Bonds shall be executed in the name of the Issuer by the Chairman, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2000 B Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 hereof, shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2000 B Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting any of said Bonds, shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Bonds remain outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of the Bonds.

The registered Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in

writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Bonds or transferring the registered Bonds are exercised, Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2000 B Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be canceled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2000 B Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Revenues as herein provided. No holder or holders of any of the Series 2000 B Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2000 B Bonds or the interest thereon.

Section 3.08. Bonds Secured by Pledge of Revenues. The payment of the debt service of the Series 2000 B Bonds shall be secured by a first lien on the Revenues. Such Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 2000 B Bonds are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2000 B Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2000 B Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2000 B Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2000 B Bonds to the original purchasers;

C. An executed and certified copy of the Bond Legislation;

D. An executed copy of the Loan Agreement;

E. A copy of the 2000 B O & M Agreement; and

F. The unqualified approving opinion of bond counsel on the Series 2000 B Bonds.

Section 3.10. Form of Bonds. The text of the Series 2000 B Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
PUTNAM COUNTY BUILDING COMMISSION
WATERWORKS LEASE REVENUE BOND,
SERIES 2000 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

No. BR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That the PUTNAM COUNTY BUILDING COMMISSION, a public corporation with perpetual existence and a county building commission in Putnam County, West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), in annual installments on _____ 1 of each year, commencing _____ 1, _____, as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference, with interest on each installment at the rate per annum set forth on said Exhibit A.

The interest on each installment shall run from the original date of delivery of this Bond to the Authority and payment therefor, and until payment of such installment, such interest shall be payable semiannually on _____ 1 and _____ 1 of each year, commencing _____ 1, 200____, as set forth on Exhibit A attached hereto. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of _____, _____, West Virginia, as registrar (the "Registrar"), on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, dated _____, 200____.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of a new public waterworks system of the Issuer (the "Project"); (ii) to pay interest on the Bonds of this Series (the "Bonds") during construction of the Project and for not more than 6 months thereafter; and (iii) to pay certain costs of issuance hereof and related costs. The Project, and any further additions, betterments or improvements thereto are herein called the "Series 2000 B Facilities." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 33 of the West Virginia Code of 1931, as amended (the "Act"), certain provisions of Chapter 8, Article 16 of the West Virginia Code of 1931, as amended (collectively with the Act, the "Bond Act"), and a Bond Ordinance duly enacted by the Issuer on January 5, 2000, and a Supplemental Resolution duly adopted by the Issuer on January ____, 2000 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Revenues (as defined in the Bond Legislation) and unexpended proceeds of the Bonds. The Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Revenues and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, in the event the 2000 B O & M Agreement or the Lease (as defined in the Bond Legislation) is terminated, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the Series 2000 B Facilities and the services rendered thereby, and shall take all such actions necessary to provide funds, which shall be sufficient, together with other revenues of the Series 2000 B Facilities, to provide for the reasonable expenses of operation, repair and maintenance of the Series 2000 B Facilities, and to leave a balance each year equal to at least 115% of the maximum amount of principal of and interest on the Bonds payable in any year, and all other obligations on a parity with the Bonds; provided, however, that so long as there exists in the Reserve Account created for the Bonds, an amount equal to the maximum amount of principal and interest which will become due on the Bonds in any year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, an amount equal to the requirements therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to the payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Revenues received by the Issuer has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, the PUTNAM COUNTY BUILDING COMMISSION has caused this Bond to be signed by its Chairman, and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated _____, 2000.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2000 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2000.

_____,
as Registrar

_____
Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2000 B Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Chairman is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed.

Section 3.12. "Amended Schedule A" Filing. Upon completion of acquisition and construction of the Project, the Issuer will file with the Authority a schedule in substantially the form of the "Amended Schedule A" to the Loan Agreement, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

(1) Revenue Fund;

(2) Renewal and Replacement Fund; and

(3) Series 2000 B Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with and shall be held by the Commission separate and apart from all other funds or accounts of the Commission and the Issuer and from each other:

(1) Series 2000 B Bonds Sinking Fund; and

(2) Series 2000 B Bonds Reserve Account (only in the event the 2000 B O & M Agreement or the Lease is terminated).

Section 5.03. Revenues; Flow of Funds. A. The entire Revenues received by the Issuer shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in this Bond Legislation. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority:

(1) So long as the 2000 B O & M Agreement is in effect, the Company shall be responsible for paying all Operating Expenses. In the event the 2000 B O & M Agreement is terminated, the Issuer shall first, each month, pay from the Revenue Fund all Operating Expenses.

(2) The Issuer shall next, on the first day of each month, commencing 7 months prior to the first date of payment of interest on the Series 2000 B Bonds for which interest has not

been capitalized, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 2000 B Bonds Sinking Fund, an amount equal to 1/6th of the amount of interest which will become due on the Series 2000 B Bonds on the next ensuing semiannual interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2000 B Bonds Sinking Fund and the next semiannual interest payment date is less than 7 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next semiannual interest payment date, the required amount of interest coming due on such date.

(3) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal of the Series 2000 B Bonds, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 2000 B Bonds Sinking Fund, an amount equal to 1/12th of the amount of principal which will mature and become due on the Series 2000 B Bonds on the next ensuing annual principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2000 B Bonds Sinking Fund and the next annual principal payment date is less than 13 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next annual principal payment date, the required amount of principal coming due on such date.

(4) In the event the 2000 B O & M Agreement or the Lease is terminated, the Issuer shall next, on the first day of the month immediately following termination of the Series 2000 B O & M Agreement or the Lease, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 2000 B Bonds Reserve Account, an amount equal to 1/120th of the Series 2000 B Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 2000 B Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2000 B Bonds Reserve Requirement.

(5) The Issuer shall next, from the moneys remaining in the Revenue Fund, on the first day of each month, commencing with the first month in which any of the above payments shall be payable from the Revenue Fund, transfer to the Renewal and Replacement Fund, a sum equal to $1,250.00. All funds in the

Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the Series 2000 B Facilities. In the event the 2000 B O & M Agreement or the Lease is terminated, the Issuer shall next, from the moneys remaining in the Revenue Fund, on the first day of the month immediately following termination of the Series 2000 B O & M Agreement or the Lease, transfer to the Renewal and Replacement Fund, a sum equal to 2 1/2% of all Revenues each month, exclusive of any payment for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the Series 2000 B Facilities; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof) shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

Moneys in the Series 2000 B Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2000 B Bonds as the same shall become due.

All investment earnings on moneys in the Series 2000 B Bonds Sinking Fund shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2000 B Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment due on the Series 2000 B Bonds, and then to the next ensuing principal payment due thereon, and, subsequently, for any lawful purpose of the Series 2000 B Facilities.

As and when additional Bonds ranking on a parity with the Series 2000 B Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the appropriate reserve account, if any,

in an amount equal to the maximum amount of principal and interest which will become due in any year for account of the Bonds of such series, including such additional parity Bonds.

The Issuer shall not be required to make any further payments into the Series 2000 B Bonds Sinking Fund when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2000 B Bonds issued pursuant to this Bond Legislation then Outstanding and all interest to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2000 B Bonds Sinking Fund created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into the Series 2000 B Bonds Sinking Fund shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Moneys in the Series 2000 B Bonds Sinking Fund shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2000 B Bonds Sinking Fund shall be used solely and only for, and is hereby pledged for, the purpose of servicing the Series 2000 B Bonds under the conditions and restrictions hereinafter set forth.

B. The Issuer shall on the first day of each month (if such day is not a business day, then the next succeeding business day) deposit with the Commission the required principal and interest payments with respect to the Series 2000 B Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

C. The Issuer shall complete the "Monthly Payment Form," a form of which is attached to the Loan Agreement, and submit a copy of said form along with a copy of its payment check to the Authority by the 5th day of such calender month.

D. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in the Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into such funds during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the Series 2000 B Facilities.

E. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such

additional sums as shall be necessary to pay their respective charges, fees and expenses then due. In the case of payments to the Commission under this paragraph, the Issuer shall, if required by the Authority at anytime, make the necessary arrangements whereby such required payments shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required.

F. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in any of the funds and accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

G. If on any monthly payment date the Revenues are insufficient to place the required amount in any of the funds and accounts as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the funds and accounts on the subsequent payment dates; provided, however, that the priority of curing deficiencies in the funds and accounts herein shall be in the same order as payments are to be made pursuant to this Section 5.03, and the Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

H. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited.

I. The Revenues shall only be used for purposes of the Series 2000 B Facilities.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the moneys received from the sale of any or all of the Series 2000 B Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2000 B Bonds, there shall first be deposited with the Commission in the Series 2000 B Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2000 B Bonds for the period commencing on the date of issuance of the Series 2000 B Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 2000 B Bonds, there shall first be credited to the Series 2000 B Bonds Construction Trust Fund and then paid, any and all other borrowings by the Issuer made for the purpose of temporarily financing a portion of the costs of the Project and any borrowings by the Issuer from the Authority, including interest accrued thereon to the date of such payment, not otherwise paid from funds of the Issuer.

C. The remaining moneys derived from the sale of the Series 2000 B Bonds shall be deposited with the Depository Bank in the Series 2000 B Bonds Construction Trust Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02 hereof.

D. The Depository Bank shall act as a trustee and fiduciary for the Bondholder with respect to the Series 2000 B Bonds Construction Trust Fund and shall comply with all requirements with respect to the disposition of the Series 2000 B Bonds Construction Trust Fund set forth in the Bond Legislation. Moneys in the Series 2000 B Bonds Construction Trust Fund shall be used solely to pay costs of the Project and until so transferred or expended, are hereby pledged as additional security for the Series 2000 B Bonds.

Section 6.02. Disbursements From the Bond Construction Trust Fund. Payments for costs of the Project shall be made monthly. Except as provided in Section 6.01 hereof, disbursements from the Series 2000 B Bonds Construction Trust Fund (except for the costs of issuance of the Series 2000 B Bonds which shall be made upon request of the Issuer), shall be made only after submission to the Depository Bank of a certificate, signed by an Authorized Officer and the Consulting Engineers, stating:

(A) That none of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;

(B) That each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a cost of the Project;

(C) That each of such costs has been otherwise properly incurred; and

(D) That payment for each of the items proposed is then due and owing.

In case any contract provides for the retention of a portion of the contract price, the Depository Bank shall disburse from the Series 2000 B Bonds Construction Trust Fund only the net amount remaining after deduction of any such portion. All payments made from the Series 2000 B Bonds Construction Trust Fund shall be presumed by the Depository Bank to be made for the purposes set forth in said certificate, and the Depository Bank shall not be required to monitor the application of disbursements from the Series 2000 B Bonds Construction Trust Fund. The Consulting Engineers shall from time to time file with the Depository Bank written statements advising the Depository Bank of its then authorized representative.

Pending such application, moneys in the Series 2000 B Bonds Construction Trust Fund, including any accounts therein, shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

After completion of the Project, as certified by the Consulting Engineers, and all Costs have been paid, the Depository Bank shall transfer any moneys remaining in the Series 2000 B Bonds Construction Trust Fund to the Issuer for deposit in the Revenue Fund. The Issuer shall thereafter, apply such moneys in full, first to the next ensuing interest payments due on the Series 2000 B Bonds and thereafter to the next ensuing principal payments due thereon.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2000 B Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2000 B Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2000 B Bonds or the interest thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2000 B Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the Revenues pledged for such payment by this Bond Legislation. No Holder or Holders of the Series 2000 B Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2000 B Bonds or the interest thereon.

Section 7.03. Bonds Secured by Pledge of Revenues. The payment of the debt service of the Series 2000 B Bonds shall be secured by a first lien on the Revenues. The Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 2000 B Bonds are hereby irrevocably pledged, in the manner provided herein, to the payments required under this Bond Legislation.

Section 7.04. Rates and Charges. The initial schedule of water rates and charges for the services and facilities of the Series 2000 A Facilities shall be those rates approved by the Public Service Commission of West Virginia, in the Commission Order entered on January 11, 2000, in Case No. 99-0674-PWD-PC-CN, which rates are incorporated herein by reference as a part hereof.

Section 7.05. Sale of the Series 2000 B Facilities. Except as otherwise permitted by State law or with the written consent of the Authority, and except as provided in the 2000 B O & M Agreement, the Series 2000 B Facilities may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Bonds Outstanding, or to effectively defease this Bond Legislation in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the Series 2000 B Facilities shall, with respect to the Series 2000 B Bonds, immediately be remitted to the

Commission for deposit in the Series 2000 B Bonds Sinking Fund, and, with the written permission of the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest on the Series 2000 B Bonds. Any balance remaining after the payment of all the Series 2000 B Bonds and interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the Series 2000 B Facilities.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the Series 2000 B Facilities hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of $10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the Series 2000 B Facilities is no longer necessary, useful or profitable in the operation thereof and authorize the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000 but not in excess of $50,000, the Issuer shall first, determine upon consultation with the Consulting Engineers that such property comprising a part of the Series 2000 B Facilities is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into such fund by other provisions of this Bond Legislation. No sale, lease or other disposition of the properties of the Series 2000 B Facilities shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the Series 2000 B Facilities. Provided, however, that the provisions of this paragraph are superseded by the terms of the 2000 B O & M Agreement, so long as such Agreement is in effect.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever payable from the Revenues which rank prior to, or equally, as to lien on and

source of and security for payment from such Revenues with the Series 2000 B Bonds, without the prior written consent of the Authority. All obligations issued by the Issuer after the issuance of the Series 2000 B Bonds and payable from the Revenues, except additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on, pledge and source of and security for payment from such Revenues and in all other respects, to the Series 2000 B Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2000 B Bonds, and the interest thereon, upon the Revenues, or upon the Series 2000 B Facilities or any part thereof.

The Issuer shall give the Authority prior written notice of its issuance of any other obligations to be used for the Series 2000 B Facilities, payable from the Revenues or from any grants, or any other obligations related to the Project or the Series 2000 B Facilities.

Section 7.07. RESERVED.

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of acquiring, constructing and installing the Project. The Issuer shall permit the Authority, or its agents and representatives, to inspect all books, documents, papers and records relating to the Series 2000 B Facilities at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the Authority such documents and information as it may reasonably require in connection with the acquisition, construction and installation of the Project, the operation and maintenance of the Series 2000 B Facilities and the administration of the loan or any grants or other sources of financing for the Project.

The Issuer shall permit the Authority, or its agents and representatives, to inspect all records pertaining to the operation and maintenance of the Series 2000 B Facilities at all reasonable times following completion of construction of the Project and commencement of operation thereof, or, if the Project is an improvement to an existing system, at any reasonable time following commencement of construction.

The Issuer will keep, or cause to be kept, books and records of the Series 2000 B Facilities, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the Series 2000 B Facilities, and any Holder of a Bond or Bonds issued pursuant to this Bond

Legislation shall have the right at all reasonable times to inspect the Series 2000 B Facilities and all parts thereof and all records, accounts and data of the Issuer relating thereto.

The accounting system for the Series 2000 B Facilities shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Issuer Body. The Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Issuer.

The Issuer shall file with the Consulting Engineers and the Authority or any other original purchaser of the Series 2000 B Bonds and shall mail in each year to any Holder or Holders of the Series 2000 B Bonds requesting the same, an annual report containing the following:

(A) A statement of Revenues and Operating Expenses.

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation and the status of all said funds and accounts.

(C) The amount of any Bonds, notes or other obligations payable from the Revenues Outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the Series 2000 B Facilities to be audited by Independent Certified Public Accountants in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto, to the extent legally required, and shall mail, upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2000 B Bonds and shall submit said report to the Authority, or any other original purchaser of the Series 2000 B Bonds. Such audit report submitted to the Authority shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Loan Agreement and this Bond Legislation and that the Revenues are adequate to meet the Issuer's Operating Expenses and debt service requirements.

Subject to the terms, conditions and provisions of the Loan Agreement and the Act, the Issuer has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in

accordance with the plans, specifications and designs prepared by the Consulting Engineers. All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Issuer.

The Issuer shall permit the Authority, or its agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction of the Project, the Issuer shall also provide the Authority, or its agents and representatives, with access to the Series 2000 B Facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority with respect to the Series 2000 B Facilities pursuant to the Act.

Section 7.09. Rates. In the event the 2000 B O & M Agreement or the Lease is terminated, the Issuer shall fix and collect rates, fees and other charges for use of the Series 2000 B Facilities, shall adjust and increase such rates, fees and other charges and shall take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement. In such event, the Issuer shall establish rates and charges sufficient together with other revenues of the Series 2000 B Facilities (i) to provide for all Operating Expenses of the Series 2000 B Facilities and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2000 B Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2000 B Bonds; provided that, in the event that an amount equal to or in excess of the Series 2000 B Bonds Reserve Requirement is on deposit in the Series 2000 B Bonds Reserve Account and any reserve accounts for obligations on a parity with the Series 2000 B Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest on the Series 2000 B Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2000 B Bonds.

Section 7.10. Operating Budget and Monthly Financial Report. In the event the 2000 B O & M Agreement is terminated, the Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by the Consulting Engineers, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased

expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of the Consulting Engineers that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority and to any Holder of any Bonds, within 30 days of adoption thereof, and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Authority and to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement, and forward a copy of such report to the Authority by the 10th day of each month.

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the Loan Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the Authority, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

The Issuer shall provide and maintain competent and adequate resident engineering services satisfactory to the Authority covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such resident engineer shall certify to the Authority and the Issuer at the completion of construction that construction of the Project is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

The Issuer shall employ qualified operating personnel properly certified by the State to operate the Series 2000 B Facilities so long as any of the Series 2000 B Bonds are Outstanding.

Section 7.12. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of, any franchise or permit to any person, firm, corporation, body, agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the Series 2000 B Facilities.

Section 7.13. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the Series 2000 B Facilities, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services of the Series 2000 B Facilities shall remain unpaid for a period of 30 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid, when due, shall become a lien on the premises served by the Series 2000 B Facilities. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the Series 2000 B Facilities, to all users of the services of the Series 2000 B Facilities delinquent in payment of charges for the services of the Series 2000 B Facilities and will not restore such services until all delinquent charges for the services of the Series 2000 B Facilities, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law.

Section 7.14. No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by the Series 2000 B Facilities, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality, officer or employee of the Issuer shall avail itself or themselves of the services provided by the Series 2000 B Facilities, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the Series 2000 B Facilities, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the Series 2000 B Facilities.

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as any of the Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain, or cause to be carried under the 2000 B O & M Agreement, insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the Series 2000 B Facilities. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the Series 2000 B Facilities in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

(2) PUBLIC LIABILITY INSURANCE, with limits of not less than $1,000,000 per occurrence to protect the Issuer and the Authority from claims for bodily injury and/or death and not less than $500,000 per occurrence from claims for damage to property of others which may arise from the operation of the Series 2000 B Facilities, and insurance with the same limits to protect the Issuer from claims arising out of operation or ownership of motor vehicles of or for the Series 2000 B Facilities.

(3) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SERIES 2000 B FACILITIES ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT BONDS, such bonds to be in the amounts of 100% of the construction contract and to be required of each contractor contracting directly with the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

(4) FLOOD INSURANCE, if the Series 2000 B Facilities are or will be located in designated special flood or mudslide-prone areas and to the extent available at reasonable cost to the Issuer.

(5) BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer.

(6) FIDELITY BONDS will be provided for every officer, member and employee of the Issuer having custody of the revenues or of any other funds of the Series 2000 B Facilities, in an amount at least equal to the total funds in the custody of any such person at any one time.

B. The Issuer shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project. In the event the Loan Agreement so requires, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear.

Section 7.16. Connections. To the extent permitted by the laws of the State and rules and regulations of the Public Service Commission of West Virginia, the Issuer shall require every owner, tenant or occupant of any house, dwelling or building intended to be served by the Series 2000 B Facilities to connect thereto.

Section 7.17. Completion of Project; Permits and Orders. The Issuer shall complete, or cause to be completed, the Project as promptly as possible and operate and maintain, or cause to be operated and maintained under the 2000 B O & M Agreement, the Series 2000 B Facilities in good condition and in compliance with all federal and state requirements and standards. The Issuer shall take all steps to properly operate and maintain the Series 2000 B Facilities and make all necessary repairs and replacements so long as the Series 2000 B Bonds are outstanding. To the extent maintenance is done by the Company, the Issuer shall enforce the provisions of the 2000 B O & M Agreement to fulfill this covenant.

The Issuer will obtain all permits required by state and federal laws for the acquisition and construction of the Project and all orders and approvals from the Public Service Commission of West Virginia and the West Virginia Infrastructure and Jobs Development Council necessary for the acquisition and construction of the Project and the operation of the Series 2000 B Facilities.

Section 7.18. Compliance with Loan Agreement and Law. The Issuer agrees to comply with all the terms and conditions of the Loan Agreement, the Act and all applicable laws, rules and regulations issued by the Authority, or other State, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the Series 2000 B Facilities.

Section 7.19. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2000 B Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

B. FURTHER ACTIONS. The Issuer will take any and all actions that may be deemed necessary by the Authority so that the interest on the obligations of the Authority, the proceeds of which were used by the Authority to purchase the Series 2000 B Bonds, will be and remain excludable from gross income for federal income tax purposes.

Section 7.20. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.21. Contracts; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2000 B Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the Authority for written approval. The Issuer shall obtain the written approval of the Authority before expending any proceeds of the Series 2000 B Bonds held in "contingency" as set forth in the Schedule A attached to the Loan Agreement. The Issuer shall also obtain the written approval of the Authority before expending any proceeds of the Series 2000 B Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding provided by the and Authority in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any ground breaking or dedication of the Project.

Section 7.22. Deed of Trust and Security Agreement. The Issuer shall grant for the benefit of the Authority a deed of trust and security interest in the Series 2000 B Facilities.

ARTICLE VIII

INVESTMENT OF FUNDS

Section 8.01. Investments. Any moneys held as a part of the funds and accounts created by this Bond Legislation, other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Bond Legislation, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission, the Depository Bank, or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank may make any and all investments permitted by this section through its own investment or trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2000 B Bonds are Outstanding.

Section 8.02. RESERVED.

Section 8.03. RESERVED.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2000 B Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest on any Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Bonds set forth in this Bond Legislation, any supplemental resolution or in the Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or

(3) If the Issuer or Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Series 2000 B Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including, but not limited to, the making and collection of sufficient rates or charges for services rendered by the Series 2000 B Facilities, (iii) bring suit upon the Bonds; (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Series 2000 B Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and, after commencement of operation of the Series 2000 B Facilities, the making and collection of sufficient rates and charges for services rendered by the Series 2000 B Facilities and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond shall, in addition to all

other remedies or rights, have the right, by appropriate legal proceedings, to obtain the appointment of a receiver to administer the Series 2000 B Facilities or to complete the acquisition and construction of the Project on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the Series 2000 B Facilities, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

The receiver so appointed shall forthwith, directly or by his or her or its agents and attorneys, enter into and upon and take possession of all facilities of said Series 2000 B Facilities and shall hold, operate and maintain, manage and control such facilities, and each and every part thereof, and in the name of the Issuer exercise all the rights and powers of the Issuer with respect to said facilities as the Issuer itself might do.

Whenever all that is due upon the Bonds and interest thereon and under any covenants of this Bond Legislation for reserve, sinking or other funds and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the revenues of the Series 2000 B Facilities shall have been paid and made good, and all defaults under the provisions of this Bond Legislation shall have been cured and made good, possession of the Series 2000 B Facilities shall be surrendered to the Issuer upon the entry of an order of the court to that effect. Upon any subsequent default, any Registered Owner of any Bonds shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver, in the performance of the powers hereinabove conferred upon him or her or it, shall be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court and may be removed thereby, and a successor receiver may be appointed in the discretion of such court. Nothing herein contained shall limit or restrict the jurisdiction of such court to enter such other and further orders and decrees as such court may deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

Any receiver appointed as provided herein shall hold and operate the Series 2000 B Facilities in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the Series 2000 B Facilities, but the authority of such receiver shall be limited to the completion of the Project and the possession, operation and maintenance of the Series 2000 B Facilities for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of said Series 2000 B Facilities shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the Series 2000 B Facilities.

In the event that the Bondholder should exercise its rights under this Article IX or any other rights available to it provided under law upon the occurrence of a default by the Issuer, and the 2000 B O & M Agreement has not been terminated, the 2000 B O & M Agreement shall remain in effect.

ARTICLE X

DEFEASANCE

Section 10.01. Defeasance of Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all of the Series 2000 B Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2000 B Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

Series 2000 B Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due either at maturity or at the next redemption date, the principal installments of and interest on such Series 2000 B Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2000 B Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agent, either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with other moneys, if any, deposited with the Commission at the same time, shall be sufficient to pay when due the principal installments of and interest due and to become due on said Series 2000 B Bonds on and prior to the next redemption date or the maturity dates thereof. Neither securities nor moneys deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal installments of and interest on said Series 2000 B Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission or its agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal installments of and interest to become due on said Bonds on and prior to the next redemption date or the maturity dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Commission or its agent, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2000 B Bonds, this Ordinance may be amended or supplemented in any way by Supplemental Resolution. Following issuance of the Series 2000 B Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Bonds shall be made without the consent in writing of the Registered Owners of the Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds required for consent to the above-permitted amendments or modifications.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution thereto, or the Series 2000 B Bonds.

Section 11.04. Headings, Etc. The headings and catchlines of the articles, sections and subsections hereof are for convenience of reference only, and shall not affect in any way the meaning or interpretation of any provision hereof.

Section 11.05. Conflicting Provisions Repealed. All ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required

by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Chairman, the Secretary and members of the Issuer were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.07. Effective Date. This Ordinance shall take effect immediately following the public hearing and final reading hereof.

Section 11.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Issuer to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in the Charleston Gazette, a newspaper of general circulation in Putnam County, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Bonds, and that any person interested may appear before the Issuer upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Issuer for review by interested persons during office hours of the Issuer. At such hearing, all objections and suggestions shall be heard and the Issuer shall take such action as it shall deem proper in the premises.

Passed on First Reading:	-	December 15, 1999
Passed on Second Reading:	-	December 22, 1999
Passed on Final Reading Following Public Hearing:	-	January 5, 2000

Chairman

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the PUTNAM COUNTY BUILDING COMMISSION on the 5th day of January, 2000.

Dated: January 27, 2000.

[SEAL]

Secretary

01/05/99
731000.97001

EXHIBIT A

[Loan Agreement attached to bond transcript as Document 3.]

PUTNAM COUNTY BUILDING COMMISSION

Waterworks Lease Revenue Bonds, Series 2000 B
(West Virginia Water Development Authority)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATERWORKS LEASE REVENUE BONDS, SERIES 2000 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), OF THE PUTNAM COUNTY BUILDING COMMISSION; AMENDING CERTAIN PROVISIONS OF THE ORDINANCE AUTHORIZING THE BONDS; AUTHORIZING AND APPROVING AN AGREEMENT AND LEASE, A DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING, A LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Putnam County Building Commission (the "Issuer"), has duly and officially adopted and enacted a bond ordinance, effective January 5, 2000 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF A NEW PUBLIC WATERWORKS SYSTEM OF THE PUTNAM COUNTY BUILDING COMMISSION AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE ISSUER OF NOT MORE THAN $5,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2000 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY);

PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Ordinance;

WHEREAS, the Bond Ordinance provides for the issuance of Waterworks Lease Revenue Bonds, Series 2000 B (West Virginia Water Development Authority), of the Issuer (the "Series 2000 B Bonds"), in the aggregate principal amount not to exceed $5,000,000, and has authorized the execution and delivery of a loan agreement relating to the Bonds to be dated the date of delivery of the Bonds (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), all in accordance with Chapter 8, Article 33 and Chapter 8, Article 16 of the West Virginia Code of 1931, as amended (the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

WHEREAS, the Loan Agreement has been presented to the Issuer at this meeting;

WHEREAS, the Bonds are proposed to be purchased by the Authority pursuant to the Loan Agreement; and

WHEREAS, the Putnam County Building Commission deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreement and other documents herein described be approved and entered into by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provision, the interest rate, the interest and principal payment dates and the sale price of the

Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE PUTNAM COUNTY BUILDING COMMISSION:

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Waterworks Revenue Bonds, Series 2000 B (West Virginia Water Development Authority), of the Issuer, originally represented by a single Bond, numbered BR-1, in the principal amount of $3,800,000. The Series 2000 B Bonds shall be dated the date of delivery thereof, shall finally mature June 1, 2039, shall bear interest at the rates per annum as set forth on Schedule Y which rates shall not exceed 6.5%, payable semiannually on June 1 and December 1 of each year, beginning June 1, 2000. The Series 2000 B Bonds shall be payable in annual installments of principal on June 1 of each year, commencing June 1, 2001, and ending June 1, 2039, and in the amounts as set forth in "Schedule Y," attached to the Loan Agreement and incorporated in and made a part of the Bonds. The Series 2000 B Bonds shall be subject to redemption upon the written consent of the Authority, and upon payment of the interest and redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority is the registered owner of the Bonds. The Issuer does hereby approve and shall pay the administrative fee set forth in the "Schedule Y" attached to the Loan Agreement. The Authority will purchase the Series 2000 B Bonds at the price of $3,650,862.95

Section 2. All other provisions relating to the Bonds and the text of the Bonds shall be in substantially the forms provided in the Bond Ordinance, as amended by Section 6 of this Supplemental Resolution. The revised Form of Bond is attached hereto as Exhibit A.

Section 3. The Issuer does hereby authorize, approve and accept the Loan Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Chairman and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, directed and approved.

Section 4. The Issuer does hereby authorize, approve and accept the Agreement and Lease of Series 2000 B Facilities, a copy of which is incorporated herein by reference, and the execution and delivery of the Agreement and Lease of Series 2000 B Facilities by the Chairman and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, directed and approved.

Section 5. The Issuer does hereby authorize, approve and accept the Deed of Trust, Security Agreement and Fixture Filing, a copy of which is incorporated herein by

reference, and the execution and delivery of the Deed of Trust, Security Agreement and Fixture Filing by the Chairman and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, directed and approved.

Section 6. Pursuant to Section 11.01 of the Ordinance, the Ordinance shall be amended as reflected in Exhibit B attached hereto.

Section 7. The Issuer does hereby appoint and designate One Valley Bank, National Association, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds under the Bond Ordinance and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, approved and directed.

Section 8. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds under the Bond Ordinance.

Section 9. The Issuer does hereby appoint and designate City National Bank of West Virginia, Eleanor, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 10. Series 2000 B Bonds proceeds in the amount of $-0- shall be deposited in the Series 2000 B Bonds Sinking Fund, as capitalized interest.

Section 11. The balance of the proceeds of the Series 2000 B Bonds shall be deposited in or credited to the Series 2000 B Bonds Construction Trust Fund for payment of costs of the Series 2000 B Facilities, including costs of issuance of the Bonds.

Section 12. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about January 27, 2000, to the Authority pursuant to the Loan Agreement.

Section 13. The acquisition and construction of the Series 2000 B Facilities and the financing thereof in part with proceeds of the Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 14. The Issuer hereby determines that it is in the best interest of the Issuer to invest all moneys in the funds and accounts established by the Bond Ordinance held

by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such moneys to be invested in such repurchase agreements or time accounts, until further directed in writing by the Issuer. Moneys in the Series 2000 B Bonds Sinking Fund, including the Series 2000 B Bonds Reserve Account therein (only in the event the 2000 B O & M Agreement is terminated), shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 15. All contracts relating to the financing, acquisition and construction of the Series 2000 B Facilities are hereby approved and the Chairman is hereby authorized and directed to execute and deliver all such contracts.

Section 16. All provisions of the Loan Agreement are incorporated herein and made a part hereof and to the extent any provision of the Loan Agreement conflicts with any provision of the Bond Ordinance, the Loan Agreement shall prevail and the conflicting provision of the Bond Ordinance is hereby repealed.

Section 17. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 26th day of January, 2000.

Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the PUTNAM COUNTY BUILDING COMMISSION on the 26th of January, 2000.

Dated: January 27, 2000.

[SEAL]

Secretary

01/26/00
731000/97001

EXHIBIT A

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
PUTNAM COUNTY BUILDING COMMISSION
WATERWORKS LEASE REVENUE BOND,
SERIES 2000 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

No. BR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That the PUTNAM COUNTY BUILDING COMMISSION, a public corporation with perpetual existence and a county building commission in Putnam County, West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), in annual installments on _____ 1 of each year, commencing _____ 1, _____, as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference, with interest on each installment at the rate per annum set forth on said Exhibit A.

The interest on each installment shall run from the original date of delivery of this Bond to the Authority and payment therefor, and until payment of such installment, such interest shall be payable semiannually on _____ 1 and _____ 1 of each year, commencing _____ 1, 200____, as set forth on Exhibit A attached hereto. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of _____, _____, West Virginia, as registrar (the "Registrar"), on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, dated _____, 200____.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of a new public waterworks system of the Issuer (the "Project"); (ii) to pay interest on the Bonds of this Series (the "Bonds") during construction of the Project and for not more than 6 months thereafter; and (iii) to pay certain costs of issuance hereof and related costs. The Project, and any further additions, betterments or improvements thereto are herein called the "Series 2000 B Facilities." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 33 of the West Virginia Code of 1931, as amended (the "Act"), certain provisions of Chapter 8, Article 16 of the West Virginia Code of 1931, as amended (collectively with the Act, the "Bond Act"), and a Bond Ordinance duly enacted by the Issuer on January 5, 2000, and a Supplemental Resolution duly adopted by the Issuer on January ____, 2000 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Revenues (as defined in the Bond Legislation) and unexpended proceeds of the Bonds. The Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Revenues and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, in the event the 2000 B O & M Agreement or the Lease (as defined in the Bond Legislation) is terminated, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the Series 2000 B Facilities and the services rendered thereby, and shall take all such actions necessary to provide funds, which shall be sufficient, together with other revenues of the Series 2000 B Facilities, to provide for the reasonable expenses of operation, repair and maintenance of the Series 2000 B Facilities, and to leave a balance each year equal to at least 115% of the maximum amount of principal of and interest on the Bonds payable in any year, and all other obligations on a parity with the Bonds; provided, however, that so long as there exists in the Reserve Account created for the Bonds, an amount equal to the maximum amount of principal and interest which will become due on the Bonds in any year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, an amount equal to the requirements therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to the payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Revenues received by the Issuer has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, the PUTNAM COUNTY BUILDING COMMISSION has caused this Bond to be signed by its Chairman, and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated _____, 2000.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2000 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2000.

_____,
as Registrar

_____
Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

_____

In the presence of:

_____

EXHIBIT B

See Tab 3 - Conformed Ordinance