

Date/Time: Jul. 7. 2003 11:39AM

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 2003 JUL -8 AM 11:56  
 IDAHO PUBLIC UTILITIES COMMISSION

BIT-W-03-01

Reason for error

- M.1) Hang up or line fail
- M.3) No answer

- E.2) Busy
- E.4) No facsimile connection

**PURCHASE AGREEMENT FOR SALE OF COMPANY STOCK**

In consideration of ONE DOLLAR (\$1.00) plus other good and valuable consideration, which amount is paid to Bruce Burnett, hereinafter called Seller, through the offices of Norman Gibed, Attorney at Law, of Coeur d'Alene, Idaho receipt of which is hereby acknowledged, Seller hereby agrees to sell and grant to Kenneth and Cathy Eickel of Kootenai County, Idaho, hereinafter called Purchasers, his heirs and assigns, the company stock of Bitterroot Water Company, Inc., consisting of 100,00 shares of stock the sole property of Seller situated in the County of Kootenai, State of Idaho. The Parties hereto acknowledge that the Company owns all and any buildings and all other improvements thereon, all easements, rights of way, and appurtenances thereto, and right, title, and interest in all public ways adjoining the property and all the personal property on or employed in connection with the company stocks, sufficient to operate a Public Utility to supply water to its Clients.

This agreement is made and based on the following terms and conditions:

**SECTION ONE**

**PRICE AND TERMS OF PAYMENT**

The purchase price for the 100,00 shares of stock shall be FIFTY THOUSAND DOLLARS (\$50,000.00) and payable as follows:

1. Seller, hereby, acknowledges the receipt of TWENTY FIVE THOUSAND DOLLARS (\$25,000.00) as and for 50,000 shares of stocks.
2. For the payment of said amount, Seller will convey 50,000 shares of stock to buyer at closing.
3. The balance of the purchase price, which is TWENTY FIVE THOUSAND DOLLARS (\$25,000.00) shall be paid as follows:
  - a. Interest shall be 8% per annum, commencing June 1, 2003
  - b. Payments shall be 303.32 per month, with the first payment being due on the 15<sup>th</sup> day of the month following the month in which the Idaho Public Utilities commission approves the stock transfer. Said payments will be due month to month henceforth until the balance is paid in full.

## PURCHASE AGREEMENT FOR SALE OF COMPANY STOCK

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c. Payments will apply first to the interest and second to the principal.

4. Buyer shall execute a Promissory Note secured on the remaining stocks, naming Bruce Bennett as Payee which document will be held by Seller pending final payment and completion of this Purchase Agreement and all the terms hereunder.

5. All "skip payments", of which there shall not be more than five (5) in a calender year, shall be brought current on or before the 1<sup>st</sup> day of July the following year.

## **SECTION TWO**

### **P.U.C. APPROVAL**

This agreement, as set forth herein, to purchase the remaining stocks over time shall be effective as of June 1, 2003 . Once the Idaho Public Utilities Commission has approved the sale of stock, Purchasers shall give notice of the Idaho Public Utilities Commission's decision SELLER Bruce Burnett, at 4240 Old Seward Hwy, Ste 13, Anchorage, Ak 99503 or within thirty (30) days following receipt of the approval from the Idaho Public Utilities Commission.

## **SECTION THREE**

### **TITLE**

Seller is in receipt of documentation, satisfactory to themselves, of the merchantable title to any buildings and all other improvements thereon, all easements, rights of way, and appurtenances thereto, and all of the Corporation's right, title, and interest in all public ways adjoining the property and all the personal property on or employed in connection with the Corporation sufficient to operate a Public Utility and supply water to its clientele.

Title to the stock of the Corporation conveyed to Purchaser, as herein provided, shall be merchantable, free and clear of all liens, encumbrances or restrictions.

## **SECTION FOUR**

### **CLOSING AND DEFAULT**

An escrow shall be not opened, however, Seller will retain possession of the balance of the shares of the Company stock and the Promissory Note until the same is paid in full.

Any taxes and assessments for the current year, water rents due but not delinquent, rentals under existing leases and tenancies shall be prorated between the parties as of the date of June 1, 2003.

The sale transaction shall be closed within Thirty (30) days of Idaho Public Utility Commission approval. The Promissory Note executed under Section One shall be delivered to seller. Any violation or non compliance with any term and condition herein shall be deemed default of this Agreement and the non-defaulting party, at his/her discretion, can terminate this agreement or waive defaults. A waiver of default is not a waiver of any future defaults. shall be The laws and statutes of the State of Idaho shall apply to this Agreement. Venue shall be in Kootenai County, State of Idaho.

#### **SECTION FIVE**

##### **INSURANCE AND RISK OF LOSS**

Seller warrants that there is current and, existing fire and public liability insurance.

Risk of loss from fire or other casualty to any improvements of the property shall be the Corporation's.

#### **SECTION SIX**

##### **NOTICES**

Any notice hereunder shall be given in writing to the party for whom it is intended in person or by registered mail at the following address, or such future address as may be designated in writing to:

Seller,            Bruce Burnett,  
                         4240 Old Seward Hwy, Ste 13,  
                         Anchorage, Alaska 99503;

Purchaser ,       Cathy and Kenneth Rickel  
                         P.O. Box 1261,  
                         Hayden Lake, State of Idaho 83835;

or to any successor assignee of either party, at the address stated in the notice of succession or assignment.

**SECTION SEVEN  
SIGNATURES**

This Agreement and the Promissory Note resulting from the Agreement shall be binding upon the heirs, administrators, executors, successors, and assigned Parties. All rights of Purchasers hereunder may not be assigned unless written permission is granted by Seller.

**SECTION EIGHT  
ASSIGNMENT AND SUCCESSION**

This agreement and the Promissory Note resulting from the agreement shall bind and inure to the benefit of the heirs, administrators, executors, successors, and assigns of the respective parties. All rights of purchaser hereunder may not be assigned unless written permission is granted by Seller.

**SECTION NINE  
TIME**


Time is of the essence of this Agreement.


**SECTION TEN  
CERTIFICATE OF HOLDER**

The Certificate for Bitterroot Water Company, Inc. will not change as a result of this transaction.

Executed in duplicate on \_\_\_\_\_, 2003.

\_\_\_\_\_  
ROBERT BRUCE BURNETT  
SELLER

  
\_\_\_\_\_  
KENNETH RICKEL  
PURCHASER

  
\_\_\_\_\_  
CATHY RICKEL  
PURCHASER

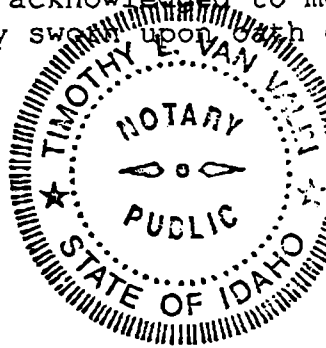
STATE OF ALASKA )  
 ) ss.  
County of \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 2003, before me,  
\_\_\_\_\_, a Notary Public, personally appeared ROBERT  
BRUCE BURNETT, known or identified to me to be the President, or  
Vice-President, or Secretary or assistant Secretary of the the  
corporation that executed the instrument on behalf of said  
corporation, and acknowledged to me that such corporation  
executed the same

\_\_\_\_\_  
NOTARY PUBLIC IN AND FOR  
THE STATE OF ALASKA  
RESIDING AT:  
MY COMMISSION EXPIRES:

STATE OF IDAHO )  
 ) ss.  
County of Kootenai )

On this 24 day of July, 2003, before me, Timothy L.  
Van Valin, a Notary Public, personally appeared KENNETH  
RICKEL and CATHY RICKEL, Husband and Wife, known or identified to  
me as the persons whose names are subscribed to the within  
instrument, and acknowledged to me that they executed the same  
being first duly sworn upon oath deposes and says:



[Signature]  
NOTARY PUBLIC IN AND FOR  
THE STATE OF IDAHO  
RESIDING AT:  
MY COMMISSION EXPIRES:

**SECTION EIGHT**

**ASSIGNMENT AND SUCCESSION**

This Agreement and the Promissory Note resulting from the Agreement shall be binding upon the heirs, administrators, executors, successors, and assigns of the parties. All rights of PURCHASERS hereunder may not be assigned unless written permission is granted by SELLER.

**SECTION NINE**

**TIME**

Time is of the essence of this Agreement.

**SECTION TEN**

**CERTIFICATE HOLDER**

The Certificate Holder for BITTERROOT WATER COMPANY will not change as a result of this transaction.

Executed in duplicate on the 3 day of July

2003.

**SELLER AND  
SOLE STOCKHOLDER:**

Robert Bruce Burnett  
ROBERT BRUCE BURNETT

**PURCHASERS:**

KENNETH RICKEL

CATHY RICKEL

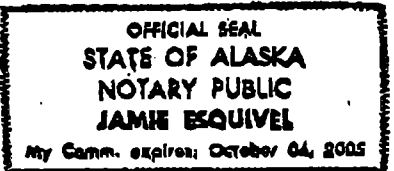
STATE OF ALASKA )

County of \_\_\_\_\_ ) ss.

On this 3rd day of \_\_\_\_\_

July, 2003, before me,

a Notary Public, personally appeared ROBERT BRUCE BURNETT, known or identified to me to be the President, or Vice-President, or Secretary or Assistant Secretary, of the corporation that executed the instrument, or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.



Jamie Esquivel  
Notary Public in and for the State of Alaska  
Residing at: Anchorage, AK  
My Commission Expires: 10-04-2005

STATE OF IDAHO )

County of Kootenai ) ss.

On this \_\_\_\_\_ day of \_\_\_\_\_, 2003, before me,

a Notary Public, personally appeared KENNETH RICKEL and CATHY RICKEL, Husband and Wife, known or identified to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

Notary Public in and for the State of Idaho  
Residing at: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_