

**SECOND AMENDMENT TO MUNICIPAL WATER AND WASTEWATER
UTILITY SYSTEM CONCESSION AND LEASE AGREEMENT**

This **SECOND AMENDMENT TO MUNICIPAL WATER AND WASTEWATER UTILITY SYSTEM CONCESSION AND LEASE AGREEMENT** (this "Amendment"), made as of the 31st day of October, 2014 between by and between the **Middletown Borough Authority**, a body corporate and politic (the "Authority"), duly organized under the Pennsylvania Municipality Authorities Act, Act of June 19, 2001, P.L. 287, 53 Pa.C.S. §5601 *et seq.* (the "Municipal Authorities Act") and incorporated by appropriate legal action of the Borough, and **Middletown Water Joint Venture LLC**, a Delaware Limited Liability Company (the "Concessionaire"). This Amendment is subject to a joinder, for certain purposes, by the **Borough of Middletown, Dauphin County Pennsylvania** (the "Borough"), a duly organized and validly existing political subdivision of the Commonwealth of Pennsylvania under the Borough Code, Act of Apr. 18, 2014, P.L. 432, 8 Pa.C.S. §101 *et seq.* (the "Borough Code") as more fully described in Article 20 of that certain Municipal Water and Wastewater Utility System Concession and Lease Agreement between the Authority and the Concessionaire bearing even date herewith (the "Agreement").

W I T N E S S E T H:

WHEREAS:

- (a) The Authority and the Concessionaire have entered into the Agreement effective September 30, 2014; and
- (b) The Authority and the Concessionaire, with the consent and joinder of the Borough, wish to amend further the Agreement as hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Parties agree as follows:

1. All capitalized terms used in this Amendment and not otherwise defined shall have the respective meanings set forth in the Agreement.

2. Section 1.1 of the Agreement is amended by amending restating the definition of "System Assets" to read as follows:

"System Assets" means the personal property of the Authority used in connection with operations at the System set forth on Schedule 5. Within 45 days of executing this Agreement, the Concessionaire can amend Schedule 5 to remove assets it would prefer that the Authority retain. Notwithstanding any provision herein to the contrary, the Concessionaire shall have no obligation to repair, replace or return the System Assets to the Borough on the End Date.

3. The number "30" appearing in the second to last sentence of the definitions of Wastewater Utility System and Water Plant Distribution System in Section 1.1 is hereby deleted, and the number "45" is inserted in lieu thereof.


4. In all other respects, the Agreement shall remain unchanged.

IN WITNESS WHEREOF, each of the parties hereto and to the Agreement has executed this Amendment as of the day and year first above written.

MIDDLETOWN BOROUGH AUTHORITY

By: _____
John L. Patten, Chairman

MIDDLETOWN WATER JOINT VENTURE LLC

By:  _____
(Name) Brandon Freeman
(Title) Director

The Borough of Middletown, Pennsylvania hereby executes a limited joinder to the foregoing Amendment for the purposes more fully specified in Article 20 of the Agreement, as amended hereby.

BOROUGH OF MIDDLETOWN, PENNSYLVANIA

By: _____
(Name)
(Title)

4. In all other respects, the Agreement shall remain unchanged.

IN WITNESS WHEREOF, each of the parties hereto and to the Agreement has executed this Amendment as of the day and year first above written.

MIDDLETOWN BOROUGH AUTHORITY

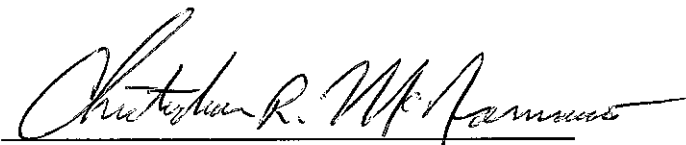
By: 
John L. Patten, Chairman

MIDDLETOWN WATER JOINT VENTURE LLC

By: _____
(Name)
(Title)

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BOROUGH OF MIDDLETOWN, PENNSYLVANIA

By: 
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(Title)