

**TIMOTHY L. VAN VALIN**  
*Attorney at Law*

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IDAHO PUBLIC  
UTILITIES COMMISSION  
Phone (208) 687-3615  
Fax (208) 687-2359

June 25, 2003

Public Utilities Commission  
Attn: Commission Secretary  
FAXED: 208-334-3762

re BIT-W-03-01  
Cert. #319

Dear Secretary,

Accompanying this FAX please find the amended Purchase Agreement for Sale of Company Stock in the above numbered case. Please ignore the previous attachment in its entirety. Thank you.

Sincerely,

TIM VAN VALIN  
Attorney at Law

## 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 Norm Gissel, Attorney at Law, of Coeur d'Alene, Idaho receipt of which is hereby acknowledged, Seller hereby agrees to sell and grant to Ken and Cathy Rickel of Kootenai County, Idaho, hereinafter called Purchasers, his heirs and assigns, the company stock of Bitterroot Water Company, Inc., 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 all of seller's 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 Clientele. The company stocks described are hereinafter referred to as "the stocks".

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

### SECTION ONE

#### PRICE AND TERMS OF PAYMENT

The purchase price for the stocks shall be FIFTY THOUSAND DOLLARS (\$50,000.00) at eight percent (8%) interest. Seller, hereby, acknowledges the receipt of TWENTY FIVE THOUSAND DOLLARS (\$25,000.00) as and for one half ( $\frac{1}{2}$ ) the stock of the stocks contingent on the approval of the Idaho Public Utilities Commission for said sale of said stocks. The balance of the purchase price, which is TWENTY FIVE THOUSAND DOLLARS (\$25,000.00) shall be paid as follows commencing no less than thirty (30) days after approval by the Idaho Public Utilities Commission and represent the purchase of the balance of the stocks:

1. Purchaser shall make monthly payments to the Seller in the amount of \$303.32 for a period of ten (10) years.
2. The escrow holder is instructed to hold the file open and be prepared to close upon request. Prorates to be done as of the day of closing.
3. Purchaser shall have the right to operate the business in a beneficial manner and enjoy the fruits thereof.

4. Purchaser shall not have the right to encumber the business in any way until this transaction is completed.

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

6. All payments are due on or before the first of each month at 5:00 p.m. commencing with the 15th day of the month immediately following the approval of the purchase of the stocks by the Idaho Public Utilities Commission. All "skip payments" during the winter months shall be brought current on or before the 1<sup>st</sup> day of July the following year.

7. The first payment under this agreement shall be due and payable on or before 5:00 p.m. July 15, 2003.

## **SECTION TWO**

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

This agreement to purchase the remaining stocks over time shall be effective as of June 1, 2003 by notice having been given to seller at the offices of Norm Gissel, Attorney at Law, City of Coeur d'Alene, County of Kootenai, State of Idaho, or at any time prior to the expiration of the thirty (30) days immediately following receipt of the approval from the Idaho Public Utilities Commission.

## **SECTION THREE**

### **TITLE**

Seller shall within 14 days after notice, as stated in Section Two, delivery to purchaser, for examination by his attorneys, evidence of 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. Within a reasonable time thereafter, purchaser shall give notice in writing to seller of any defects in or objections to the title as so evidenced, and seller shall clear the title of the defects and objections so specified.

Title to be conveyed as herein provided shall be merchantable title, free and clear of all

liens, encumbrances or restrictions.

**SECTION FOUR**  
**CLOSING AND DEFAULT**

An escrow shall be not opened.

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 as of June 1, 2003. The Promissory Note executed under Section One shall be delivered to seller. Furthermore, any violation or non compliance with any term and condition herein shall be deemed default of this Agreement and either party, at his discretion, can terminate this agreement or waive deficiencies. Any defaults filed or sued upon shall be subject to the laws and statutes of the State of Idaho.

**SECTION FIVE**  
**POSSESSION AND RISK OF LOSS**

Seller shall continue in possession of the business until Purchaser takes possession, and buyer shall maintain the same in its present condition excluding the right to work in the business in a beneficial manner to seller. Possession shall be transferred to purchaser at closing.

Risk of loss from fire or other casualty to any improvements of the property shall be purchaser's upon Purchaser taking possession.

**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 the seller, at the offices of Bruce Burnett, 123 Fireweed Lane, Anchorage, Alaska 99503; to the purchaser at P.O. Box 1261, Hayden Lake, State of Idaho 83835; to any successor assignee of either party, at the address stated in the notice of succession or assignment.

SECTION SEVEN

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.

Executed in duplicate on JUNE 19, 2003.

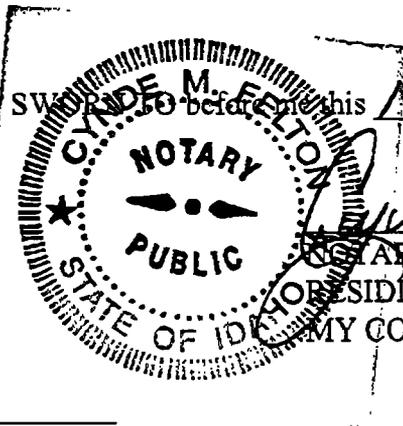
*Ken Rickel*

KEN RICKEL  
PURCHASER  
SELLER

*Cathy Rickel*

CATHY RICKEL  
PURCHASER

SUBSCRIBED AND SWORN TO before me this 19th day of June, 2003.



NOTARY PUBLIC FOR: Idaho  
RESIDING AT: Hayden  
MY COMMISSION EXPIRES: 04-2-06

BRUCE BURNETT  
STOCKHOLDER  
SELLER

SUBSCRIBED AND SWORN TO before me this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

NOTARY PUBLIC FOR:  
RESIDING AT:  
MY COMMISSION EXPIRES: