

PSC NO: 3 – WATER**COMPANY: NEW YORK AMERICAN WATER COMPANY, INC.****INITIAL EFFECTIVE DATE: October 14, 2012**

Issued in compliance with order in Case 12-W-0217 dated 08/17/2012

LEAF: 47**REVISION: 0****SUPERSEDING REVISION:****GENERAL INFORMATION****H. Construction Loan Agreement for an Applicant Who Cannot Qualify as a Reasonably Permanent Customer with Applicant Performed Installation*. (Cont'd)**

SIXTH: The title to the mains, fire hydrants, and service connections furnished and installed by the Applicant shall be and remain the sole property of the Company and the extension shall be and remain in a part of the distribution system of the Company for all purposes. The Applicant shall provide the Company with appropriate documentation conveying ownership. Should further or additional longitudinal or lateral extensions be made from any point on this extension, the additional customer on the additional main extension shall be charged a pro rata share of the unrefunded costs advanced by the Applicant times the percentage of the remaining refund period to the total refund period of ten (10) years. The amount so charged to the additional customer shall be credited to the Applicant.

SEVENTH: To indemnify and hold the Company harmless from and against any and all direct or indirect loss or expense, including without limitations any attorneys' fees or costs, relating to any damage or injury, including death, to any property or any person arising from, or occurring in connection with, its performance of any work contemplated by this Agreement, irrespective of whether any such damage or injury is caused by or results from the negligence of the Applicant or any officer, agent, employee or contractor of the Applicant or arising from or occurring in connection with any breach of this Agreement by the Applicant.

EIGHTH: Insurance – The Applicant agrees to provide, at its own expense, the following insurance coverages:

The Contractor shall not commence work under the Contract until he has obtained all insurance required under this section and such insurance has been approved by the Company, nor shall the Contractor allow any Subcontractor to commence work on his subcontract until all similar insurance required of the Subcontractor has been so obtained and approved. Certificates of Insurance will be provided to the Company evidencing the required insurance listed below.

The Certificate of Insurance will be signed by an authorized representative of the insurance company(s). The authorized representative of the insurance company(s) shall include a statement certifying that all required insurance coverage and the amounts specified hereinafter are provided by the listed policies.

All insurance will be written on an occurrence basis. Contractor shall provide the following minimum amounts of insurance and require all Subcontractors to provide the following minimum amounts of insurance.

Type of Insurance	Amount of Insurance
Commercial General Liability	General Aggregate: \$2,000,000
	Products and Completed Operations Aggreg: \$2,000,000
	Personal & Advertising Injury: \$1,000,000
	Each Occurrence: \$1,000,000
	Fire Damage (any one fire): \$100,000

Issued by: William M. Varley, President, 733 Sunrise Hwy., Lynbrook, NY 11563
(Name of Officer, Title, Address)