LENTZ WASTEWATER MANAGEMENT, Inc.

www.lentzwastewater.com

Subsurface (Type IV) Inspection and Maintenance Agreement

Agreement between:

ELG Investments, LLC and Lentz Wastewater Management, Inc

ELG Investments,
LLC
109 Jayhawk Court
Troutman, North
Carolina 28166

(the "Owner")

Jarrid Lentz
463 Lentz Road
Statesville, NC 28625

(the "Operator")

WITNESSETH

WHEREAS The Owner owns or controls the property upon which a ground absorption sewage treatment system ("system") is installed, being designated a Type IV system un the Rules for Sanitary Sewage Collection, Treatment and Disposal found at 15A N.C. Administrative Code 18A.1900 et seq. and

WHEREAS, Administrative Code 18A. 1961 requires a contract to be executed between the system owner and a management entity prior to issuance of an Operation Permit for said system; and,

WHEREAS, Administrative Code 18A. 1961 requires that a conditiono of the Operation Permit for said system be that a properly executed contract between the system owner and a management entity, shall be in effect for as long as the system is in use; and

WHEREAS, the Operator is a management entity, of the type authorized by 15A N.C. Administrative Code 18A. 1961 to manage a Type IV System.

NOW THEREFORE, in consideration of the premises and of the mutual covenants and promises contained in this Agreement, it is agreed by the Owner and the Operator as stipulated below:

LENTZ WASTEWATER MANAGEMENT, Inc.

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1. **The Operator Obligations:** The Operator shall perform the following services on the Owner's system located at:

ELG Investments,
LLC
109 Jayhawk Court
Troutman, North
Carolina 28166

a. The Operator shall inspect, document, and report on the system every 6 months:
~If an inspection indicates the need for system repairs, the Operator shall notify the local health department within 48 hours of inspection.
~The Operator shall notify the owner of needed repairs, which are outside of the scope of routine maintenance described in this contract. At the request of the Owner, the Operator will perform necessary repairs to the system and shall be entitled to payment at the Operator's normal charge for services and materials.
~ The operator shall respond to a request for a nonscheduled service or maintenance call within 48 hours after receipt of such request.

The annual fee may be amended upon sixty (60) days advance notice to the Owner. The Owner shall pay to the Operator the normal and customary fee for any work performed on the system as a result of nonscheduled service or maintenance calls. Bi-annual maintenance visits are unscheduled. Homeowner does not need to be present. Technician will knock on the door to notify of our arrival and will send a written report once the visit is complete. All fees are due and payable at the time of services rendered. Unless prior arrangements have been made, fees due to the Operator and unpaid by the Owner are considered past due after seven (10) days of completion of services. Maintenance contract bi-annual inspections are NOT Point-of-Sale inspections and should not be used as a replacement.

2. **The Owner's Obligations:**
   a. The Owner shall pay to the Operator:
   ~[2] inspections per year
   ~ The Owner is responsible for any charges for necessary repairs/replacement parts. A quote for such repairs will be provided. The Operator will complete needed repairs after a signed quote for repairs has been received.
   ~The Owner is responsible for charges associated with pumping/removal of solids from tanks. The Operator will notify Owner when pumping is needed and the Owner shall schedule and pay for pumping with a Licensed Septic Pumper.

·~The Owner is responsible for any additional maintenance (clearing around any septic components, such as: septic tank, pump tank, drain field lines, etc.) or labor repair and service calls requested by client.

~ Septic system components must be kept clear of vegetation, bushes, trees and shrubs

~All septic system components (risers on tanks, valve boxes, control panel, etc.) must be accessible in order to collect the necessary information and to properly maintain the system. When visits are made and components are not accessible, the report will indicate "not evaluated" or "not accessible"

The annual fee may be amended upon sixty (60) days advance notice to the Owner. The Owner shall pay to the Operator the normal and customary fee for any work, requested by the Owner, and performed on the system as a result of nonscheduled service or maintenance calls. Bi-annual maintenance visits are unscheduled. Homeowner does not need to be present. Technician will knock on the door to notify of arrival and will send a written report once the visit is complete. All fees are due and payable at the time of services rendered. Unless prior arrangements have been made, fees due to the Operator and unpaid by the Owner are considered past due after seven (10) days of completion of services. Maintenance contract bi-annual inspections are NOT Point-of-Sale inspections and should not be used as a replacement.

3. **Term:** This Agreement shall remain in effect until terminated

a. Automatic Termination

- · This agreement shall automatically terminate if the Operation Permit for the system is revoked and all appeals of the revocation are exhausted or the time for taking an appeal has passed.

b. Termination by Mutual Consent

- The Parties may mutually agree to terminate this Agreement by giving written notice of termination by mutual consent to the local health department thirty (30) days in advance of the date of termination.

c. Termination by the Owner

- · The Owner may terminate this Agreement by giving notice to the Operator and to the local health department thirty (30) days in advance of the date of termination.

d. Termination by the Operator

- · The Operator may terminate this Agreement for cause by giving written notice of intent to terminate this Agreement to the Owner and to the local health department thirty (30) days in advance of the date of termination. Cause shall be defined as:

1. Failure to remit payment for any bill for services performed under and in accordance with this Agreement if said bill is not paid within seven (7) days of receipt by the Owner of the bill. If said bill is paid after notice of termination of this Agreement, but prior to the date of termination of this Agreement, this Agreement shall continue in effect; or

2. Failure of the Owner to provide to the Operator authorization to complete needed repairs or satisfactory evidence that needed repairs to the system were completed by another entity. If said authorization to complete needed repairs or evidence of completion of said repairs is provided after notice of termination is given but prior to the date of termination of this Agreement, this Agreement shall continue in effect; or

3. Failure of the Owner to allow the Operator such access to the system as is reasonably necessary order for the Operator to comply with the terms of this Agreement.

- The Operator may terminate this Agreement without cause, by notification to the Owner no less than ninety (90) days in advance of the termination date. The Operator may also assign its rights and duties under this Agreement as provided in paragraph 4, below.

4. Assignment:

Assignment by the Owner

- · The Owner shall notify the Operator of the name and address of any purchaser of the property on which the system is located. The Owner shall also notify any purchaser of the property on which the system is located of the existence of this Agreement and shall assign all rights and duties under this Agreement to said purchaser.

5. Use of Subcontractors:

The Operator may subcontract with such manufacturers, suppliers and contractors as it deems desirable to perform any of the Operator's duties under this Agreement. The Operator shall at all times remain responsible for the performance of and payment for all work performed by all subcontractors.

6. Representatives:

The Parties represent to each other that each has the power, authority and legal right to enter into and perform its obligations as set forth in this Agreement.

7. Notice:

Every notice required under this Agreement shall be in writing and shall be deemed sufficiently given if delivered in person or sent by certified or registered mail, return receipt requested, postage prepaid to the Party to be notified and addressed as follows:

Owner:

ELG Investments,
LLC
109 Jayhawk Court
Troutman, North
Carolina 28166

Operator:

Jarrid Lentz
463 Lentz Road
Statesville, NC 28625

Local Health Department

Iredell County Environmental
Health

The date of any Notice shall be the date of personal delivery or the date shown on the return receipt as the date of delivery or attempted delivery, as the case may be. Changes in the respective addresses to which notice may be directed may be made from time to time by either Party by notice to the other Party.

8. Place of Agreement:

This Agreement and any questions concerning its validity, the system construction or performance shall be governed by the laws of the State of North Carolina.

9. Entire Agreement and Amendment:

This Agreement supersedes all prior negotiations, agreements and understandings between the Parties with respect to the subject matter hereof and constitutes the entire Agreement between the Parties with respect to the subject matter hereof. To be effective, any amendment or modification to this Agreement must be in writing and must be signed by both Parties.

10. Severability:

In the event that any provision of this Agreement shall, for any reason, be determined to be invalid, illegal or unenforceable in any respect, the Parties shall negotiate in good faith and agree to such amendments, modification or supplements to this Agreement.

Owner's Signature — Date: 8/12/21

Mr. Jarrid M Lentz – Operator's Signature — Date: 8/12/21