



*Lancaster County
Water & Sewer District*

LANCASTER COUNTY WATER AND SEWER DISTRICT
GENERAL OPERATING TERMS AND CONDITIONS

COMMISSIONERS

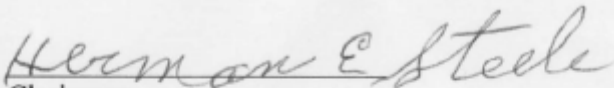
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Effective Date: This Policy shall take effect on February 10, 2004.

Revised: August 9, 2011

ATTEST:


Chairman

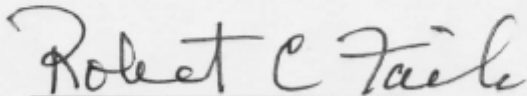

Secretary

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PREFACE

The purpose of these General Operating Terms and Conditions is to provide customers with the general operating terms and conditions of the Lancaster County Water & Sewer District (LCWSD).

Please note that although an effort was made to make this document complete and reflective of LCWSD requirements for customers who are or wish to be connected to the LCWSD's water and/or wastewater systems (systems), other regulations, terms and conditions may be applicable. An on-going effort will be made to periodically update these General Operating Terms and Conditions. As a result, contact should be made with LCWSD officials on a continued basis to ensure familiarity and compliance with the most current General Operating Terms and Conditions.

The terms and conditions described herein are applicable to all customers desiring connection to the LCWSD's systems whether they are residential, commercial, and/or industrial. All customers shall indemnify the LCWSD for any and all losses and damages which may be incurred by any of the following enclosed items.

The LCWSD reserves the right to revise without notice these General Operating Terms and Conditions and other related policies for its current and future customers to follow in order to maintain the integrity of its utility system. The LCWSD's General Operating Terms and Conditions does not limit the customer's responsibility to adhere to any of the LCWSD's other Policies and/or Procedures, such as but not limited to, the LCWSD's Oil & Grease Policy, the LCWSD's Pre-Treatment Ordinance, or the Developer Policy. For more information about the LCWSD, please visit our website at www.lcwasd.org.

GENERAL OPERATING TERMS AND CONDITIONS

(1) NOTES:

The LCWSD cannot offer or allow any person or organization free water or wastewater connections or service. Any customer wishing to connect into the LCWSD's wastewater system shall be required to also be a LCWSD water customer. No customer shall be consuming water for indoor use via a well system and be connected to the LCWSD's wastewater system. Where access to LCWSD's wastewater system is unavailable, customers may receive water from LCWSD and are allowed to operate their own septic system with rules and regulations governed by SC DHEC, however, customers shall not receive wastewater service without also receiving water service. This wastewater system is owned, operated, and maintained by the customer. In the event access to LCWSD's wastewater system is available, LCWSD has the right, at its own discretion, to impose mandatory hookup to its wastewater system.

(2) BILLING PROCEDURES:

Due to the volume of bills, it may be necessary for the LCWSD to have multiple billing dates. The amount of water and/or wastewater bills is determined by the difference in meter readings from the last reading of the meter until the current reading. All customers with an irrigation system, especially ones with wastewater service, should have an irrigation connection to avoid excess wastewater charges. Sewer usage is based on water consumption. Meters are read monthly under normal circumstances. Under certain circumstances, the monthly bills may be estimated. Computer estimations may be required due to inclement weather or other unforeseen circumstances. If this is necessary, the estimations will be computer calculated based on the twelve previous months' consumptions to determine consumption amounts for the period meters are not actually read. Bills are mailed to the customer's mailing address with a return envelope for customer's use. Other ways to pay are on-line at LCWSD's website www.lcwasd.org, use of a credit/debit card over the telephone or in person, bank draft, night deposit drop box after hours located next to the drive-thru window at the LCWSD's office, coming into the LCWSD's office during normal business hours or using the drive-thru window at LCWSD's office. It is the customer's responsibility to notify the LCWSD of a change in address or any change in bank account information. The LCWSD will not be responsible for mail service delivery and monthly charges are still the responsibility of the customer even if the customer does not receive a bill by mail.

(3) PAYMENT FOR SERVICE:

The LCWSD will not accept partial payments unless pre-approved by authorized LCWSD personnel. The LCWSD will not be responsible for third party payment services which submit payment on behalf of the customer. If customers choose to use a third party collection and payment service, they do so at their own risk. It is the customer's responsibility to ensure all payments are made as noted on the customer's bill. Failure by the customer to pay water and/or wastewater charges duly imposed shall result in the automatic imposition of any or all of the following penalties:

- A. Full payment must be received in the LCWSD office by the due date indicated on the bill. If payment is not received by the due date indicated on the bill, a penalty (late fee) in an amount then in effect will be added to the bill.
- B. Nonpayment by the due date as indicated on the bill will result in a late notice reminder being mailed to the customer and the service being disconnected at a later date without any prior notice.
- C. The LCWSD reserves the right to refuse and return payment for less than the full amount billed. If the previous month's bill has not been paid prior to present bill due date, payment in full for both bills will be required.
- D. Nonpayment by the due date as indicated on the bill will allow the LCWSD to disconnect service, remove the meter and cause forfeiture of the initial connection and/or capacity fee, with any later reconnection requiring the customer to pay another connection and/or capacity fee then in effect plus any unpaid bills along with non-payment and late fees also being paid prior to reconnection or cut-on of service within the LCWSD's system. Should the customer have a deposit with the LCWSD, the deposit will be used to cover amount owed the LCWSD with any remaining unpaid amount still the responsibility of the customer. Deposit overages will be reimbursed by check mailed to the address provided by the customer.

(4) BANK DRAFT:

If a customer is interested in having their monthly bill drafted from the customer's checking or savings account, the bank draft authorization section on the back of the customer's bill must be filled out and returned to the LCWSD office for processing. It contains information essential to enlisting the account into bank draft including name, bank account number,

bank number and account number with the LCWSD. Also, a signed and voided blank check must be included with the bank draft section. It takes at least two bills before the account will be drafted as the first bill must serve as a test run per the bank's rules. Bank drafts are run ten (10) days into the billing cycle or on the last working day before the ten (10) days. Return items are handled as a return check item. Should a customer have two bills unable to be processed by the bank, the customer is notified and deleted from bank draft billing. Bank draft does not excuse the customer's responsibility to pay bill.

(5) CREDIT/DEBIT CARD PAYMENTS:

LCWSD can accept debit/credit card (Discover, Visa, or Mastercard only) payments either over the telephone or in the LCWSD office during normal business hours. A convenience/administrative fee then in effect will be charged each time a credit/debit card is used over the telephone. Customers using a credit/debit card while paying in the office are exempt from this fee.

(6) ON-LINE PAYMENTS:

LCWSD can accept on-line payments by going to LCWSD's website, www.lcwasd.org, anytime. Debit/credit card (Discover, Visa, or Mastercard only) payments are only accepted on-line. A payment and usage history are also available for your account. For your protection, each account is password protected by each customer for their own account. For on-line usage after the Non-Payment Fee (see Section 18 below) has been added to the customer's account, the customer is advised to contact the LCWSD office during normal business hours to receive the correct amount due. Please allow until at least the next business day for payment processing.

(7) ELECTRONIC LOCKBOX SERVICE:

Electronic Lockbox Service is a means of payment to LCWSD in which a customer can make electronic payments through their bank which is received electronically by a third party provider where the payment is transferred daily to LCWSD electronically. Such service allows a customer to make multiple electronic payments to multiple providers through their bank. Using this service after the Non-Payment Fee (see Section 18 below) has been added to the customer's account, the customer is advised to contact the LCWSD office during normal business hours to receive the correct amount due. Please allow until at least the next business day for payment processing.

(8) RENTAL / LEASE DEPOSIT:

All customers who do not own title (rental, leased, or other) to the property being served are required to pay a deposit in the amount then in effect prior to service being turned on. Refund of deposit will be made without interest to the individual whose name is on the receipt issued at the time of payment provided, no payments, fees or other charges are owed the LCWSD. If final payment, fees or other charges are not paid in full, the total amount owed will be deducted from the deposit and the remainder of deposit, if any, will be refunded. If final payments, fees or other charges exceed the deposit amount, the customer will be responsible for the amount in excess of the deposit. If the customer does not pay the amount exceeding the deposit, the customer cannot be provided service from the LCWSD's systems until unpaid balance is made in full.

(9) FORWARDING BALANCES:

Should a customer have an unpaid balance from a previous location, this forwarding balance will be added to the customer's present account. The LCWSD reserves the right to disconnect the customer's present service for unpaid forwarding balances with forwarding balance, non-payment fee and present bill if due being paid prior to reconnection of service.

(10) CAPACITY / CONNECTION FEES:

An Application for Water and/or Wastewater Service must be signed and a designated capacity / connection fee must be paid in full by each customer for water and/or wastewater service prior to being connected to the LCWSD's system. The amount of the connection fee for connections installed by LCWSD on the existing water and/or sewer system is based on the average actual cost incurred by the LCWSD to install similar size service connections during the previous fiscal year. All service connections on LCWSD's water and/or sewer system are installed by LCWSD personnel and/or a LCWSD approved contractor and shall extend from the LCWSD's system to the water meter, provided adequate service is available. It is the customer's responsibility at the time of connection to notify and provide evidence to LCWSD personnel when the premises to be served is to be rental property, leased property, or owner occupied use.

At the time of connection, for connections installed by LCWSD personnel or its contractor, there is a capacity fee which includes the connection fee cost. This capacity fee charge is to recover a portion of the cost to provide capacity that the connection is capable of providing to the customer. The

capacity fee for each connection includes a fee to recover the associated cost of the capacity required in the treatment facilities, transmission mains, and wastewater outfalls and other related water and/or wastewater infrastructure. Capacity fees are required for each water and wastewater (unit) service installed by LCWSD or its contractor. When the connection is not installed by LCWSD personnel or its contractor such as new development, there is still a capacity and connection fee, but the terms and provisions for the imposition of such fees are governed by LCWSD's Developer Policy.

(11) CONNECTION LOCATION:

The LCWSD shall have exclusive jurisdiction in any question of location of any water and/or wastewater service line connection to its distribution and/or collection system by providing a water service with meter box and all appurtenances and wastewater service line connection. The water and/or wastewater connection shall be provided to the edge of highway right-of-way or easement area (if applicable). Every effort will be made to locate connections as close to the customer's desired location as possible. The customer will be given a blue water and/or green wastewater flag or stake at the time of connection purchase to be placed in the customer's desired location at the property line nearest to the LCWSD's water and/or wastewater facilities. LCWSD personnel will not install connections unless there is a blue and/or green flag or stake up for each connection purchased.

(12) RESPONSIBILITY OF SERVICE LINES:

The LCWSD's responsibility for all water service lines is from the connection at the LCWSD's main water line to the water meter box. This includes any and all appurtenances located inside the water meter box. From the water meter box to the customer's premises is the sole responsibility of the customer to install, own, maintain, and/or replace. The LCWSD's responsibility of all wastewater service lines is from the connection at the LCWSD's main wastewater line to the edge of road right-of-way or easement area (if applicable). Normally, the customer will connect to the new wastewater service line with a cleanout and install back to the premises with the appropriate number of cleanouts between the two points. From the customer installed cleanout to the customer's premises is the sole responsibility of the customer to install, own, maintain, and/or replace. The customer is solely responsible for any damages caused by stoppage and/or spill.

(13) FORFEITURE OF CONNECTION:

In the event a customer pays for a water and/or wastewater connection and does not use the connection within 90 days from installation, the customer may be responsible for the payment of a minimum monthly charge to the LCWSD. If the customer does not pay the necessary minimum monthly charge to the LCWSD, the customer may be deemed to have forfeited the water and/or sewer connection. Once the connection has been forfeited, it cannot be used unless another connection fee is paid in the amount then in effect. The LCWSD shall be under no obligation to refund any fees or charges whatsoever previously paid on any forfeited connection. Vacant rental property is excluded from the minimum monthly charge provided the connection is not being used. All customers purchasing connections for rental property must advise the LCWSD office at the time of connection purchase.

(14) RELOCATION OF CONNECTION:

In the event a customer requests a relocation of a connection, LCWSD personnel will determine if the connection can be relocated on the property as requested. If LCWSD approves the relocation request, a connection fee then in effect must be paid prior to the relocation. Should a customer request that the relocated connection size be increased, a connection fee and capacity fee difference then in effect will also be charged prior to relocation.

(15) RIGHT OF REFUSAL:

The LCWSD reserves the right to refuse water and/or wastewater service to the customer and refund his/her connection fee, if any, in the sole discretion of the LCWSD, if service to the Applicant is uneconomical and/or Application for Water and/or Wastewater Service is made by a customer whose property is not located on or adjacent to the LCWSD's systems or the application was submitted under false pretenses.

(16) INSPECTION:

The LCWSD has the right to inspect the Applicant's wastewater service line and related appliances.. Such inspection or failure to inspect or reject shall not be regarded as an assurance against defects in installation, piping, or appliances and shall not render the LCWSD liable or responsible for any loss or damage resulting from defects in installation, piping, or appliances or from violation of any official codes as may be applicable or from accidents

or occurrences which may occur on Applicant's premises. The LCWSD shall charge the Inspection Fee in effect at the time of connection to the LCWSD's wastewater system.

(17) SPECIAL PROJECTS:

In some cases, special projects may be necessary in order to extend water and/or wastewater lines to an area. In these projects, special provisions required by lending agencies must be met. Special provisions may include, but not be limited to, connection and/or capacity fees being paid in advance, minimum charges for all connections installed except for vacant rental property with connections not in use, and increased connection and/or capacity fees from the connection fee then in effect. Failure to pay required minimum monthly charges by those in the special project area will result in forfeiture of connection, and the LCWSD shall be under no obligation to refund any fees or charges whatsoever previously paid.

(18) PENALTY FEE:

If full payment is not received in the LCWSD office by the date indicated on the bill, a penalty in an amount then in effect will be added to the bill.

(19) NONPAYMENT FEE:

Should the customer's service become delinquent or disconnected because of nonpayment, a nonpayment fee then in effect will be added to the balance of the customer's account. The total account balance including non-payment fee must be paid in full prior to reconnection of service. Reconections will be made on the same day provided the account is paid in full including any additional fees and is received prior to the office closing. However, if the account is paid in full including any additional fees and is received any other day than the day of disconnect prior to 4:00 pm., it will be reconnected the same day. If the account is paid in full including any additional fees and is received any other day than the day of disconnect after 4:00 pm, it will be the next business day before reconnection of service is made.

(20) RETURNED PAYMENT FEE:

A returned payment fee then in effect will be charged each time a payment is returned. Should a payment be returned, notification will be sent indicating date payment is to be made by and amount owed. Failure to make payment as indicated on the notice will result in the

returned payment being turned over to the County Magistrate Court, the service being disconnected with account balance including returned payment fee, and the non-payment fee being paid prior to reconnection of service.

(21) CONVENIENCE CUTOFF FEE:

Upon request by customer, LCWSD will cut off water service to the premises for the fee amount then in effect at the time. This fee will be added to the customer's next bill. This cut off service is normally done when the customer either does not know where their cut off device is located, the customer does not have such a device, or inclement weather such as snow prevents the customer from being able to locate their water meter any/or devices. Customer service contract requires customers to provide their own cut-off valve on the customer's side of the meter for their use.

(22) METER READING VERIFICATION FEE:

Upon request by customer, LCWSD will check the operation of the customer's water meter, check the reading of the meter, and/or calibrate the meter for the fee amount then in effect at the time. This fee will be added to the customer's next bill. This fee is normally used when the customer believes the meter was not read properly or is not reading properly. Fee will not be charged if LCWSD determines that there has been a failure of equipment or error on LCWSD's part.

(23) UNAUTHORIZED OR ILLEGAL USAGE:

Unauthorized water and/or wastewater usage is a violation of LCWSD policies, rules, and regulations and is subject to the LCWSD's unauthorized usage fees then in effect. It may also be considered illegal under S.C. Code Ann. § 5-31-1110 (1976) and therefore subject to civil or criminal penalties in Magistrate Court. This will be determined by the LCWSD Manager.

- 1) When an illegal connection is found, the device used on the illegal connection will be confiscated and information will be posted stating that this is an illegal connection and to claim equipment, please come by the LCWSD office or call (803) 285-6919. The responsible person is the person whose name the account is in at the time of damage. If the responsible person is at the scene, LCWSD personnel will advise him of the policy, obtain needed information, and request it be disconnected. Failure to comply with the request may result in LCWSD personnel calling Law Enforcement to resolve the violation or arrest the offender.

- 2) A bill will be calculated for the water used, based on the currently approved unauthorized usage fee (\$5.00/1000 gallons or the minimum fee, whichever is greater). Where water is returned into the LCWSD's wastewater system, the gallons used will also be calculated for sewer charges at the highest volume charge per 1,000 gallons currently approved.

(24) TAMPERING FEE:

Should the LCWSD-owned water meter, cutoff devices, or any other LCWSD owned property be tampered with, the meter yoke will be either locked or the meter will be removed by LCWSD personnel and a tampering fee then in effect will be added to the balance of the customer's account. The total account balance including tampering fee must be paid in full prior to reconnection of service. See Section 19 above for Non-Payment Fee and reconnection time table. All tampering with LCWSD-owned water meters, cutoff devices, or any other LCWSD owned property will be subject to Section 23 herein. Nothing herein is intended to limit any other remedies for meter tampering which may be imposed under applicable law, including S.C. Code Ann. § 16-13-385 (1976).

(25) BILL ADJUSTMENTS:

LCWSD will adjust the customer's bill to LCWSD's cost with proof of a leak being repaired two (2) times during a twelve (12) month period. Proof of a leak being repaired shall mean a receipt from a plumber or a receipt from a plumbing store where the materials were purchased to repair a leak. Bills are not eligible for adjustment until any and all leaks are repaired.

(26) EMERGENCY SITUATIONS:

The LCWSD has exclusive jurisdiction in the event of a water shortage and shall determine the allocation of water and/or wastewater service to the customer. The LCWSD has exclusive jurisdiction in the event of an interruption of services for a water leak, repair situation, or any other disruption. Under the SC Drought Response Relief Act, SC DHEC and/or SC DNR also have jurisdiction. The well being, public health, and welfare of the citizens of Lancaster County is always the LCWSD's first priority. In the event of a drought situation, LCWSD will implement the requirements set forth in its Drought Response Plan to protect the availability of water for its customers.

(27) PRIVACY STATEMENT:

This privacy statement sets forth our current privacy practices with regard to the information we collect when you apply for and receive water and wastewater services (services). LCWSD adheres to its Identity Theft Prevention Program. For customer protection, when applying for services with the LCWSD, we will request some personal information such as name, billing address and service address, telephone number, social security number, drivers license number, and other relevant information. When paying your bill with a credit/debit card, we will ask for your card number and information in order to process payment. When paying your bill with bank draft, we will ask for your bank account information in order to process payment. All requests for payment history will be given only by coming into the LCWSD office with proper identification or a copy can be mailed to the appropriate mailing address.

LANCASTER COUNTY WATER & SEWER DISTRICT
Lancaster, SC
Hereinafter referred to as the "Utility"
APPLICATION FOR WATER AND/OR WASTEWATER SERVICE
Residential

APPLICANT

Name: _____ Account No: _____
Social Security No: _____ Property Owner **OR** Rent/Lease
Drivers License No. _____ State: _____ Date of Birth: _____
Service Address: _____ Closing/Start Date: _____
_____ Date of Application: _____
Billing Address: _____ Telephone No: Home: _____
_____ Work: _____

CO-APPLICANT: (AUTHORIZED TO RECEIVE ACCOUNT INFORMATION & RECORDS ONLY)

Name: _____ Date of Birth: _____
Social Security No: _____ Telephone No: Home: _____
Drivers License No. _____ State: _____ Work: _____

Type of Service: Water Wastewater Water and Wastewater

CONTRACT

Pursuant to 5 U.S.C. 552a(e)(3), as a part of the application for either water or wastewater service with Utility, you are required to provide your social security number. It is not mandatory that you provide this information, however it is useful for account verification purposes. When you call to speak with someone regarding your account, you will be asked to provide the last four digits of your social security number to confirm you are the account holder. Should you refuse to provide this information, Utility may not be able to process your application for water or wastewater service.

The undersigned (hereinafter referred to as "Applicant") hereby makes application for water and/or wastewater service at the above Service Address ("Premises") and agrees to pay for said services at the applicable rate, based on water consumption as measured by the Utility's water meter. The Co-Applicant as indicated above is another designated person the Applicant may choose to appoint on the application for receiving account information and any records of the account in the absence of the Applicant.

The Applicant acknowledges that Utility has a perpetual easement in, over, under, upon, and across the above described land, and with such easement the right to erect, install, lay, use, inspect, operate, construct, reconstruct, maintain, and repair any service lines, and to perform any such other activities as may be necessary in connection with furnishing water and/or wastewater service to the Applicant, and to have free access to the premises of the Applicant for the purpose of installing, inspecting, reading, repairing and/or removing property, including water and/or wastewater infrastructure, of the Utility. Applicant further understands that the Utility shall have all of the rights set forth above even if Applicant's water and/or wastewater service has been disconnected at the time the employee, agent, or assignee of Utility accesses Applicant's property. Should Utility require of Applicant a recordable easement, Applicant promises to execute such an instrument upon presentation thereof by Utility, failing which execution Applicant understands Utility may terminate or discontinue utility service to Applicant's property.

The Applicant agrees that all meters, pipes, regulators, and any kind of water and/or wastewater infrastructure placed on the Premises by the Utility shall not constitute a part of or an accession to the real estate but shall remain personal property, title to which shall remain in the Utility. Applicant further agrees to keep in repair all appliances and piping on said Premises related to

the furnishing of water and/or wastewater service to the Premises (other than meters maintained by the Utility) and to report immediately to the Utility any leaks discovered with respect thereto.

The Utility shall have the right and privilege to connect the service lines of any other applicant to the service lines serving the Applicant which are located on the Premises and to thereby extend water and/or wastewater service to the adjoining or nearby property so long as such extension does not adversely affect service which Utility renders to the Applicant.

The Utility shall have the right, but not the obligation, to inspect any water and/or wastewater system installation, either before the Utility commences water and/or wastewater service to the Premises, or at any such later time as the Utility may deem necessary or appropriate. The Utility further reserves the right to reject any piping or appliances related to the furnishing of water and/or wastewater service which are not in accordance with any official code, or with the Utility's standards; provided, however, that any inspection or failure to inspect by the Utility shall not be regarded as an indemnity against defects in installation, piping, or appliances and shall not render the Utility liable or responsible for any loss or damage resulting from defects in installation, piping or appliances, or from any violation of any applicable federal, state, or local code(s) or from accidents or occurrences which might occur upon the Premises.

If the Applicant is not the owner of the Premises when purchasing a new connection, the Applicant must obtain written consent from the owner of the Premises with respect to the furnishing of water and/or wastewater service thereto by Utility. Applicant must also sign this Contract, thereby assuming responsibility hereunder to the Utility.

The Applicant shall not connect or attempt to connect any dwelling or residence to the Utility's water and/or wastewater system, other than the dwelling or residence to be served by Utility pursuant to this Contract.

The Utility shall have the exclusive right to determine the location of any service lines connected to the Utility's distribution and/or collection system and to determine the allocation of water to the Applicant in the event of a water shortage. Utility may, in the sole discretion of Utility, shut off water and/or wastewater service to Applicant if Applicant knowingly allows a connection or extension to be made to his/her service lines for the purpose of supplying water and/or wastewater to another person or entity.

The Utility shall have the right to determine meter and/or service line locations on the Premises. In most instances, meters and/or lines shall be located adjacent to the Applicant's property line at the location nearest to the Utility's main.

The Applicant hereby agrees that: (1) if any bill for water and/or wastewater services performed under this or any like Contract shall remain unpaid for thirty (30) days after such bill has been rendered; or (2) if the Applicant shall tamper with, molest or otherwise interfere with any meters, lines, or other equipment of Utility; or (3) the Applicant shall otherwise be in breach of this Contract or any of the "General Terms and Conditions" of the Utility which are now in effect or which may be promulgated at some later time, then the Utility, at its option, shall have the right to terminate this Contract and any like contracts providing for the service of water and/or wastewater to Applicant. Applicant agrees that Utility shall impose a non-payment fee on Applicant in the sum required by the regulations of the Utility in effect at that time and service may be terminated any time after non-payment fee is assessed.

It is hereby understood and agreed by and between the Utility and the Applicant that the Utility is under no obligation to extend a service line to the Premises unless the Applicant has installed water consuming and/or wastewater discharging plumbing facilities on the Premises which are equipped for immediate connection to the Utility's system, or unless the Applicant has furnished the Utility with satisfactory evidence that s/he has made satisfactory arrangements to have such facilities installed prior to the time that the service lines are extended to the Premises.

The Utility reserves the right to refuse water and/or wastewater service to the Applicant and to refund his/her deposit, if any, if, in the sole discretion of the Utility, service to the Applicant is uneconomical or if the Applicant is not located on or adjacent to the Utility's system.

The Applicant agrees that this Contract is subject to the "General Terms and Conditions" which are incorporated in this Contract by reference. The "General Terms and Conditions" may be amended from time to time by the Utility and all amendments or modifications to the "General Terms and Conditions" shall be binding upon the Applicant.

Once this Contract has been accepted by the Utility, Applicant agrees to pay Utility a non-refundable water and/or wastewater connection and/or capacity fee in accordance with the standard rate then in force under the Utility's regular schedule.

Applicant further agrees to accept and pay for water and/or wastewater service at the regular rate(s) established by Utility as soon as such service(s) becomes available to Applicant. In the event that the Utility fails to complete the construction of service line(s) to the Premises through no fault of the Applicant's, the Utility shall reimburse Applicant for any connection and/or capacity fee which the Applicant has paid to the Utility pursuant to this paragraph. Any cost incurred by Utility will be deducted from the connection and/or capacity fee.

Applicant shall also pay to Utility, prior to commencement of water and/or wastewater service by Utility to Applicant, such deposit as is required under Utility's standard rate of charge. Such deposit shall constitute an advance payment by Applicant against future water and/or wastewater service, repayable in water and/or wastewater service only, unless the Utility shall elect to refund such deposit upon termination of water and/or wastewater service to Applicant.

If Applicant pays for water and/or wastewater service pursuant to the provisions set forth above, Applicant shall be responsible for paying a minimum monthly charge to the Utility in accordance with the Utility rates then in effect, even if Applicant elects not to make use of such water and/or wastewater service. By his/her signature herein below Applicant acknowledges and agrees if the Applicant elects not to pay the minimum monthly charge to the Utility, the Applicant shall be deemed to have forfeited Applicant's interest in such service(s) and will be required to pay a new connection and/or capacity fee at the rate then in effect prior to making use of such service(s).

In the event that Applicant fails to pay water and/or wastewater charges duly imposed by Utility in accordance with this Contract and/or the Utility's standard rate schedule, some or all of the following penalties shall be automatically imposed on the Applicant: (1) If Applicant's payment for such utility service is not received in the office of the Utility by the due date as indicated on Applicant's monthly bill, such penalty or penalties as are authorized by the General Terms and Conditions then in effect will be added to Applicant's next monthly bill; and (2) Applicant's utility service may be disconnected without any prior notice to Applicant; and (3) Utility may remove Applicant's meter and retain Applicant's initial connection and/or capacity fee, in which case Applicant shall be required to pay a new connection and/or capacity fee at the rate then in effect prior to the Utility's reconnecting Applicant's water and/or wastewater service.

Utility also reserves the right to refuse and return payments for less than the full amount billed. If the previous month's bill has not been paid after the current bill is mailed, Applicant shall be required to tender payment in full for the delinquent bill. Utility is not responsible for mail service and the Applicant is responsible for payment of the monthly bill even though the monthly bill may not be delivered by the mail service.

This Contract shall run with the Premises so long as service is provided thereto by Utility pursuant to this Contract and shall bind any occupant on the Premises which is furnished any service hereunder.

Signed and Accepted _____
Applicant Signature Printed Name

*Signed and Accepted _____
Property Owner Signature Printed Name

Approved by _____ Date _____
Utility Rep.

***Property owner signature is not required for leases or rentals unless a new connection is purchased by the lessee or tenant.**

LANCASTER COUNTY WATER & SEWER DISTRICT
Lancaster, SC
Hereinafter referred to as the "Utility"
APPLICATION FOR WATER AND/OR WASTEWATER SERVICE
Industrial/Commercial/Irrigation

APPLICANT

Name: _____ Account No.: _____
Social Security No: _____ Property Owner **OR** Rent/Lease
Drivers License No. _____ State: _____ Date of Birth: _____
Service Address: _____ Closing/Start Date: _____
_____ Date of Application: _____
Billing Address: _____ Telephone No: Home: _____
_____ Work: _____

CO-APPLICANT: (AUTHORIZATION TO RECEIVE ACCOUNT INFORMATION & RECORDS ONLY)

Name: _____ Date of Birth: _____
Social Security No. _____ Telephone No: Home: _____
Drivers License No. _____ State: _____ Work: _____

Type of Service: Industrial Commercial Irrigation
Type of Service: Water Wastewater Water and Wastewater

CONTRACT

Pursuant to 5 U.S.C. 552a(e)(3), as a part of the application for either water or wastewater service with Utility, you are required to provide your social security number. It is not mandatory that you provide this information, however it is useful for account verification purposes. When you call to speak with someone regarding your account, you will be asked to provide the last four digits of your social security number to confirm you are the account holder. Should you refuse to provide this information, Utility may not be able to process your application for water or wastewater service.

The undersigned (hereinafter referred to as "Applicant") hereby makes application for water and/or wastewater service at the above Service Address ("Premises") and agrees to pay for said services at the applicable rate, based on water consumption as measured by the Utility's water meter. The Co-Applicant as indicated above is another designated person the Applicant may choose to appoint on the Application for receiving account information and any records of the account in the absence of the Applicant.

The Applicant acknowledges that Utility has a perpetual easement in, over, under, upon, and across the above described land, and with such easement the right to erect, install, lay, use, inspect, operate, construct, reconstruct, maintain, and repair any

service lines, and to perform any such other activities as may be necessary in connection with furnishing water and/or wastewater service to the Applicant, and to have free access to the premises of the Applicant for the purpose of installing, inspecting, reading, repairing and/or removing property, including water and/or wastewater infrastructure, of the Utility. Applicant further understands that the Utility shall have all of the rights set forth above even if Applicant's water and/or wastewater service has been disconnected at the time the employee, agent, or assignee of Utility accesses Applicant's property. Should Utility require of Applicant a recordable easement, Applicant promises to execute such an instrument upon presentation thereof by Utility, failing which execution Applicant understands Utility may terminate or discontinue utility service to Applicant's property.

The Applicant agrees that all meters, pipes, regulators, and any kind of water and/or wastewater infrastructure placed on the Premises by the Utility shall not constitute a part of or an accession to the real estate but shall remain personal property, title to which shall remain in the Utility. Applicant further agrees to keep in repair all appliances and piping on said Premises related to the furnishing of water and/or wastewater service to the Premises (other than meters maintained by the Utility) and to report immediately to the Utility any leaks discovered with respect thereto.

The Utility shall have the right and privilege to connect the service lines of any other applicant to the service lines serving the Applicant which are located on the Premises and to thereby extend water and/or wastewater service to the adjoining or nearby property so long as such extension does not adversely affect service which Utility renders to the Applicant.

The Utility shall have the right, but not the obligation, to inspect any water and/or wastewater system installation, either before the Utility commences water and/or wastewater service to the Premises, or at any such later time as the Utility may deem necessary or appropriate. The Utility further reserves the right to reject any piping or appliances related to the furnishing of water and/or wastewater service which are not in accordance with any official Code, or with the Utility's standards; provided, however, that any inspection or failure to inspect by the Utility shall not be regarded as an indemnity against defects in installation, piping, or appliances and shall not render the Utility liable or responsible for any loss or damage resulting from defects in installation, piping or appliances, or from any violation of any applicable federal, state, or local code(s) or from accidents or occurrences which might occur upon the Premises.

If the Applicant is not the owner of the Premises when purchasing a new connection, the Applicant must obtain written consent from the owner of the Premises with respect to the furnishing of water and/or wastewater service thereto by Utility. Applicant must also sign this Contract, thereby assuming responsibility hereunder to the Utility.

The Applicant shall not connect or attempt to connect any property to the Utility's water and/or wastewater system, other than the Premises to be served by Utility pursuant to this Contract.

The Utility shall have the exclusive right to determine the location of any service lines connected to the Utility's distribution and/or collection system and to determine the allocation of water to the Applicant in the event of a water shortage. Utility may, in the sole discretion of Utility shut off water and/or wastewater service to Applicant if Applicant knowingly allows a connection or extension to be made to his/her service lines for the purpose of supplying water and/or wastewater to another person or entity.

The Utility shall have the right to determine meter and/or service line locations on the Premises. In most instances, meters and/or lines shall be located adjacent to the Applicant's property line at the location nearest to the Utility's main.

The Applicant hereby agrees that: (1) if any bill for water and/or wastewater services performed under this or any like Contract shall remain unpaid for thirty (30) days after such bill has been rendered; or (2) if the Applicant shall tamper with, molest or otherwise interfere with any meters, lines, or other equipment of Utility; or (3) the Applicant shall otherwise be in breach of this Contract or any of the "General Terms and Conditions" of the Utility which are now in effect or which may be promulgated at some later time, then the Utility, at its option, shall have the right to terminate this Contract and any like contracts providing for the service of water and/or wastewater to Applicant. Applicant agrees that Utility shall impose a non-payment fee on Applicant in the sum required by the regulations of the Utility in effect at that time and service may be terminated any time after non-payment fee is assessed.

It is hereby understood and agreed by and between the Utility and the Applicant that the Utility is under no obligation to extend a service line to the Premises unless the Applicant has installed water consuming and/or wastewater discharging plumbing facilities on the Premises which are equipped for immediate connection to the Utility's system, or unless the Applicant has furnished the Utility with satisfactory evidence that s/he has made satisfactory arrangements to have such facilities installed prior to the time that the service lines are extended to the Premises.

The Utility reserves the right to refuse water and/or wastewater service to the applicant and to refund his/her deposit, if any, if in the sole discretion of the Utility, service to the Applicant is uneconomical or if the applicant is not located on or adjacent to the Utility's system.

The Applicant agrees that this Contract is subject to the "General Terms and Conditions" and "Developer Policy" which are incorporated in this Contract by reference. Applicant is subject to the Utilities' Pre-Treatment Program and/or Oil & Grease Program, or any versions thereof imposed on District by a wholesale provider of wastewater treatment to the District. The "General Terms and Conditions", "Developer Policy", "Pre-Treatment Program", and "Oil & Grease Program" may be amended from time to time by the Utility or any wholesale provider, and all amendments or modifications to the "General Terms and Conditions", "Developer Policy", "Pre-Treatment Program", and "Oil & Grease Program" shall be binding upon the Applicant.

Once this Contract has been accepted by the Utility, Applicant agrees to pay Utility a non-refundable water and/or wastewater connection and/or capacity fee in accordance with the standard rate then in force under the Utility's regular schedule. Applicant further agrees to accept and pay for water and/or wastewater service at the regular rate(s) established by Utility as soon as such service(s) becomes available to Applicant. In the event that the Utility fails to complete the construction of service line(s) to the Applicant's premises through no fault of the Applicant's, the Utility shall reimburse Applicant for any connection and/or capacity fee which the Applicant has paid to the Utility pursuant to this paragraph. Any cost incurred by Utility will be deducted from the connection and/or capacity fee.

Applicant shall also pay to Utility, prior to commencement of water and/or wastewater service by Utility to Applicant, such deposit as is required under Utility's standard rate of charge. Such deposit shall constitute an advance payment by Applicant against future water and/or wastewater service, repayable in water and/or wastewater service only, unless the Utility shall elect to refund such deposit upon termination of water and/or wastewater service to Applicant.

If Applicant pays for water and/or wastewater service pursuant to the provisions set forth above, Applicant shall be responsible for paying a minimum monthly charge to the Utility in accordance with the Utility rates then in effect, even if Applicant elects not to make use of such water and/or wastewater service. By his/her signature herein below Applicant acknowledges and agrees if the Applicant elects not to pay the minimum monthly charge to the Utility, the Applicant shall be deemed to have forfeited Applicant's interest in such service(s) and will be required to pay a new connection and/or capacity fee at the rate then in effect prior to making use of such service(s).

In the event that Applicant fails to pay water and/or wastewater charges duly imposed by Utility in accordance with this Agreement and/or the Utility's standard rate schedule, some or all of the following penalties shall be automatically imposed on the Applicant: (1) If Applicant's payment for such utility service is not received in the office of the Utility by the due date as indicated on Applicant's monthly bill, such penalty or penalties as are authorized by the General Terms and Conditions then in effect will be added to Applicant's next monthly bill; and (2) Applicant's utility service may be disconnected without any prior notice to Applicant; and (3) Utility may remove Applicant's meter and retain Applicant's initial connection and/or capacity fee, in which case Applicant shall be required to pay a new connection and/or capacity fee at the rate then in effect prior to the Utility's reconnecting Applicant's water and/or wastewater service.

Utility also reserves the right to refuse and return payments for less than the full amount billed. If the previous month's bill has not been paid after the current bill is mailed, Applicant shall be required to tender payment in full for the delinquent bill. Utility is not responsible for mail service and the Applicant is responsible for payment of the monthly bill even though the monthly bill may not be delivered by mail service.

Utility also reserves the right to re-assess additional capacity charges for Commercial and Industrial applicants in the event the projected Unit Contributory Loadings from SC DHEC Reg. 61-67 supplied by applicant did not accurately represent the actual water usage upon occupancy. In the event the applicant wishes to increase or expand any water and/or wastewater distribution or collection system(s) on or for the said Premises, it is the Applicant's responsibility to notify the Utility in writing of this increase prior to any increase or expansion. Utility will notify the Applicant of the Utility's ability to provide additional water and/or wastewater services to the said Premises and of any required re-assessment of additional capacity and/or connection charges or fees.

This Contract shall run with the Premises so long as service is provided thereto by Utility pursuant to this Contract and shall bind any occupant on the Premises which is furnished any service hereunder.

Signed and Accepted _____
Applicant Signature Printed Name

*Signed and Accepted _____
Property Owner Signature Printed Name

Approved by _____ Date _____
Utility Rep.

***Property owner signature is not required for leases or rentals unless a new connection is purchased by the lessee or tenant.**