

NOTICE OF REQUIREMENT TO COMPLY WITH THE SUBDIVISION AND SERVICE  
EXTENSION POLICY OF

LEROY TOURS GERALD WATER SUPPLY CORPORATION

Pursuant to Texas Water Code, §13.2502, Leroy-Tours-Gerald Water Supply Corporation of Leroy, Texas, hereby gives notice that any person who subdivides land by dividing any lot, tract, or parcel of land, within the service area of Leroy Tours Gerald Water Supply Corporation, Certificate of Convenience and Necessity No.10025, in McLennan County, Texas, into two or more lots or sites for the purpose of sale or development, whether immediate or future, including re-subdivision of land for which a plat has been filed and recorded or requests more than two water service connections on a single contiguous tract of land must comply with the Service Rules and Regulations Policy stated in the tariff's Non Standard Service Requirements (the "Subdivision Policy") contained in Leroy Tours Gerald Water Supply Corporation's tariff policy.

The Leroy Tours Gerald Water Supply Corporation is not required to extend retail water utility service to a service applicant in a subdivision where the developer of the subdivision has failed to comply with the Subdivision Policy.

Among other requirements, the Subdivision Policy requires:

Applicable elements of the Subdivision Policy , depending on the specific circumstances of the subdivision water service, may include:

Evaluation by Leroy Tours Gerald Water Supply Corporation of the impact a proposed subdivision service extension will make on Leroy Tours Gerald Water Supply Corporation's water supply service system and payment of the costs for this evaluation;

Payment of reasonable costs or fees by the developer for providing water supply service capacity;

Payment of fees for reserving water supply capacity;

Forfeiture of reserved water supply service capacity for failure to pay applicable fees;

Payment of costs of any improvements to Leroy Tours Gerald Water Supply Corporation's system that are necessary to provide the water service;

Construction according to design approved by Leroy Tours Gerald Water Supply Corporation and dedication by the developer of water facilities within the subdivision following inspection.

Leroy Tours Gerald Water Supply Corporation's tariff and a map showing Leroy Tours Gerald Water Supply Corporation's service area may be reviewed at Leroy Tours Gerald Water Supply Corporation's offices, at 312 West Commerce Street, Leroy, Texas; the tariff/policy and service area map also are filed of record at the Public Utility Commission of Texas.