

EXHIBIT A

CAPITAL CHARGE REPAYMENT SCHEDULE

In accordance with Section 7 of this Sewer Service Agreement, the Town of Oak Island is obligated to begin paying a Capital Charge to Brunswick County in the first month of completion of the Capital Improvements described in Exhibit B.

At this time, the sources and amounts of debt financing for the project have not been finalized. The Town of Oak Island and Brunswick County agree to revise this Exhibit based upon the final sources of money and amount of funds from those sources.

The Town of Oak Island's share of the debt associated with the West Brunswick Regional Wastewater System shall be its proportional share of all of the cost of West Brunswick Regional Wastewater System including the facilities constructed to serve portions of Brunswick County, the Town of Holden Beach and the Town of Oak Island. The cost of the facilities shall include all engineering, land acquisition and construction associated with the facilities.

As the Town of Oak Island will assume a portion of the debt associated with the construction of the existing 3 mgd West Brunswick Regional Wastewater System (Phase I), the Town agrees to pay its proportionate share of the existing debt from the time of the initial debt financing. As the principal and interest payments on the debt associated with the construction of the 3 mgd plant(Phase I) will start prior to completion of the 3 mgd expansion (Phase II), the Town of Oak Island agrees to reimburse the County and Town of Holden Beach, its proportionate share of any payment made on the debt associated with the 3 mgd West Brunswick Regional Wastewater System (Phase I), The reimbursement of the Town of Oak Island's share of these debt payments shall commence three years after completion of the 3 mgd plant expansion (Phase II) and be completed with three subsequent annual payments.