



Master Products and Services Agreement

between

Town of Lyons
("Customer")

and
Sensus USA Inc.
("Sensus")

IN WITNESS WHEREOF, the parties have caused this Master Products and Services Agreement ("Agreement") to be executed by their duly authorized representatives as of the day and year written below. The date of the last party to sign is the "Effective Date."

This Agreement shall commence on the Effective Date and continue for/until: 5 Years ("Initial Term") subject to the annual appropriation of funds. At the end of the Initial Term, this Agreement shall automatically renew for an additional term of 5 years ("Renewal Term") subject to annual appropriation and consent of the Customer which shall not be unreasonably withheld. The "Term" shall refer to both the Initial Term and the Renewal Term.

This Agreement contains two parts: Part (1) is The FCC Notification for Spectrum Manager Lease, to be filed with the FCC by Sensus on behalf of the Customer and Part (2) is a Master Products and Services Agreement between Sensus and Customer. Together, these two parts create the Agreement.

Commented [b1]: The Town cannot automatically renew contracts. It is against the Colorado Constitution to bind the actions of a future legislative body under the doctrine of "legislative encroachment"

Sensus USA Inc.

By: _____
Name: _____
Title: _____
Date: _____

Pricing remains firm until 1/1/2021 ("Trigger Date")

All purchase orders shall be sent to the address provided by Sensus. Sensus may change this address upon notice to Customer.

Customer: Town of Lyons

By: _____
Name: _____
Title: _____
Date: _____

Contents of this Agreement:

Part 1: Notification for Spectrum Manager Lease

Agreement

- Exhibit A Software
- Exhibit B Technical Support
- Exhibit C Pricing
- Exhibit D Statement of Work
- Exhibit E Certified Propagation Study
- Exhibit F Performance Warranty

Customer order acknowledgements shall be sent to:
[insert email address or fax number]

Sensus shall send all invoices to: [insert mailing address, email address, fax number, as applicable]

Part 1: Notification for Spectrum Manager Lease

In order for Sensus to apply to the FCC on the Customer's behalf for a spectrum manager lease, Customer must complete the information below in boxes one (1) through ten (10) and certify via authorized signature. Customer's signature will indicate that Customer authorizes Sensus to file the spectrum manager lease notification on FCC Form 608 with the Customer as spectrum Lessee, and if Customer does not already have one, ownership disclosure information on FCC Form 602.

1.

Customer/Lessee Name:	
Attention To:	Name of Real Party in Interest:
Street Address:	
State:	City:
Zip:	Phone:
Fax:	Email:

Is Customer contact information same as above? Yes No (If No, complete box 2 below)

2. Additional Customer/Lessee Contact Information

Company Name:	
Attention To:	
Street Address:	
State:	City:
Zip:	Phone:
Fax:	Email:

3.

Customer/Lessee is a(n) (Select one): <input type="checkbox"/> Individual <input type="checkbox"/> Unincorporated Association <input type="checkbox"/> Trust <input type="checkbox"/> Government Entity <input type="checkbox"/> Corporation <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Limited Liability Partnership <input type="checkbox"/> Consortium <input type="checkbox"/> Other _____

4.

FCC Form 602: FCC File Number of Customer's Form 602 Ownership Information: _____ If Customer has not filed a Form 602, Sensus will file one for Customer. Please complete questions 5, 6, and 7 below if Customer does <u>not</u> have a Form 602 on file. Customer must complete items 8, 9 and 10 irrespective of whether Customer has an ownership report on file.

5.

Customer Tax ID:

6. Individual Contact For FCC Matters

Please designate one individual (the Director of Public Works or similar person) who is responsible to the FCC for the operation of the FlexNet radio system.	
Name	
Title	
Email:	Phone:

7.

Ownership Disclosure Information

If Customer/Lessee is a government entity, list the names of the Mayor and all Council Members below, as well as verify citizenship and ownership interests in any entity regulated by the FCC. Such ownership must be disclosed where a mayor/council member owns 10% or more, directly or indirectly, or has operating control of any entity subject to FCC regulation. If any answer to Ownership question is Yes, or any answer to Citizenship question is No, provide an attachment with further explanation.

	US Citizen?	Ownership Disclosure?	
Mayor:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Council Member:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Council Member:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Council Member:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Council Member:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Council Member:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Council Member:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Council Member:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Council Member:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Council Member:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No

8.

Alien Ownership Questions (if the answer is Yes, provide an attachment explaining the circumstances)

1) Is the Customer/Lessee a foreign government or the representative of any foreign government?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
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9.

Basic Qualification Information

1) Has the Customer or any party to this application had any FCC station authorization, license, or construction permit revoked or had any application for an initial, modification or renewal of FCC station authorization, license or construction permit denied by the Commission?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2) Has the Customer or any party to this filing, or any party directly or indirectly controlling the Customer or any party to this filing ever been convicted of a felony by any state or federal court?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3) Has any court finally adjudged the Customer or any party directly or indirectly controlling the Customer guilty of unlawfully monopolizing or attempting to unlawfully monopolize radio communication, directly or indirectly, through control of manufacture or sale of radio apparatus, exclusive traffic arrangement, or any other means or unfair methods of competition?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

10.

Customer/Lessee Certification Statements

1) The Customer/Lessee agrees that the Lease is not a sale or transfer of the license itself.	<input type="checkbox"/> Yes
2) The Customer/Lessee acknowledges that it is required to comply with the Commission's Rules and Regulations and other applicable law at all times, and if the Customer/Lessee fails to so comply, the Lease may be revoked, cancelled, or terminated by either the Licensee or the Commission.	<input type="checkbox"/> Yes
3) The Customer/Lessee certifies that neither it nor any other party to the Application/Notification is subject to a denial of Federal benefit pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C § 862, because of a conviction for possession or distribution of a controlled substance (See Section 1.2002(b) of the rules, 47 CFR § 1.2002(b), for the definition of "party to the application" as used in this certification.)	<input type="checkbox"/> Yes
4) The Customer/Lessee hereby accepts Commission oversight and enforcement consistent with the license and lease authorization. The Lessee acknowledges that it must cooperate fully with any investigation or inquiry conducted either by the Commission or the Licensee, allow the Commission or the Licensee to conduct on-site inspections of transmission facilities, and suspend operations at the direction of the Commission or the Licensee and to the extent that such suspension of operation would be consistent with applicable Commission policies.	<input type="checkbox"/> Yes
5) The Customer/Lessee acknowledges that in the event an authorization held by a Licensee that has associated with it a spectrum leasing arrangement that is the subject of this filing is revoked, cancelled, terminated, or otherwise ceases to be in effect, the Customer/Lessee will have continuing authority to use the leased spectrum and will be required to terminate its operations no later than the date on which the Licensee ceases to have any authority to operate under the license, unless otherwise authorized by the Commission.	<input type="checkbox"/> Yes
6) The Customer/Lessee agrees the Lease shall not be assigned to any entity that is not eligible or qualified to enter into a spectrum leasing arrangement under the Commission's Rules and Regulations.	<input type="checkbox"/> Yes
7) The Customer/Lessee waives any claim to the use of any particular frequency or of the electromagnetic spectrum as against the regulatory power of the United States because of the previous use of the same, whether by spectrum lease or otherwise.	<input type="checkbox"/> Yes
8) The Customer/Lessee certifies that it is not in default on any payment for Commission licenses and that it is not delinquent on any non-tax debt owed to any federal agency.	<input type="checkbox"/> Yes

The Customer/Lessee certifies that all of its statements made in this Application/Notification and in the schedules, exhibits, attachments, or documents incorporated by reference are material, are part of this Application/Notification, and are true, complete, correct, and made in good faith. The Customer/Lessee shall notify Sensus in writing in the event any information supplied on this form changes.

Town of Lyons		
By:		Title:
Name:		Date:

FAILURE TO SIGN THIS APPLICATION MAY RESULT IN DISMISSAL OF THE APPLICATION AND FORFEITURE OF ANY FEES PAID.

WILLFUL FALSE STATEMENTS MADE ON THIS FORM OR ANY ATTACHMENTS ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. Code, Title 18, Section 1001) AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. Code, Title 47, Section 312(a)(1)) AND/OR FORFEITURE (U.S. Code Title 47, Section 503).

Part 2: Master Product and Services Agreement

1. Equipment.

A. Purchase of Equipment.

- i. **Equipment.** Customer shall purchase from Sensus the quantities and types of Field Devices, RF Field Equipment, and other goods (collectively, "Equipment") set forth in Exhibit C at the prices set forth in Exhibit C.
- ii. **First Article Testing.** Prior to manufacture of full order of FlexNet electric meters and/or modules, Sensus shall manufacture and deliver four (4) samples, or other Customer-designated quantity not to exceed twelve (12), (the "First Articles") of each electric meter and/or module ordered to Customer to ensure that the meter and/or module meets the Customer's Requirements Documentation. Following Customer acceptance of the First Articles in accordance with Sensus' first article policy, Sensus will commence manufacture of the applicable meters and/or modules. As used herein, Requirements Documentation shall mean the meter order packet, nameplate definition and approval, manufacturing data file, specific metrology configuration, specific FlexNet configuration, and labeling information.
- iii. **Delivery.** Customer shall pay for delivery of the Equipment from Sensus' or Sensus' contracted manufacturers' factory to Customer's warehouse. All Equipment is shipped Ex Works shipping point, prepay freight and add. FOB shipping point. Title to, and property in, the Equipment shall pass to Customer upon shipment. Risk of loss of the Equipment shall also pass to Customer upon shipment.
- iv. **Project Number.** Customer shall include the Sensus project number on all Purchase Orders. Orders submitted to Sensus may not be canceled or amended, or deliveries deferred, by Customer except with Sensus' prior written consent.
- v. **Warranty.** The Equipment purchased directly from Sensus is warranted as set forth in this subsection (v).
 - (a) Sensus warrants its water metering equipment and gas SmartPoint Modules according to the terms and conditions (including all limitations and exclusions) in the Sensus G-500 warranty, available at: <https://www.sensus.com/tc> (click on the G500 link), or 1-800-METER-IT ("G-500 Warranty"). To the extent the terms of the G-500 Warranty conflict with the terms in this Agreement, the terms of this Agreement shall control.
 - (b) Sensus warrants all other goods, software, and services, except for the water metering equipment and gas SmartPoint Modules, according to the terms and conditions (including all limitations and exclusions) in the Sensus Limited Warranty, available at: <https://www.sensus.com/tc> (click on the General Warranty link), or 1-800-METER-IT "General Limited Warranty". To the extent the terms of the General Limited Warranty conflict with the terms in this Agreement, the terms of this Agreement shall control.
 - (c) The G-500 Warranty and the General Limited Warranty are hereby incorporated by reference as if fully set forth herein.
 - (d) Sensus warrants the performance of the FlexNet System according to the terms and conditions (including all limitations and exclusions) in the Performance Warranty attached as Exhibit E.

B. Limitations and Exclusions. THE WARRANTIES IN THIS SECTION 1, THE G-500 WARRANTY, AND THE GENERAL LIMITED WARRANTY ARE THE ONLY WARRANTIES GIVEN WITH RESPECT TO THE GOODS, SOFTWARE LICENSES, AND SERVICES SOLD OR OTHERWISE PROVIDED BY SENSUS. SENSUS EXPRESSLY DISCLAIMS ANY AND ALL OTHER REPRESENTATIONS, WARRANTIES AND/OR CONDITIONS, EXPRESSED, IMPLIED, STATUTORY OR OTHERWISE, REGARDING ANY MATTER IN CONNECTION WITH THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, WARRANTIES AS TO FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, NON-INFRINGEMENT AND TITLE.

C. Ongoing Maintenance of Equipment.

- i. **Field Devices.** Customer shall be responsible for the ongoing maintenance of the Field Devices. Customer shall provide the field services labor to visit a problem Field Device and perform diagnostics and repair or replacement. For electricity products, Customer shall first test and confirm that each socket to which a Field Device will be/is connected is in safe operating condition, is fully functional, is not corroded, does not contain improperly installed jaws or other deficiencies, complies with ANSI standards, and is not hot, damaged, or otherwise in need of maintenance or repair.
- ii. **RF Field Equipment.** Customer shall be responsible for the ongoing maintenance of the RF Field Equipment. Customer shall be responsible for the ongoing monthly operations and expenses related to the RF Field Equipment, including any leasing costs, construction costs, taxes and costs of WAN Backhaul. Customer shall pay for electric power to the RF Field Equipment.

2. Services.

A. Installation of Equipment.

- i. **Generally.** The parties shall have their respective obligations for the deployment and operation of the FlexNet System as set forth in the Statement of Work attached as Exhibit D. The Statement of Work does not apply if Customer is purchasing Equipment from Sensus' authorized distributor
- ii. **Field Devices.** Sensus shall install the Field Devices at End Users' premise or other location as applicable for the pricing set forth in Exhibit C. For electricity products, Customer shall first test and confirm that each socket to which a Network Device will be connected is in safe operating condition, is fully functional and is not "hot", damaged or otherwise in need of maintenance or repair.
- iii. **RF Field Equipment.** Sensus shall perform the propagation analysis in the Service Territory to determine where to locate the RF Field Equipment. For the prices set forth in Exhibit C, Sensus, or its subcontractor, shall perform Sensus' obligations in Exhibit D with regards to the RF Field Equipment installation. Customer shall perform Customer's obligations in Exhibit D with regards to the RF Field Equipment installation.

B. IT Systems Integration Services. Integration of the Software into Customer's new or existing internal IT systems is included in this Agreement as described in Exhibit D for the pricing set forth in Exhibit C. Any additional integration work not identified in Exhibit D shall be subject to a separate agreement which describes the scope and pricing for such work.

C. Technical Support. Sensus shall provide Customer the technical support set forth in Exhibit B.

D. Project Management. Project management of the FlexNet System is included in this Agreement as described in Exhibit D, for the pricing set forth in Exhibit C. Additional Project Management services or changes in scope or duration of the project will be covered via Change Order or by separate agreement which describes the scope and pricing for such additional services.

E. Training. Training on the use of the FlexNet System is included in this Agreement as specified in Exhibit D for the pricing identified in Exhibit C.

3. Software.

A. Software as a Service (SaaS). Sensus shall provide Customer with Software as a Service, as defined in Exhibit A, only so long as Customer is current in its payments for such services.

- B. **UCITA.** To the maximum extent permitted by law, the Parties agree that the Uniform Computer Information Transaction Act as enacted by any state shall not apply, in whole or in part, to this Agreement.

4. **Spectrum.**

- A. **Definitions in this Section 3.** In this Section 3 only, "Sensus" shall mean Sensus USA Inc. and its wholly owned subsidiary, Sensus Spectrum LLC.
- B. **Spectrum Lease.** Sensus hereby grants to Customer, and Customer accepts, a spectrum manager lease ("Spectrum Lease") over the frequencies of certain FCC license(s) ("FCC License") solely within Customer's Service Territory. (The frequencies of the FCC License within Customer's geographic Service Territory are called the "Leased Spectrum"). Customer shall pay the Ongoing Fees for use of the Leased Spectrum.
- C. **FCC Forms.** At the Federal Communications Commission ("FCC"), Sensus will; (1) obtain an FCC Registration Number ("FRN") for Customer; (2) submit on behalf of Customer the FCC Form 602 Ownership Disclosure Information if Customer has not already done so; and (3) file a FCC Form 608, notification/application for long-term spectrum manager lease. This Lease becomes effective when the FCC accepts the FCC Form 608.
- D. **Lease Application.** In order to complete the FCC lease application, Customer will promptly:
 - i. Complete and sign the representations in Part 1 of this Agreement such that Customer demonstrates it qualifies for a spectrum lease under FCC rules. Customer's signature will indicate that Customer authorizes Sensus to; (1) obtain an FRN on behalf of Customer; (2) submit the FCC Form 602 Ownership Disclosure Information on behalf of Customer if Customer has not already done so; and (3) file the spectrum manager lease notification on FCC Form 608 with the Customer as spectrum lessee.
 - ii. Give Sensus the coordinates of the boundaries of Customer's Service Territory or, alternatively, approve Sensus' estimation of the same.
 - iii. If Customer has not already done so; Customer hereby authorizes Sensus to apply on Customer's behalf and obtain for Customer a Federal Registration Number (FRN, the FCC's unique identifier for each licensee) and shall supply Sensus with Customer's Taxpayer Identification Number ("TIN").
 - iv. Provide any other information or other cooperation reasonably necessary for the Parties to perform as set forth herein.
- E. **Permitted Use of Spectrum Lease.** Customer may transmit or receive over the Leased Spectrum only in the Service Territory and only using FlexNet equipment manufactured by Sensus and used in accordance with Sensus' specifications. Customer may use the Leased Spectrum only to read and direct meters in support of Customer's primary utility business or any other operation approved by Sensus in writing. Without limiting the foregoing, Customer is prohibited from reselling, subleasing or sublicensing the Leased Spectrum or from transmitting voice communications over the Leased Spectrum. For each piece of RF Field Equipment used by Customer, Customer shall affix a Sensus-supplied label to the exterior of the RF Field Equipment cabinet or other appropriate visible place to indicate that RF operation is conducted under authority of FCC License(s) issued to Sensus.
- F. **FCC Forms.** At the Federal Communications Commission (FCC), Sensus will; (1) obtain an FCC Registration Number (FRN) for Customer; (2) submit on behalf of Customer the FCC Form 602 Ownership Disclosure Information if Customer has not already done so; and (3) file a FCC Form 608, notification/application for long-term spectrum manager lease. This Lease becomes effective when the FCC accepts the FCC Form 608.
- G. **Term of Spectrum Lease.** Unless terminated earlier (because, for example, Customer stops using the FlexNet equipment or because this Agreement terminates or expires for any reason), this Spectrum Lease will have the same term as the FCC license. If Customer is operating in compliance with this Agreement and is current on any payments owed to Sensus, when the FCC License renews, the Parties will apply to the FCC to renew this Spectrum Lease.
- H. **Termination of Spectrum Lease.** The Spectrum Lease will terminate: (a) two months after Customer stops transmitting with FlexNet equipment manufactured by Sensus; (b) upon termination, revocation or expiration of the FCC License; (c) upon Customer's breach of this Agreement; or (d) upon termination or expiration of this Agreement for any reason.
- I. **FCC Compliance.** The following FCC requirements apply
 - i. Pursuant to 47 CFR 1.9040(a);
 - a. Customer must comply at all times with applicable FCC rules. This Agreement may be revoked by Sensus or the FCC if Customer fails to so comply;
 - b. If the FCC License is terminated, Customer has a continuing right to use the Leased Spectrum unless otherwise authorized by the FCC;
 - c. This Agreement is not an assignment, sale or other transfer of the FCC License;
 - d. This Agreement may not be assigned except upon written consent of Sensus, which consent may be withheld in its discretion; and
 - e. In any event, Sensus will not consent to an assignment that does not satisfy FCC rules.
 - ii. Referencing 47 CFR 1.9010, Sensus retains *de jure* and *de facto* control over the applicable radio facilities, including that,
 - a. Sensus will be responsible for Customer's compliance with FCC policies and rules. Sensus represents and warrants that it has engineered the FlexNet equipment and accompanying software and other programs to comply with FCC rules. Customer will operate the FlexNet equipment subject to Sensus' supervision and control and solely in accordance with Sensus' specifications. Sensus retains the right to inspect Customer's radio operations hereunder and to terminate this Agreement or take any other necessary steps to resolve a violation of FCC rules, including to order Customer to cease transmission. Sensus will act as spectrum manager in assigning spectrum under the FCC License so as to avoid any harmful interference or other violation of FCC rules. Sensus will be responsible for resolving any interference complaints or other FCC rule violations that may arise; and
 - b. Sensus will file any necessary FCC forms or applications and Customer agrees to reasonably assist Sensus with such filing by providing any necessary information or other cooperation. Sensus will otherwise interact with the FCC with respect to this Agreement, the FCC License or FlexNet equipment.
 - iii. Customer must continue operations on the spectrum during the Term of this Agreement. If Customer stops operations for any period of time, Customer must notify Sensus by sending an email to legal@xyleminc.com. Customer may not pause or discontinue operations for more than 180 days.
- J. **Interference.** Customer agrees to report to Sensus promptly, and in no event later than 72 hours afterward, any incident related to the Leased Spectrum, including where Customer experiences harmful interference, receives a complaint or other notice of having caused harmful interference, or receives any type of communication from the FCC or other government agency regarding radio transmission.

5. **General Terms and Conditions.**

- A. **Payment.** All payment and pricing is subject to the terms in Exhibit C.
- B. **Infringement Indemnity.** Sensus shall indemnify and hold harmless Customer from and against any judgment by a court of competent jurisdiction or settlement reached from any litigation instituted against Customer in the United States by a third party which alleges that the FlexNet System provided hereunder infringes upon the patents or copyrights of such third party, provided that Sensus shall have the right to select counsel in such proceedings and control such proceedings. Notwithstanding the foregoing, Sensus shall have no liability under this indemnity unless Customer cooperates with and assists Sensus in any such proceedings and gives Sensus written notice of any claim hereunder within fourteen (14) days of receiving it. Further, Sensus shall have no liability hereunder if such claim is related to: (i) any change, modification or alteration made to the FlexNet System by Customer or a third party, (ii) use of the FlexNet System in combination with any goods or services not provided by Sensus hereunder, (iii) Customer's failure to use the most recent version of the Software or to otherwise take any corrective action as reasonably directed by Sensus, (iv) compliance by Sensus with any designs, specifications or instructions provided by Customer or

compliance by Sensus with an industry standard, or (v) any use of the FlexNet System other than for the Permitted Use. In the event the FlexNet System is adjudicated to infringe a patent or copyright of a third party and its use is enjoined, or, if in the reasonable opinion of Sensus, the FlexNet System is likely to become the subject of an infringement claim, Sensus, at its sole discretion and expense, may: (i) procure for Customer the right to continue using the FlexNet System or (ii) modify or replace the FlexNet System so that it becomes non-infringing. THIS SECTION STATES CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND SENSUS' ENTIRE LIABILITY FOR ANY CLAIM OF INFRINGEMENT.

- C. **Limitation of Liability.** Sensus' aggregate liability in any and all causes of action arising under, out of or in relation to this Agreement, its negotiation, performance, breach or termination (collectively "Causes of Action") shall not exceed the total amount paid by Customer directly to Sensus under this Agreement. This is so whether the Causes of Action are in tort, including, without limitation, negligence or strict liability, in contract, under statute or otherwise. As separate and independent limitations on liability, Sensus' liability shall be limited to direct damages. Sensus shall not be liable for: (i) any indirect, incidental, special or consequential damages; nor (ii) any revenue or profits lost by Customer or its Affiliates from any End User(s), irrespective whether such lost revenue or profits is categorized as direct damages or otherwise; nor (iii) any In/Out Costs; nor (v) damages arising from maincase or bottom plate breakage caused by freezing temperatures, water hammer conditions, or excessive water pressure. The limitations on liability set forth in this Agreement are fundamental inducements to Sensus entering into this Agreement. They apply unconditionally and in all respects. They are to be interpreted broadly so as to give Sensus the maximum protection permitted under law.
- D. **Termination.** Either party may terminate this Agreement earlier if the other party commits a material breach of this Agreement and such material breach is not cured within forty-five (45) days of written notice by the other party. Upon any expiration or termination of this Agreement, Sensus' and Customer's obligations hereunder shall cease and the software as a service and Spectrum Lease shall immediately cease.
- E. **Force Majeure.** If either party becomes unable, either wholly or in part, by an event of Force Majeure, to fulfill its obligations under this Agreement, the obligations affected by the event of Force Majeure will be suspended during the continuance of that inability. The party affected by the force majeure will take reasonable steps to mitigate the Force Majeure.
- F. **Intellectual Property Rights**
 - i. **Software and Materials.** No Intellectual Property is assigned to Customer hereunder. Excluding Customer Data, Sensus shall own or continue to own all right, title, and interest in and to the Intellectual Property associated with the Software and related documentation, including any derivations and/or derivative works (the "Sensus IP"). To the extent, if any, that any ownership interest in and to such Sensus IP does not automatically vest in Sensus by virtue of this Agreement or otherwise, and instead vests in Customer, Customer agrees to grant and assign and hereby does grant and assign to Sensus all right, title, and interest that Customer may have in and to such Sensus IP. Customer agrees not to reverse engineer any Sensus Products purchased or provided hereunder.
 - ii. **Customer Data.** Notwithstanding the prior paragraph, as between Customer and Sensus, Customer remains the owner of all right, title or interest in or to any Customer Data. "Customer Data" means solely usage data collected by the Field Devices. To avoid doubt, Customer Data does not include non-End User usage data collected by the Field Devices, Software, or FlexNet System, such as network and equipment status information or the like.
 - iii. **Consent to Use of Customer Data.** Customer hereby irrevocably grants to Sensus a royalty-free, non-exclusive, irrevocable right and license to access, store, and use such Customer Data and any other data or information provided to Sensus, to (1) provide the Service; (2) analyze and improve the Service; (3) analyze and improve any Sensus or affiliate equipment, software, or service; or (4) for any other internal use. As used herein, "Service" means Sensus' obligations under this Agreement.
 - iv. **Copy of Customer Data.** Upon Customer's written request, Sensus will provide Customer a quote to deliver a CMEP file consisting of the most recent 60 days of CMEP interval file data. Sensus will deliver the CMEP file in accordance with the quote upon Customer's acceptance of the quote.
- G. **Data Privacy.** Customer acknowledges that Sensus and its Affiliates (collectively, "Xylem") will collect and process personal data for the purposes outlined in this Agreement. Xylem's data privacy policy is available at <https://www.xylem.com/en-us/support/privacy/>. Customer acknowledges that it has read and understood Xylem's privacy policy and agrees to the use of personal data outlined therein. The collection and use of personal data by Customer is Customer's responsibility.
- H. **Confidentiality.** Except as may be required under applicable law, court order, or regulation, or to the extent required to perform and enforce this Agreement, both parties shall (and shall cause their employees and contractors to) keep all Confidential Information strictly confidential and shall not disclose it to any third party. The Confidential Information may be transmitted orally, in writing, electronically or otherwise observed by either party. Notwithstanding the foregoing, "Confidential Information" shall not include: (i) any information that is in the public domain other than due to Recipient's breach of this Agreement; (ii) any information in the possession of the Recipient without restriction prior to disclosure by the Discloser; or (iii) any information independently developed by the Recipient without reliance on the information disclosed hereunder by the Discloser. "Discloser" means either party that discloses Confidential Information, and "Recipient" means either party that receives it.
- I. **Compliance with Laws.** Customer shall comply with all applicable country, federal, state, and local laws and regulations, as set forth at the time of acceptance and as may be amended, changed, or supplemented. Customer shall not take any action, or permit the taking of any action by a third party, which may render Sensus liable for a violation of applicable laws.
 - i. **Export Control Laws.** Customer shall: (i) comply with all applicable U.S. and local laws and regulations governing the use, export, import, re-export, and transfer of products, technology, and services; and (ii) obtain all required authorizations, permits, and licenses. Customer shall immediately notify Sensus, and immediately cease all activities with regards to the applicable transaction, if the Customer knows or has a reasonable suspicion that the equipment, software, or services provided hereunder may be directed to countries in violation of any export control laws. By ordering equipment, software or services, Customer certifies that it is not on any U.S. government export exclusion list.
 - ii. **Anti-Corruption Laws.** Customer shall comply with the United States Foreign Corrupt Practices Act (FCPA), 15 U.S.C. §§ 78dd-1, et seq.; laws and regulations implementing the OECD's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; the U.N. Convention Against Corruption; the Inter-American Convention Against Corruption; and any other applicable laws and regulations relating to anti-corruption in the Customer's country or any country where performance of this Agreement, or delivery or use of equipment, software or services will occur.
- J. **Non-Waiver of Rights.** A waiver by either party of any breach of this Agreement or the failure or delay of either party to enforce any of the articles or other provisions of this Agreement will not in any way affect, limit or waive that party's right to enforce and compel strict compliance with the same or other articles or provisions.
- K. **Assignment and Sub-contracting.** Either party may assign, transfer or delegate this Agreement without requiring the other party's consent; (i) to an Affiliate; (ii) as part of a merger; or (iii) to a purchaser of all or substantially all of its assets. Apart from the foregoing, neither party may assign, transfer or delegate this

Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld. Furthermore, Customer acknowledges Sensus may use subcontractors to perform RF Field Equipment installation, the systems integration work (if applicable), or project management (if applicable), without requiring Customer's consent.

- L. **Amendments.** No alteration, amendment, or other modification shall be binding unless in writing and signed by both Customer and by a vice president (or higher) of Sensus.
- M. **Governing Law and Dispute Resolution.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Delaware. Any and all disputes arising under, out of, or in relation to this Agreement, its negotiation, performance or termination ("Disputes") shall first be resolved by mediation between the Parties. TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE PARTIES AGREE TO A BENCH TRIAL AND THAT THERE SHALL BE NO JURY IN ANY DISPUTES.
- N. **Survival.** The provisions of this Agreement that are applicable to circumstances arising after its termination or expiration shall survive such termination or expiration.
- O. **Severability.** In the event any provision of this Agreement is held to be void, unlawful or otherwise unenforceable, that provision will be severed from the remainder of the Agreement and replaced automatically by a provision containing terms as nearly like the void, unlawful, or unenforceable provision as possible; and the Agreement, as so modified, will continue to be in full force and effect.
- P. **Four Corners.** This written Agreement, including all of its exhibits, represents the entire understanding between and obligations of the parties and supersedes all prior understandings, agreements, negotiations, and proposals, whether written or oral, formal or informal between the parties. Any additional writings shall not modify any limitations or remedies provided in the Agreement. There are no other terms or conditions, oral, written, electronic or otherwise. There are no implied obligations. All obligations are specifically set forth in this Agreement. Further, there are no representations that induced this Agreement that are not included in it. The ONLY operative provisions are set forth in writing in this Agreement. Without limiting the generality of the foregoing, no purchase order placed by or on behalf of Customer shall alter any of the terms of this Agreement. The parties agree that such documents are for administrative purposes only, even if they have terms and conditions printed on them and even if and when they are accepted and/or processed by Sensus. Any goods, software or services delivered or provided in anticipation of this Agreement (for e.g., as part of a pilot or because this Agreement has not yet been signed but the parties have begun the deployment) under purchase orders placed prior to the execution of this Agreement are governed by this Agreement upon its execution and it replaces and supersedes any such purchase orders.
- Q. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Additionally, this Agreement may be executed by facsimile or electronic copies, all of which shall be considered an original for all purposes.

6. **Definitions**

- A. "**Affiliate**" of a party means any other entity controlling, controlled by, or under common control with such party, where "control" of an entity means the ownership, directly or indirectly, of 50% or more of either: (i) the shares or other equity in such entity; or (ii) the voting rights in such entity.
- B. "**Available Meter**" means an installed Sensus FlexNet meter (with a SmartPoint Module installed) or a Sensus SmartPoint Module which has been installed on a third party meter, and which, in either case, is not an Unavailable Meter (or on an Unavailable Meter in the case of SmartPoint Modules on third party meters) and which satisfies all of the following criteria: (i) it functions properly, is powered and is not a damaged or failed meter; (ii) it is in a deployment area of meters for Customer such that a sufficient number of two-way meters are in range of each other; (iii) it is serviced by RF Field Equipment that has not been subjected to a power failure greater than eight (8) total hours; (iv) neither it nor the RF Field Equipment that serves that meter has been affected by a Force Majeure event; (v) jamming of the radio spectrum is not preventing or interfering with radio communication to or from the meter; (vi) it is installed in the Service Territory; (vii) it has not been reported to Customer under Sensus' or Customer's preventative maintenance; (viii) its functioning or performance has not been adversely affected by a failure of Customer to perform its obligations or tasks for which it is responsible under this Agreement, including, but not limited to, testing and confirming that the socket to which the meter will be/s connected is in safe operating condition, is fully functional, is not corroded, does not contain improperly installed jaws or other deficiencies, complies with ANSI standards, and is not hot, damaged, or otherwise in need of maintenance or repair; (ix) its functioning or performance has not been adversely affected by a failure or insufficiency of the back haul telecommunications network of Customer for communications among the components of the Sensus FlexNet System; and (x) it has been installed in compliance with the procedures and specifications approved by Customer and Sensus.
- C. "**Confidential Information**" means any and all non-public information of either party, including all technical information about either party's products or services, pricing information, marketing and marketing plans, Customer's End Users' data, FlexNet System performance, FlexNet System architecture and design, FlexNet System software, other business and financial information of either party, and all trade secrets of either party.
- D. "**End User**" means any end user of electricity, water, and/or gas (as applicable) that pays Customer for the consumption of electricity, water, and/or gas, as applicable.
- E. "**Field Devices**" means the SmartPoint Modules and VantagePoint Devices.
- F. "**FlexNet Base Station**" identifies the Sensus manufactured device consisting of one transceiver, to be located on a tower that receives readings from the SmartPoint Modules (either directly or via an R100 unit) by radio frequency and passes those readings to the RNI by TCP/IP backhaul communication. For clarity, FlexNet Base Stations include Metro Base Stations.
- G. "**FlexNet System**" is comprised of the SmartPoint Modules, RF Field Equipment, Server Hardware, software licenses, Spectrum Lease, and other equipment provided to Customer hereunder. The FlexNet System only includes the foregoing, as provided by Sensus. The FlexNet System does not include goods, equipment, software, licenses or rights provided by a third party or parties to this Agreement.
- H. "**Force Majeure**" means an event beyond a party's reasonable control, including, without limitation, acts of God, hurricane, flood, volcano, tsunami, tornado, storm, tempest, mudslide, vandalism, illegal or unauthorized radio frequency interference, strikes, lockouts, or other industrial disturbances, unavailability of component parts of any goods provided hereunder, acts of public enemies, wars, blockades, insurrections, riots, epidemics, earthquakes, fires, restraints or prohibitions by any court, board, department, commission or agency of the United States or any States, any arrests and restraints, civil disturbances and explosion.
- I. "**Hosted Software**" means those items listed as an Application in Exhibit A.
- J. "**In/Out Costs**" means any costs and expenses incurred by Customer in transporting goods between its warehouse and its End User's premises and any costs and expenses incurred by Customer in installing, uninstalling and removing goods.
- K. "**Intellectual Property**" means patents and patent applications, inventions (whether patentable or not), trademarks, service marks, trade dress, copyrights, trade secrets, know-how, data rights, specifications, drawings, designs, maskwork rights, moral rights, author's rights, and other intellectual property rights, including any derivations and/or derivative works, as may exist now or hereafter come into existence, and all renewals and extensions thereof, regardless of whether any of such rights arise under the laws of the United States or of any other state, country or jurisdiction, any registrations or applications thereof, and all goodwill pertinent thereto.

- L. "**LCM**" identifies the load control modules.
- M. "**Ongoing Fee**" means the annual or monthly fees, as applicable, to be paid by Customer during the Term of this Agreement.
- N. "**Patches**" means patches or other maintenance releases of the Software that correct processing errors and other faults and defects found previous versions of the Software. For clarity, Patches are not Updates or Upgrades.
- O. "**Permitted Use**" means only for reading Customer's Field Devices in the Service Territory. The Permitted Use does not include reading third devices not provided by Sensus or reading Field Devices outside the Service Territory.
- P. "**R100 Unit**" identifies the Sensus standalone, mounted transceiver that takes the radio frequency readings from the SmartPoint Modules and relays them by radio frequency to the relevant FlexNet Base Station or directly to the RNI by TCP/IP backhaul communication, as the case may be.
- Q. "**Release**" means both Updates and Upgrades.
- R. "**Remote Transceiver**" identifies the Sensus standalone, mounted relay device that takes the radio frequency readings from the SmartPoint Modules and relays them directly to the RNI by TCP/IP backhaul communication.
- S. "**RF Field Equipment**" means, collectively, FlexNet Base Stations, R100 units (if any) and Remote Transceivers (if any).
- T. "**RNI**" identifies the regional network interfaces consisting of hardware and software used to gather, store, and report data collected by the FlexNet Base Stations from the SmartPoint Modules. The RNI hardware specifications will be provided by Sensus upon written request from Customer.
- U. "**RNI Software**" identifies the Sensus proprietary software used in the RNI and any Patches, Updates, and Upgrades that are provided to Customer pursuant to the terms of this Agreement.
- V. "**Service Territory**" identifies the geographic area where Customer utilizes Sensus equipment to provide services to End Users as of the Effective Date. This area will be described on the propagation study in the parties' Spectrum Lease filing with the FCC.
- W. "**Server Hardware**" means the RNI hardware.
- X. "**SmartPoint™ Modules**" identifies the Sensus transmission devices installed on devices such as meters, distribution automation equipment and demand/response devices located at Customer's End Users' premises that communicate with the relevant devices and transmit those communications by radio frequency to the relevant piece of RF Field Equipment.
- Y. "**Software**" means all the Sensus proprietary software provided pursuant to this Agreement, and any Patches, Updates, and Upgrades that are provided to Customer pursuant to the terms of this Agreement. The Software does not include any third party software.
- Z. "**TouchCoupler Unit**" identifies an inductive coupler connection from a water register to the SmartPoint Module.

AA. "**Unavailable Meters**" include meters with sockets with power cut at the pole, meters that are booted on the line side, sockets that are not provided power due to a power delivery system failure, meters with tamper, theft or other human induced failures that render the meter or SmartPoint Module incapable of providing a read, a Force Majeure event induced failures of the power delivery system, socket or meter, and/or any system or meter maintenance issue that precludes the meter from transmitting its message to the network. Examples of Unavailable Meters include: (i) Cut At Pole: a meter for which power has been turned off to the socket by Customer; (ii) Booted on Line Side: nominally a meter for which power has been turned off by placing boots in the socket from which the power to the meter has effectively been turned off; (iii) Failed or flawed power delivery to the meter socket: Customer power generation, distribution or delivery system failure that has effectively turned off power to the socket and/or meter; (iv) Tampered Meters: sockets, meters or distribution assets that have been modified by unauthorized personnel rendering the meter incapable of providing accurate usage readings from that meter; (v) Broken TouchCoupler unit: the TouchCoupler unit is damaged by intentional or unintentional acts; (vi) Broken Clip: the clip that holds the TouchCoupler unit into the radio package housing is broken and the unit cannot complete the inductive electrical connection; (vii) Improper installation of the TouchCoupler unit: the TouchCoupler unit is not pushed all the way into the housing clip causing the unit to not be able to complete the inductive electrical connection; (viii) Unit not installed through the pit lid: the unit is not installed with the antenna positioned through the pit lid and properly secured with the retaining nut. The radio unit must also be securely attached to the antenna section; (ix) Radio unit not securely attached to the Antenna unit: The water-proof SmartPoint Module housing is not properly installed and secured to the antenna unit; (x) Damaged antenna: the unit's antenna is damaged by intentional or unintentional acts; (xi) Damaged radio package: the unit's water-proof radio package is damaged by intentional or unintentional acts; (xii) Data Base errors: the unit is removed from the system but not updated in the database. Still shown as in the system when in fact has been removed; (xiii) Phantom Units: the unit is removed from the system but is still transmitting and being heard by the system; and (xiv) Other Installation Defect: the unit is otherwise installed improperly so that it does not communicate with the FlexNet Base Station.

BB. "**Updates**" means releases of the Software that constitute a minor improvement in functionality.

CC. "**Upgrades**" means releases of the Software which constitute a significant improvement in functionality or architecture of the Software.

DD. "**VantagePoint™ Devices**" means lighting control modules that connect to a third party lighting device.

EE. "**WAN Backhaul**" means the communication link between FlexNet Base Stations and Remote Transceivers and RNI.

Exhibit A
Software

Software as a Service

I. Description of Services.

This exhibit contains the details of the Software as a Service that Sensus shall provide to Customer if both: (i) pricing for the application of Software as a Service has been provided to the Customer; and (ii) the Customer is current in its payments for such application of Software as a Service.

A. Software as a Service Generally.

Software as a Service is a managed service in which Sensus will be responsible for the day-to-day monitoring, maintenance, management, and supporting of Customer's software applications. In a Software as a Service solution, Sensus owns all components of the solution (server hardware, storage, data center, network equipment, Sensus software, and all third-party software) required to run and operate the application. These software applications consist of the following (each an Application):

- Regional Network Interface (RNI) Software
- VantagePoint Software

The managed application systems consist of the hardware, Sensus Software, and other third-party software that is required to operate the software applications. Each Application will have a production, and Disaster Recovery (as described below) environment. Test environments are not provided unless otherwise specifically agreed by Sensus in writing. Sensus will manage the Applications by providing 24 x 7 x 365 monitoring of the availability and performance of the Applications.

B. Use of Software as a Service. Subject to the terms of this Agreement, Sensus shall make Software as a Service available to Customer to access and use solely for the Permitted Use and solely for so long as Customer is current in its payments to Sensus or its authorized distributor for Software as a Service. The Software as a Service term commences on the date that Sensus first makes Software as a Service available to Customer for use, and ends upon the earlier of: (i) the expiration or termination of the Agreement; (ii) breach by Customer of this exhibit or the Agreement; or (iii) Customer's termination of Software as a Service as set forth in paragraph (C) below.

C. Termination of an Application. Customer shall have the option at any time before the end of the Term to terminate any Application by giving Sensus one hundred twenty (120) days prior written notice. Such notice, once delivered to Sensus, is irrevocable. Should Customer elect to terminate any Application, Customer acknowledges that: (a) Customer shall pay all applicable fees, including any unpaid Software as a Service fees due in the current calendar year plus a ten percent (10%) early termination fee, where such fee is calculated based on the annual Software as a Service fee due in the current calendar year; and (b) Software as a Service for such Application shall immediately cease. If Customer elects to terminate the RNI Application in the Software as a Service environment but does not terminate the Agreement generally, then upon delivery of the notice to Sensus, Customer shall purchase the necessary (a) RNI hardware from a third party and (b) RNI software license at Sensus' then-current pricing. No portion of the Software as a Service fees shall be applied to the purchase of the RNI hardware or software license.

D. Software as a Service means only the following services:

- i. Sensus will provide the use of required hardware, located at Sensus' or a third-party's data center facility (as determined by Sensus), that is necessary to operate the Application.
- ii. Sensus will provide production and disaster recovery environments for Application.
- iii. Sensus will provide patches, updates, and upgrades to latest Sensus Hosted Software release.
- iv. Sensus will configure and manage the equipment (server hardware, routers, switches, firewalls, etc.) in the data centers:
 - a. Network addresses and virtual private networks (VPN)
 - b. Standard time source (NTP or GPS)
 - c. Security access points
 - d. Respond to relevant alarms and notifications
- v. Capacity and performance management. Sensus will:
 - a. Monitor capacity and performance of the Application server and software applications 24x7x365 using KPI metrics, thresholds, and alerts to proactively identify any potential issues related to system capacity and/or performance (i.e. database, backspool, logs, message broker storage, etc.)
 - b. If an issue is identified to have a potential impact to the system, Sensus will open an incident ticket and manage the ticket through resolution per Exhibit B, Technical Support.
 - c. Manage and maintain the performance of the server and perform any change or configuration to the server, in accordance to standard configuration and change management policies and procedures.
 - d. Manage and maintain the server storage capacity and performance of the Storage Area Network (SAN), in accordance to standard configuration and change management policies and procedures.
 - e. Exceptions may occur to the system that require Sensus to take immediate action to maintain the system capacity and performance levels, and Sensus has authority to make changes without Customer approval as needed, in accordance to standard configuration and change management policies and procedures.
- vi. Database management. Sensus will:
 - a. Implement the data retention plan and policy, and will provide the policy upon request.
 - b. Monitor space and capacity requirements.
 - c. Respond to database alarms and notifications.
 - d. Install database software upgrades and patches.
 - e. Perform routine database maintenance and cleanup of database to improve capacity and performance, such as rebuilding indexes, updating indexes, consistency checks, run SQL query/agent jobs, etc.
- vii. Incident and Problem Management. Sensus will:

- a. Proactively monitor managed systems (24x7x365) for key events and thresholds to proactively detect and identify incidents.
- b. Respond to incidents and problems that may occur to the Application(s).
- c. Maintain policies and procedures for responding to incidents and performing root cause analysis for ongoing problems.
- d. Correlate incidents and problems where applicable.
- e. Sensus personnel will use the self-service portal to document and track incidents.
- f. In the event that a Sensus personnel is unable to resolve an issue, the issue will be escalated to the appropriate Subject Matter Expert (SME).
- g. Maintain responsibility for managing incident and problems through resolution and will coordinate with Customer's personnel and/or any required third-party vendor to resolve the issue.
- h. Provide telephone support consistent with Exhibit B, Technical Support in the case of undetected events.

viii. Security Management. Sensus will:

- a. Monitor the physical and cyber security of the server and Application(s) 24x7x365 to ensure system is highly secure in accordance with NIST Security Standards.
- b. Perform active intrusion prevention and detection of the data center network and firewalls, and monitor logs and alerts.
- c. Conduct period penetration testing of the network and data center facilities.
- d. Conduct monthly vulnerability scanning by both internal staff and external vendors.
- e. Perform anti-virus and Malware patch management on all systems.
- f. Install updates to virus protection software and related files (including virus signature files and similar files) on all servers from the update being generally available from the anti-virus software provider.
- g. Respond to any potential threat found on the system and work to eliminate virus or malware found.
- h. Adhere to and submit certification to NERC/CIP Cyber Security standards.
- i. Monitor industry regulation/standards regarding security – NERC, FERC, NIST, OpenSG, etc. through the dedicated Sensus security team.
- j. Provide secure web portal access (SSL) to the Application(s).

ix. Backup and Disaster Recovery Management. Sensus will:

- a. Perform daily backups of data providing one (1) year of history for auditing and restoration purposes.
- b. Back-up and store data (on tapes or other storage media as appropriate) off-site to provide protection against disasters and to meet file recovery needs.
- c. Conduct incremental and full back-ups to capture data, and changes to data, on the Application(s).
- d. Replicate the Application(s) environments to a geographically separated data center location to provide a full disaster recovery environment for the Application production system.
- e. Provide disaster recovery environment and perform fail-over to disaster recovery environment within forty-eight (48) hours of declared event.
- f. Generate a report following each and any disaster measuring performance against the disaster recovery plan and identification of problem areas and plans for resolution.
- g. Maintain a disaster recovery plan. In the event of a disaster, Sensus shall provide the services in accordance with the disaster recovery plan.
- h. In the case of a disaster and loss of access to or use of the Application, Sensus would use commercially reasonable efforts per the Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO) specified herein to restore operations at the same location or at a backup location within forty-eight (48) hours.
- i. The Application shall have a RTO of forty-eight (48) hours.
- j. The RPO shall be a full recovery of the Application(s), with an RPO of one (1) hours, using no more than a twenty-four (24) hour old backup. All meter-related data shall be pushed from each Base Station/TGB restoring the database to real-time minus external interfaced systems from the day prior.
- k. Data from external interfaced systems shall be recreated within a forty-eight (48) hour period with the assistance of Customer personnel and staff, as needed.

E. **Customer Responsibilities:**

- i. Coordinate and schedule any changes submitted by Sensus to the system in accordance with standard configuration and change management procedures.
- ii. Participate in all required configuration and change management procedures.
- iii. Customer will log incidents related to the managed Application with Sensus personnel via email, web portal ticket entry, or phone call.
- iv. Responsible for periodic processing of accounts or readings (i.e., billing files) for Customer's billing system for billing or other analysis purposes.
- v. Responsible for any field labor to troubleshoot any SmartPoint modules or smart meters in the field in populations that have been previously deployed and accepted.
- vi. First response labor to troubleshoot FlexNet Base Station, R100s, Remote Transceivers or other field network equipment.
- vii. Responsible for local area network configuration, management, and support.
- viii. Identify and research problems with meter reads and meter read performance.
- ix. Create and manage user accounts.
- x. Customize application configurations.
- xi. Support application users.
- xii. Investigate application operational issues (e.g., meter reads, reports, alarms, etc.).
- xiii. Respond to alarms and notifications.
- xiv. Perform firmware upgrades over-the-air, or delegate and monitor field personnel for on-site upgrades.

F. **Software as a Service** does not include any of the following services:

- i. Parts or labor required to repair damage to any field network equipment that is the result of a Force Majeure event.
- ii. Any integration between applications, such as Harris MeterSense, would require a Professional Services contract agreement to be scoped, submitted, and agreed in a signed writing between Sensus and all the applicable parties.

If an item is not listed in subparagraphs in item (D) above, such item is excluded from the Software as a Service and is subject to additional pricing.

II. Further Agreements

A. System Uptime Rate.

- i. Sensus (or its contractor) shall manage and maintain the Application(s) on computers owned or controlled by Sensus (or its contractors) and shall provide Customer access to the managed Application(s) via internet or point to point connection (i.e., Managed-Access use), according to the terms below. Sensus endeavors to maintain an average System Uptime Rate equal to ninety-nine (99.0) per Month (as defined below). The System Uptime Rate, cumulative across all Applications, shall be calculated as follows:

$$\text{System Uptime Rate} = 100 \times \frac{(\text{TMO} - \text{Total Non-Scheduled Downtime minutes in the Month})}{\text{TMO}}$$

ii. Calculations

- a. **Targeted Minutes of Operation** or **TMO** means total minutes cumulative across all Applications in the applicable month minus the Scheduled Downtime in the Month.
- b. **Scheduled Downtime** means the number of minutes during the Month, as measured by Sensus, in which access to any Application is scheduled to be unavailable for use by Customer due to planned system maintenance. Sensus shall provide Customer notice (via email or otherwise) at least seven (7) days in advance of commencement of the Scheduled Downtime.
- c. **Non-Scheduled Downtime** means the number of minutes during the Month, as measured by Sensus, in which access to any Application is unavailable for use by Customer due to reasons other than Scheduled Downtime or the Exceptions, as defined below (e.g., due to a need for unplanned maintenance or repair).
- iii. **Exceptions.** Exceptions mean the following events:
 - Force Majeure
 - Emergency Work, as defined below; and
 - Lack of Internet Availability, as described below.
- a. **Emergency Work.** In the event that Force Majeure, emergencies, dangerous conditions or other exceptional circumstances arise or continue during TMO, Sensus shall be entitled to take any actions that Sensus, in good faith, determines is necessary or advisable to prevent, remedy, mitigate, or otherwise address actual or potential harm, interruption, loss, threat, security or like concern to any of the Application(s) ("Emergency Work"). Such Emergency Work may include, but is not limited to: analysis, testing, repair, maintenance, re-setting and other servicing of the hardware, cabling, networks, software and other devices, materials and systems through which access to and/or use of the Application(s) by the Customer is made available (the "Managed Systems"). Sensus shall endeavor to provide advance notice of such Emergency Work to Customer when practicable and possible.
- b. **Lack of Internet Availability.** Sensus shall not be responsible for any deterioration of performance attributable to latencies in the public internet or point-to-point network connection operated by a third party. Customer expressly acknowledges and agrees that Sensus does not and cannot control the flow of data to or from Sensus' networks and other portions of the Internet, and that such flow depends in part on the performance of Internet services provided or controlled by third parties, and that at times, actions or inactions of such third parties can impair or disrupt data transmitted through, and/or Customer's connections to, the Internet or point-to-point data connection (or portions thereof). Although Sensus will use commercially reasonable efforts to take actions Sensus may deem appropriate to mitigate the effects of any such events, Sensus cannot guarantee that such events will not occur. Accordingly, Sensus disclaims any and all liability resulting from or relating to such events.

- iv. **System Availability.** For each month that the System Uptime Rates for the production RNI falls below 99.0%, Sensus will issue Customer the following Service Level Credits:

System Uptime Rate per calendar month	Service Level Credit
Less than 99.0% but at least 97.5%	5% of the monthly RNI SaaS Fees in which the service level default occurred (Note: SaaS fees are pre-paid annually and for purposes of SLA Credits are computed on a monthly basis.)
Less than 97.5% but at least 95.0%	10% of the monthly RNI SaaS Fees in which the service level default occurred
Less than 95.0%	20% of the monthly RNI SaaS Fees in which the service level default occurred

Service Level Credits for any single month shall not exceed 20% of the RNI SaaS Fee associated with the month in which the service level default occurred. Sensus records and data will be the sole basis for all Service Level Credit calculations and determinations, provided that such records and data must be made available to Customer for review and agreement by Customer. To receive a Service Level Credit, Customer must issue a written request no later than ten (10) days after the Service Level Credit has accrued. Sensus will apply each valid Service Level Credit to the Customer's invoice within 2 billing cycles after Sensus' receipt of Customer's request and confirmation of the failure to meet the applicable Service Level Credit. Service Level Credits will not be payable for failures to meet the System Uptime Rate caused by any Exceptions. No Service Level Credit will apply if Customer is not current in its undisputed payment obligations under the Agreement. Service Level Credits are exclusive of any applicable taxes charged to Customer or collected by Sensus. Sensus shall not refund an unused Service Level Credits or pay cash to Customer for any unused Service Level Credits. Any unused Service Level Credits at the time the Agreement terminates will be forever forfeited. THE SERVICE LEVEL CREDITS DESCRIBED IN THIS SECTION ARE THE SOLE AND EXCLUSIVE REMEDY FOR SENSUS' FAILURE TO MEET THE SYSTEM UPTIME REQUIREMENT OR ANY DEFECTIVE SAAS PERFORMANCE. IN NO EVENT SHALL THE AGGREGATE AMOUNT OF SERVICE LEVEL CREDITS IN ANY ANNUAL PERIOD EXCEED 20% OF THE ANNUAL RNI SAAS FEE.

- B. **Data Center Site-Security.** Although Sensus may modify such security arrangements without consent or notice to Customer, Customer acknowledges the following are the current arrangements regarding physical access to and support of the primary hardware components of the Managed Systems:

- i. The computer room(s) in which the hardware is installed is accessible only to authorized individuals.
- ii. Power infrastructure includes one or more uninterruptible power supply (UPS) devices and diesel generators or other alternative power for back-up electrical power.
- iii. Air-conditioning facilities (for humidity and temperature controls) are provided in or for such computer room(s) and can be monitored and adjusted for humidity and temperature settings and control. Such air systems are supported by redundant, back-up and/or switch-over environmental units.
- iv. Such electrical and A/C systems are monitored on an ongoing basis and personnel are available to respond to system emergencies (if any) in real time.
- v. Dry pipe pre-action fire detection and suppression systems are provided.

vi. Data circuits are available via multiple providers and diverse paths, giving access redundancy.

C. Responsibilities of Customer.

- i. Customer shall promptly pay all Software as a Service fees.
- ii. Customer may not (i) carelessly, knowingly, intentionally or maliciously threaten, disrupt, harm, abuse or interfere with the Application(s), Managed Systems or any of their functionality, performance, security or integrity, nor attempt to do so; (ii) impersonate any person or entity, including, but not limited to, Sensus, a Sensus employee or another user; or (iii) forge, falsify, disguise or otherwise manipulate any identification information associated with Customer's access to or use of the Application(s).
- iii. The provisioning, compatibility, operation, security, support, and maintenance of Customer's hardware and software ("Customer's Systems") is exclusively the responsibility of Customer. Customer is also responsible, in particular, for correctly configuring and maintaining (i) the desktop environment used by Customer to access the Application(s) managed by Sensus; and (ii) Customer's network router and firewall, if applicable, to allow data to flow between the Customer's Systems and Sensus' Managed Systems in a secure manner via the public Internet.
- iv. Upon receiving the system administrator account from Sensus, Customer shall create username and passwords for each of Customer's authorized users and complete the applicable Sensus registration process (Authorized Users). Such usernames and passwords will allow Authorized Users to access the Application(s). Customer shall be solely responsible for maintaining the security and confidentiality of each user ID and password pair associated with Customer's account, and Sensus will not be liable for any loss, damage or liability arising from Customer's account or any user ID and password pairs associated with Customer. Customer is fully responsible for all acts and omissions that occur through the use of Customer's account and any user ID and password pairs at any time; (ii) to notify Sensus immediately of any actual or suspected unauthorized use of Customer's account or any of such user ID and password pairs, or any other breach or suspected breach of security, restricted use or confidentiality; and (iii) to take the Sensus-recommended steps to log out from and otherwise exit the Application(s) and Managed Systems at the end of each session. Customer agrees that Sensus shall be entitled to rely, without inquiry, on the validity of the user accessing the Application(s) application through Customer's account, account ID, usernames or passwords.
- v. Customer shall be responsible for the day-to-day operations of the Application(s) and FlexNet System. This includes, without limitation, (i) researching problems with meter reads and system performance, (ii) creating and managing user accounts, (iii) customizing application configurations, (iv) supporting application users, (v) investigating application operational issues, (vi) responding to alarms and notifications, and (vii) performing over-the-air commands (such as firmware updates or configuration changes).

D. Software Solution Components.

- i. **Description of Software Solutions.** Sensus software consists of a core communication module and a set of applications. Some applications are required to perform basic solution capabilities, other applications are optional and add additional capabilities and function to the overall solution. As Customer's business process expands and/or new Sensus offerings are made available, additional applications and functionality can dynamically be added to the solution, provided Customer purchases such additional applications.
- ii. **Regional Network Interface.** The Regional Network Interface (RNI) or Sensus head-end is the centralized intelligence of the FlexNet network; the RNI's primary objective is to transfer endpoint (such as meters) data to the Customer and the advanced feature applications. The RNI is adaptable to Customer configurations by simultaneously supporting a wide range of FlexNet enabled endpoints; including but not limited to meters (electric, water, gas), street lighting, and Home Area Network devices.
 - a. Core Package
 - (i) Communication
 - 1. Manages all inbound and outbound traffic to and from endpoints
 - 2. Outbound routing optimization
 - 3. Route analyzer
 - 4. AES256 bit encryption of radio messages
 - 5. Reports and metric details of network performance and troubleshooting aids
 - 6. Management of RF equipment (base stations and endpoint radios)
 - (ii) Data Collection
 - 1. Missing read management
 - 2. Management of duplicate reads
 - 3. 60 day temporary storage
 - (iii) Application integration
 - 1. To Sensus Analytics applications
 - 2. Enable 3rd party application integration
 - 3. Batch CMEP file export
 - 4. Real-time access through MultiSpeak
 - (iv) Endpoint Management
 - 1. Gas, water, electric, lighting concurrent support
 - 2. Remote configuration
 - 3. Remote firmware updates
 - 4. Reports, metrics and Troubleshooting
 - (v) User Management
 - 1. Secure access
 - 2. Password management
 - 3. Definable user roles
 - 4. User permissions to manage access to capabilities
 - b. Integration of RNI. Sensus shall provide RNI integration support services to Customer only to the extent specifically provided below.
 - (i) Sensus shall meet with the representative from the Customer's system(s) targeted for integration to determine which integration method is

appropriate (e.g., Multispeak, CMEP, etc.).

1. In scope and included integration efforts: Provide the gateway URLs to the integrating system as needed, provide Customer with standard integration API documentation, validate and test that the correct Customer information is flowing into and/or out of the RNI.
2. Out of scope and subject to additional charges: Modifications or extensions to the standard API provided by Sensus and any integration efforts not outlined above as in scope and included.

(ii) Customer Responsibilities:

1. Provide Sensus with information about the relevant information Customer wishes to transfer and integrate with the RNI.
2. Establish the network and security required for the two systems to reasonably communicate.
3. Verify integration to third party system functionality is working as intended.

(iii) If an item is not listed in subparagraph (i) above, such item is excluded from the integration of Sensus RNI Support and is subject to additional pricing.

III. Intentionally Omitted

IV. Third party Software

A. RedHat Linux. If Sensus is providing Customer with a license to use RedHat Linux Software, Customer agrees to the following:

By entering into this Agreement, Customer agrees to abide by and to be legally bound by the terms and conditions of the Red Hat End User License Agreements identified below, each of which are incorporated into this Agreement by reference and are available at the websites identified below. Please read the Red Hat End User License Agreements and incorporated references carefully.

Subscription:	End User License Agreement:
Red Hat Enterprise Linux	http://www.redhat.com/licenses/rhel_rha_eula.html
JBoss Enterprise Middleware	http://www.redhat.com/licenses/jboss_eula.html

Exhibit B
Technical Support

1. Introduction

Sensus Technical Services provides utility customers with a single point of contact for Tier 1 support of technical issues as well as any coordination of additional resources required to resolve the issue. Requests that require specialized skills are to be forwarded to a senior support engineer or Technical Advisor within the team for further analysis. If Technical Services has exhausted all troubleshooting efforts for the product type, the issue will escalate to the Engineering Support Team. Occasionally, on-site troubleshooting/analysis may be required. The preferred order of on-site support is:

- a) The Customer (for assistance with the easiest and lowest time-consuming activities such as power on/power off).
- b) The local distributor.
- c) Sensus employees or contracted personnel, if required to fulfill a contract commitment.

2. Support Categories

- 2.1. General questions regarding functionality, use of product, how-to, and requests for assistance on Sensus AMR, AMI, RF Network Equipment, Metering Products, Sensus Lighting Control, and Demand Response Management System (FlexNet Home).
- 2.2. Proactive reporting and resolution of problems.
- 2.3. Reactive reporting to isolate, document, and solve reported hardware/software defects.
- 2.4. Responding to service requests and product changes.
- 2.5. Addressing customer inquiries with printed or electronic documentation, examples, or additional explanation/clarification.

3. Support Hours

- 3.1. Standard Support Hours: Toll-free telephone support (1-800-638-3748 option #2) is available Monday thru Friday from 8:00 a.m. EST to 8:00 p.m. EST. After-hours, holiday and weekend support for Severity 1 and Severity 2 issues is available by calling 1-800-638-3748, option #8.

4. Support Procedures

- 4.1. Customer identifies an issue or potential problem and calls Technical Services at 1-800-638-3748 Option #2. The Customer Service Associate or Technical Support Engineer will submit a SalesForce ticket.
- 4.2. The Customer Service Associate or Technical Support Engineer will identify the caller name and utility by the assigned software serial number, city, and state based on where the call originated. The Customer Service Associate or Technical Support Engineer will require a brief description of the problem symptoms, or error messages depending on nature of the incident. The nature of the problem and severity levels will be mutually agreed upon by both parties (either at the time the issue is entered or prior to upgrading or downgrading an existing issue) using the severity definitions below as a guideline. The severity level is then captured into SalesForce for ticket creation and resolution processing. Any time during the processing of this ticket, if the severity level is changed by Sensus, the customer will be updated.

A. Severity Levels Description:

Sev1 Customer's production system is down. The system is unusable resulting in total disruption of work. No workaround is available and requires immediate attention.

Example: Network mass outage, all reading collection devices inoperable, inoperable head end software (e.g., FlexWare, Sensus MDM). Not able to generate billing files.

Sev2 Major system feature/function failure. Operations are severely restricted; there is a major disruption of work, no acceptable work-around is available, and failure requires immediate attention.

Examples: Examples: Network equipment failure (e.g., FlexNet Echo, FlexNet Remote, Base Station transceiver, or VGB); inoperable reading devices (e.g., AR5500, VXU, VGB, or CommandLink); head end software application has important functionality not working and cannot create export file for billing system operations.

Sev3 The system is usable and the issue doesn't affect critical overall operation.

Example: Minor network equipment failure (e.g., Echo/Remote false alarms or Base Station transceiver false alarms); head end software application operable but reports are not running properly, modification of view or some non-critical function of the software is not running.

- 4.3. The Customer Service Associate or Technical Support Engineer identifies whether or not the customer is on support. If the customer is not on support, the customer is advised of the service options as well as any applicable charges that may be billed.

- 4.4. Calls are placed in a queue from which they are accessible to Technical Support Engineers on a first-come-first-served basis. A 1st level Customer Service Associate may assist the customer, depending on the difficulty of the call and the representative's technical knowledge. Technical Support Engineers (Tier 1 support) typically respond/resolve the majority of calls based on their product knowledge and experience. A call history for the particular account is researched to note any existing pattern or if the call is a new report. This research provides the representative a basis and understanding of the account as well as any associated problems and/or resolutions that have been communicated.

- a. Technical Services confirms that there is an issue or problem that needs further analysis to determine its cause. The following information must be collected: a detailed description of the issue's symptoms, details on the software/hardware product and version, a description of the environment in which the issue arises, and a list of any corrective action already taken.

- b. Technical Services will check the internal database and product defect tracking system, to see if reports of a similar problem exist, and if any working solutions were provided. If an existing resolution is found that will address the reported issue, it shall be communicated to the customer. Once it is confirmed that the issue has been resolved, the ticket is closed.

- c. If there is no known defect or support that defines the behavior, Technical Services will work with the customer to reproduce the issue. If the issue can be reproduced, either at the customer site or within support center test lab, Technical Services will escalate the ticket for further investigation / resolution.

If the issue involves units that are considered to be defective with no known reason, the representative will open a Special Investigation RMA through the Salesforce ticketing system. If it is determined that a sample is required for further analysis, the customer will be provided with instructions that detail where to send the product sample(s) for a root cause analysis. Once it is determined that the issue cannot be resolved by Tier 1 resources, the ticket will be escalated to Tier 2 support for confirmation/workarounds to resolve immediate issue. Technical Services will immediately contact the customer to advise of the escalation. The response and escalation times are listed in Section 5. At this time, screen shots, log files, configuration files, and database backups will be created and

attached to the ticket.

5. **Response and Resolution Targets.**

Sensus Technical Support will make every reasonable effort to meet the following response and resolution targets:

Severity	Standard Target Response	Standard Target Resolution	Resolution (one or more of the following)
1	30 Minutes	Immediately assign trained and qualified Services Staff to correct the error on an expedited basis. Provide ongoing communication on the status of a correction (24 hours).	<ul style="list-style-type: none">• Satisfactory workaround is provided.• Program patch is provided.• Fix incorporated into future release.• Fix or workaround incorporated into SalesForce Knowledge Base.
2	4 hours	Assign trained and qualified Services Staff to correct the error. Provide communication as updates occur (48 hours).	<ul style="list-style-type: none">• Satisfactory workaround is provided.• Program patch is provided.• Fix incorporated into future release.• Fix or workaround incorporated into SalesForce Knowledge Base.
3	1 Business Day	30 business days	<ul style="list-style-type: none">• Answer to question is provided.• Satisfactory workaround is provided.• Fix or workaround incorporated into SalesForce Knowledge Base.• Fix incorporated into future release.

6. **Problem Escalation Process.**

- 6.1. If the normal support process does not produce the desired results, or if the severity has changed, the issue may be escalated as follows to a higher level of authority.
 - 6.1.1. Severity 1 issues are escalated by Sales or Technical Services to a Supervisor if not resolved within 2 hours; to the Manager level if not resolved within 4 hours; to the Director level if not resolved within the same business day; and to the VP level if not resolved within 24 hours.
 - 6.1.2. A customer may escalate an issue by calling 1-800-638-3748, Option 2. Please specify the Salesforce ticket number and the reason why the issue is being escalated.
 - 6.1.3. In the event that a customer is not satisfied with the level of support or continual problem with their products, they may escalate a given Salesforce ticket to Manager of Technical Services (1-800-638-3748, Option 2).

7. **General Support Provisions and Exclusions.**

- 7.1. Sensus provides online documentation for Sensus products, and all Sensus customers are provided access to this online database, which includes operation, configuration and technical manuals. The customer shall provide names and email accounts to Sensus so Sensus may provide access to the product documentation.
- 7.2. Specialized support from Sensus is available on a fee basis to address support issues outside the scope of this support plan or if not covered under another specific contract or statement of work. For example: specialized systems integration services or out of warranty network equipment repair.

Exhibit C
Pricing

Lyons COAMI Proposal			
Electric Meters (FlexNet Enabled)			
Meter Form	Quantity	Unit Sale Price	Extended Price
2SCLSB20AMeter	0	\$1,000.14	\$1,000.14
2S200AMeter/no(RD)	1000	\$1,250.25	\$1,250,000.00
2S200AMeter (Remote/Disconnect)	100	\$1,429.91	\$14,291.25
Zigbee® Adder for Singlephase Meters (above)	0	\$1,000.00	\$0.00
9/16" S-E Meter	10	\$37.50	\$375.00
Adler® Reactive Power (for polyphase) (95/165)		\$1,000.00	\$0.00
FlexNet Micro® Transceiver	1	\$13.75	\$13.75
Total Electric Meter Cost			\$114,330.00

Electric Meters Installation (performed by Utility/Sales & Service Inc (USS))			
Single Phase Electric Meter (includes 125/120/208\$ Service)	1100	\$1,110.11	\$1,221,125.00
Three Phase Electric Meter Install	10	\$1,000.09	\$10,000.90
Solar Production Socket Installation		Per Job Proposal	
Non-Metered Location Socket Installation		Per Job Proposal	
Juniper® Arch® 2 Handheld	0	\$369.95	\$0.00
Command Links	0	\$1,353.55	\$0.00
Total Electric Meter Installation Cost (Assumptions listed below)			\$32,715.91

SubTotal Electric Meters (Electric Meter Installation)			
AMCI (FlexNet Network Infrastructure)			\$148,045.91

AMCI (FlexNet Network Infrastructure)			
Product	Quantity	Unit Price	Extended Price
FlexNet® M400B Base Station	2	\$2,506.25	\$5,012.50
M400B Base Station (Antenna, coax, and mounting hardware)	2	TBD	TBD
FlexNet® Base Station - Commissioning and Certification Only	2	\$1,750.00	\$3,500.00
Total			\$53,633

AMIS Software HeadEndSystem (RN)				
Product	Quantity	Unit Price	Extended Price	Notes
SetupAndConfigurationFees				RNI Setup Fee is based on the AMI Agreement Effective Date. Includes provisioning and configuration of Regional Network Interface (RNI) HeadEndSystem Server hardware and software environment.
RNI Setup Fee	1	\$232.95	\$232.95	
Subtotal Setup Fees			\$232.95	
AnnualSaaSFees				
AnnualRNI SaaS Fee	1	\$1,704.55	\$1,704.55	Annual AMIS Software as a Service (SaaS) fee applies upon the AMI Agreement Effective Date and in the University of the AMI Effective Date thereafter. Annual Escalation shall be three (3) percent per year.
Subtotal Annual Fees			\$1,704.55	
Training Fees				
RNI Training Onsite	1	\$5,000.00	\$5,000.00	Training includes 1/2 Day System Overview Series (Included) 1/2 Day Role Based HeadEnd Instruction (1 Day System Operator & 1 Day System Administrator) as well as Documentation for your continued reference going forward.
Total RNI SaaS Year 1 (includes Setup, Integration & Training)			\$23,938	
Total RNI SaaS Fees Year 2-5			\$11,705	Annual Escalation shall be limited to three (3) percent per year.

AMI Professional Services Integration and Project Management			
Professional Services	Quantity	Unit Price	Extended Price
Casefile Billing Integration for Lyons, CO	1	\$522.73	\$522.73
Overall Project Management, Deployment Analysis, Installation/Management, Coordination for 6-month Deployment Period (6/8 time, 6/8 estimated)	6	\$950.00	\$5,700.00
AMI Application/Engineering Manager (3/8-month Deployment Period (3/8 time, 3/8 estimated))	3	\$950.00	\$2,850.00
Total		\$44,073	

Note:
The price includes the development, setup, training, and customization for the Casefile Billing system. It includes the life cycle information up to date in Casefile and RIN would require an additional fee of \$7,500.
Project Management pricing assumes a 6-month deployment period to stand up a new system. Additional time for deployment and integration of the Project Management Service can be purchased at the 6/8 time, monthly rate indicated.
Pricing assumes 3/8-month Application/Engineering Manager (AMI) for 6 months. Additional monthly rate Application/Engineering Manager (AMI) services can be purchased at the 6/8 time, monthly rate indicated.

Annual Fees	Annual Price	Extended Price
Annual Casefile Integration Support Fee	1 \$704.55	\$704.55
Optional Extended Annual Basic Station Maintenance Fee (Hardware)	1 \$363.64	\$363.64

Includes the annual support and maintenance of the Casefile Billing Integration application. Sensus Professional Services will provide standard break/fix support to the Integration and any bug fixes, patches, updates, or upgrades necessary to maintain the interface between Sensus HeadEnd RIN and Casefile Billing System over time.

AMI System Total	\$269,688.64
Total Annual AMI Fees (\$vs2 through 5)	\$3,409.09

Meter Installation Assumption:

Note:
 • USGS will work in partnership with Sensus and Town of Lyons to fulfill the deployment expectations.
 • Project will begin with a project timeline in Q3.
 • All USGS employees will adhere to any and all work safety requirements as outlined in the SOW and agreed upon in the MSAs.
 • USGS will provide any necessary signage for USGS vehicles to identify USGS as an authorized contractor for Town of Lyons. (Please note: USGS will provide clearly identifiable signage for Utility Sales & Service, Inc.).
 • USGS will provide the following equipment, Vehicles, Work Management System (WMS), and Customer Relationship Management System (CRM).
 • Quality audits will be conducted at the 25% completion.
 • USGS will adhere to all specific requirements surrounding installation of Electric Meters. USGS will keep reports of all completed details, installation attempts, appointments, return to utility (RTU) and inability to complete (UTC) orders. USGS will provide the Town and Sensus with reporting schedule following the reporting guidelines in Projects Management and Reporting.
 • USGS will store hardware and meter inventory at the Town of Lyons.
 • Sensus, Town of Lyons and USGS will develop a detailed deployment schedule for Electric Meter Installation.
 Note: Sensus hourly costs not included in Total, is the software optional

Payment Terms

Escalation. Customer shall pay for all goods and services rendered by Sensus hereunder at the prices set forth in this Exhibit C (or in the Quote if one is referenced on the first page. If there is a Quote referenced on the first page, such Quote is incorporated into this Exhibit C by reference). The pricing in Exhibit C shall remain firm until the Trigger Date (as defined on the first page of the Agreement). Starting on the Trigger Date, and on each anniversary of the Trigger Date thereafter, the pricing in Exhibit C shall automatically adjust to equal the summation of (i) the amount charged for such pricing component during the immediately preceding year ("Base Amount"); plus (ii) the product of the Base Amount multiplied by the percentage rate of increase in the Escalator(s) during the immediately preceding year (which product shall not be less than zero, such that the pricing in Exhibit C cannot decrease under this section). The Escalator(s) will be calculated utilizing the Escalator(s) published the month prior to the anniversary of the Trigger Date compared to the equivalent month from one year earlier to determine the escalation. For example, if the Trigger Date occurs in January 2015, the Escalator(s) will be calculated by comparing December 2013 and December 2014 figures.

"Escalator(s)" means the following:

- i. For services: three percent (3%).
- ii. For Water Meters:
 - (a) For bronze and low lead water metering products: the percentage change, for the relevant period, of the average of: (a) the United States Bureau of Labor Statistics Producer Price Index, Commodities, Group: Metals and metal products, Item: Copper and copper-base alloy castings (excl. die-castings), series ID: WPU102807013, not seasonally adjusted; and (b) the United States Bureau of Labor Statistics Producer Price Index, Industry Data, Industry and Product: Plastics material and resins mfg., series ID: PCU 325211325211, not seasonally adjusted.#
 - (b) For plastic main case meters: the percentage change, for the relevant period, of the United States Bureau of Labor Statistics Producer Price Index, Industry Data, Industry and Product: Plastics material and resins mfg., series ID: PCU 325211325211, not seasonally adjusted.
 - (c) For Omni meters: the percentage change, for the relevant period, of the United States Bureau of Labor Statistics Producer Price Index, Commodities, Group: Metals and metal products, item: other gray and ductile iron castings, other, series ID: WPU101504, not seasonally adjusted.
- iii. For all other goods and services: the percentage change, for the relevant period, of the United States Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) "All Items Less Food and Energy" for the U.S. City Average for All Items, 1982-84 = 100, not seasonally adjusted, or substantially similar succeeding index.
- iv. Any Escalator increases called forth in this Agreement shall be calculated to the third decimal point (e.g. 2.576%).

Equipment. Invoices for all Field Devices, RF Field Equipment, Server Hardware and any other goods sold by Sensus hereunder shall be delivered along with the relevant goods.

Third Party Devices. In cases where Customer requests or requires Sensus to deliver SmartPoint Modules to a third party manufacturer (or any other third party), payment for such modules is due within thirty (30) days of the invoice date to such manufacturer or other third party, irrespective of how long it takes such third party to deliver the SmartPoint Modules to Customer.

Services. Invoices for Ongoing Fees and services shall be delivered annually or monthly, as applicable, in advance. Invoices for other services shall be delivered upon completion of the applicable service.

Invoices and Payment. Customer shall pay all invoices within thirty (30) days of the invoice date. Sensus reserves the right to establish credit limits for Customer and may require full or partial payment prior to shipment of any goods or commencement of any services provided hereunder. All payments shall be made via electronic payment to the account(s) indicated by Sensus from time to time, unless Sensus requests a change in payment methods in writing.

Late Payments. Any invoices not disputed in good faith by Customer which Customer does not pay within the time provided in this Agreement shall bear interest at the lower of (i) one and a half percent (1.5%) per month up to a maximum of eighteen percent (18%) per year; or (ii) the highest rate permitted by applicable law (collectively, "Interest Rate").

Disputed Invoices. If Customer disputes an invoice, Customer must give written notice of the dispute to Sensus within thirty (30) days of the invoice date. If Customer does not do so, the entire invoice shall be deemed payable without reduction, set off, or claim. If Customer gives written notice of the dispute within the required thirty (30) days, it shall, at such time as the notice is given, pay the undisputed amount of the invoice and the disputed portion shall be resolved by the parties or, if necessary, under the dispute resolution provisions of this Agreement. If it is ultimately determined that some or all of the disputed amount was payable, that amount shall bear interest from the original due date until Customer pays it at the Interest Rate.

Withholding. Customer may withhold payment on an invoice for defective goods and services. Payment by Customer of an invoice shall deem Sensus to have fully complied with this Agreement for all goods and services represented in the invoice and with all other terms and conditions of this Agreement prior to the date of such payment.

Taxes. All prices quoted are exclusive of federal, state and municipal taxes. Customer shall be liable for all sales, use and other taxes (whether local, state or federal) imposed on this Agreement or the goods, services, licenses, and/or other rights provided to Customer hereunder.

Packaging. Sensus reserves the right to select the manner in which Equipment is packaged. Quoted prices include regular packing. Special requirements for packing will be subject to extra charges. Shipping and completion dates quoted by Sensus are made in good faith but are not guaranteed.

Address for Purchase Orders. All purchase orders shall be sent to the address listed below. Sensus may change this address at any time, upon written notice to the Customer (such notice may be provided via email).

Sensus USA Inc.
PO Box 487
Uniontown, PA 15401
Attn: Customer Service
Fax: 800-888-2403
Email: sensus.orders@xyleminc.com

Article X, Section 20/TABOR. The Parties understand and acknowledge that the Customer is subject to Article X, § 20 of the Colorado Constitution ("TABOR"). The Parties do not intend to violate the terms and requirements of TABOR by the execution of this Agreement. It is understood and agreed that this Agreement does not create a multi-fiscal year direct or indirect debt or obligation within the meaning of TABOR and, therefore, notwithstanding anything in this Agreement to the contrary, all payment obligations of the Customer are expressly dependent and conditioned upon the continuing availability of funds beyond the term of the Customer's current fiscal period ending upon the next succeeding December 31. Financial obligations of the Customer payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available in accordance with the rules, regulations, and resolutions of the Town, and other applicable law. Upon the failure to appropriate such funds, this Agreement shall be terminated.

Exhibit D
Statement of Work

I. General Responsibilities.

a. Sensus will:

1. Conduct a FlexNet Propagation Study to determine the locations best suited for installation of the FlexNet Base Stations and to ensure proper communications with Endpoints.
2. Provide a Project Manager for a monthly fee as specified in Exhibit C. Additional months of Project Management support may be purchased at the rates specified in Exhibit C.
3. The Sensus Project Manager will coordinate with Customer to develop and maintain a project schedule for the FlexNet deployment.
4. The Sensus Project Manager will coordinate between Customer and Sensus personnel to execute the project according to the project schedule.

b. Customer will:

1. Provide a key point of contact to work with the Sensus Project Manager to help facilitate a timely installation of the FlexNet system.
2. Provide Sensus a map of its Service Territory with latitude and longitude ("lat/lon") coordinates of its Service Territory boundaries, a list of meter locations, and a list of preferred Customer tower locations.
3. Work with Sensus to develop a shipping schedule to include network and metering components for the Sensus FlexNet System. The shipping schedule will be updated at least quarterly but may be updated on a more frequent basis as implementation proceeds. The shipping schedule shall identify each geographic area of the deployment, the specific locations of meters (street addresses and/or lat/lon if available) in that area, and the estimated date of installation in that area. The plan shall estimate the number of meters by Sensus part number and form type to be installed for each quarter of the project until completion.
4. Be responsible the backhaul connection from each FlexNet Base Station.
5. Provide TCP/IP internet backhaul communications link (high speed DSL is preferred) between the FlexNet Regional Network Interface (RNI) in the Sensus Data Center, and the FlexNet Base Station and R100 Collector sites within the Customer service territory. Base Station backhaul connection shall be secured with Open VPN, and SSH access shall be provided via port 22 to the Linux Network Controller server in the Sensus Data Center. Port 22 on the firewall must be opened and redirected to the internal IP address of the Sensus Network Controller server in the Sensus Data Center.
6. Purchase any routers, hubs, modems, mounting equipment, uninterruptible power supply and/or security equipment needed to connect the RNI to Customer's internal network.
7. Be responsible for the payment of any taxes, renewal, regulatory or license fees associated with the network hardware and software.
8. Be responsible for applying for and purchasing any needed work permits.

II. FlexNet Base Station Site Responsibilities

a. Sensus will:

1. Determine the correct FlexNet Base Station configurations for the project.
2. Provide installation manuals and guidance on FlexNet Base Station installation procedures to Customer.
3. Program and commission the FlexNet Base Station for proper operation.
4. Provide official Sensus certification of the FlexNet Base Stations after installation by Customer. This certification will include a confirmation of the FlexNet configuration, a line sweep of the coaxial cable and antenna, and an RF noise analysis of the Base Station site.

b. Customer will:

1. Install the FlexNet M400B Base Stations according to Sensus' recommendations as specified in the M400B installation guides.
2. Provide all required RF antennas, coaxial cable and mounting hardware for the FlexNet M400B Base Station sites.
3. Be responsible for any ongoing maintenance of the M400B Base Stations after deployment.

III. Endpoints & Field Installation Responsibilities

a. Sensus will:

1. Hire a qualified installation contractor to install all Endpoints purchased by Customer for the project according to the project schedule. "Endpoint", in this Exhibit only, means a Sensus meter or a Sensus SmartPoint Module installed on a third-party meter.
2. Be responsible for quality assurance for the installation contractor as it relates to proper installation of Endpoints.
3. Visit and troubleshoot Endpoints that are not reporting into the system. Investigate any non-reporting Endpoints to ensure that there are no cut wires, improper installations, improper programming and resolve all data entry errors in the system.
4. Coordinate with Customer to establish the Endpoint installation schedule, shipment quantities and dates, and overall project timeline.

b. Customer will:

1. Purchase all Endpoints required for the project and according to mutually developed project timeline.
2. Work with Sensus and subcontractor installer to establish the Endpoint installation schedule, shipment quantities and dates, and overall project timeline.

IV. Software Integration

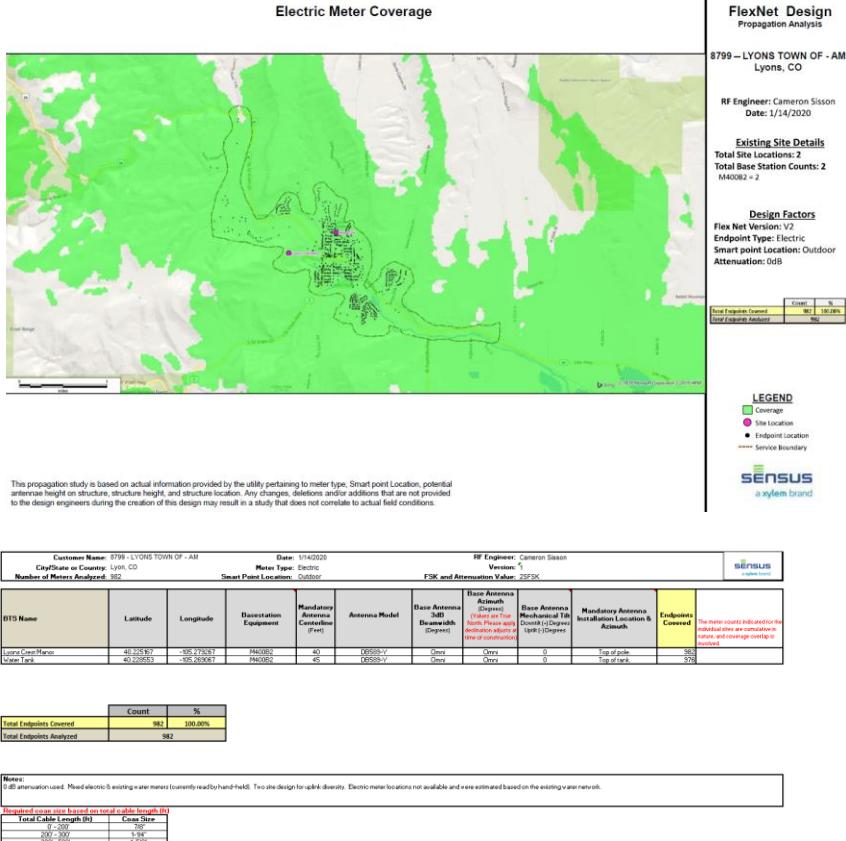
a. Sensus will:

1. Integrate the FlexNet RNI with Customer's Caselle billing system.
2. Integration scope shall include basic meter reading functionality only and does not include optional meter life cycle state integration or on-demand meter reading integration or remote connect/disconnect integration to Customer's Caselle billing system.
3. Additional integration work not identified in this Statement of Work or in Exhibit C is not included in scope and shall be subject to separate Statement of Work and pricing.

b. Customer will:

1. Test and confirm the integration work performed by Sensus and confirm in writing when the integration work is complete.

Exhibit E
Certified Propagation Study



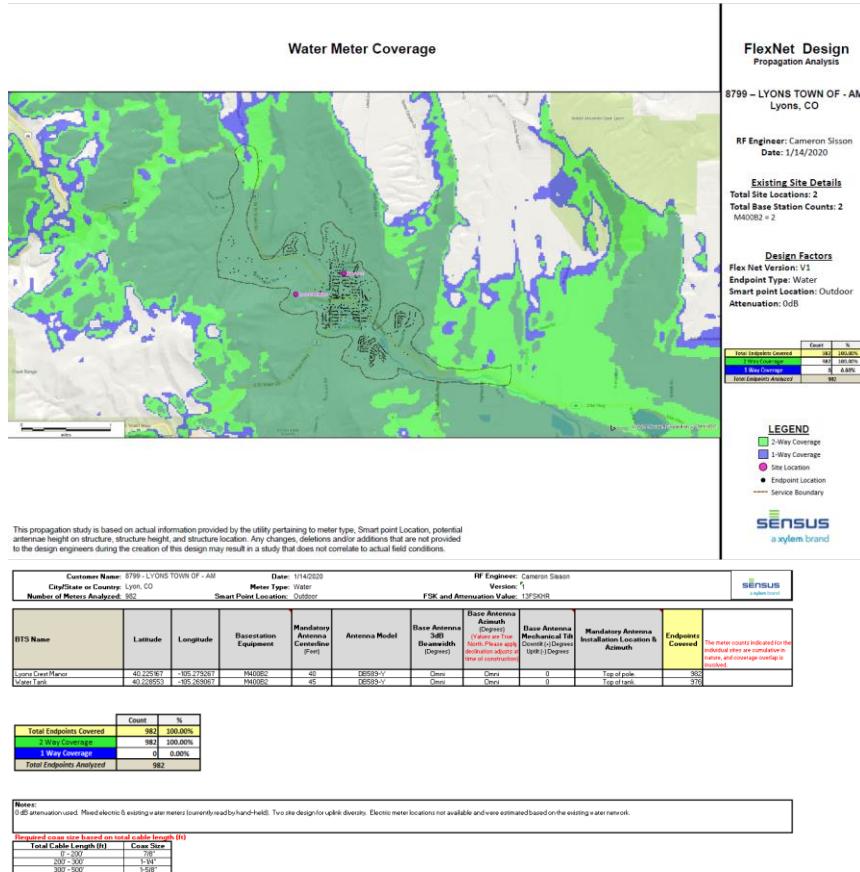


Exhibit F
Performance Warranty

1. **Agreement Terms.** Sensus warrants the performance of the FlexNet System to the Customer as set forth below. This warranty and all products and services sold or otherwise provided by Sensus directly to the Customer are pursuant to the terms of the Agreement.
2. **Performance Warranty.** The **“Performance Warranty”** is as follows:
 - A. **Warranty.** Sensus warrants to Customer that the FlexNet System deployed for Customer meets the performance test standards set forth below in section 3 (**“Performance Test Standards”**) from the Effective Date until the Warranty End Date. If the Customer’s FlexNet System does not meet such Performance Test Standards, then as Sensus’ sole obligation and Customer’s sole remedy, Sensus shall take steps that Sensus deems necessary, in Sensus’ sole discretion, to cause the FlexNet System to satisfy the Performance Test Standards. Such steps may include Sensus’ delivery to the Customer (without charge to the Customer) the hardware for additional RF Field Equipment, provided that all RF Field Equipment shall be located and installed as directed by Sensus. Customer shall have title to all equipment provided pursuant to this subsection (A). Notwithstanding anything to the contrary, Customer shall pay for any Recurrent RF Field Equipment Fees and any Ongoing Fees for all equipment provided pursuant to this subsection (A).
 - B. **Limitations.** The Performance Warranty shall only apply; (i) to the Meter Data; (ii) from the Effective Date until the Warranty End Date; (iii) if Sensus has completed a propagation study for the applicable Customer based on the Performance Test Standards, such propagation study has been approved in writing (including without limitation, by email) by Sensus, and such propagation study has been agreed to in writing (including without limitation, by email) by the Customer (**“Certified Propagation Study”**) (for clarity, the Certified Propagation Study consists of all documents of the propagation study, including without limitation, the server map and the document describing the Required RF Field Equipment locations and antennae details); (iv) if the Customer is not in breach of the Spectrum Lease terms of this Agreement; (v) if all the Required RF Field Equipment identified in the Certified Propagation Study is installed; (vi) if the Required RF Field Equipment is installed as described in the Certified Propagation Study, including without limitation, in the locations and at the heights identified in the Certified Propagation Study; and (vii) the Required RF Field Equipment is operating and has been maintained to Sensus’ specifications (collectively, the **“Requirements”**). If any Requirement is not satisfied, then: the Performance Warranty is void; Sensus has no obligation to remedy the FlexNet System performance; Sensus has no obligation to provide RF Field Equipment hardware at no cost; and Customer is responsible for purchasing such RF Field Equipment, even if it is necessary to meet the specifications set forth in the Performance Test Standards. Furthermore, if new and/or different RF Field Equipment locations are required as a result of not meeting any Requirements, Customer agrees to: pay Sensus for the completion of any additional propagation studies; pay Sensus for the additional RF Field Equipment hardware; perform the necessary site preparation; and pay for any Recurrent RF Field Equipment Fees and any Ongoing Fees for all equipment purchased pursuant to this subsection (B). Any equipment required pursuant to this subsection (B) is added to the definition of “Required RF Field Equipment.”
3. **Performance Test Standards.**
 - i. **Generally.**
 - (a) If the Customer’s FlexNet System does not meet such Performance Test Standards, then as Sensus’ sole obligation and Customer’s sole remedy, Sensus shall take steps that Sensus deems necessary, in Sensus’ sole discretion, to cause the FlexNet System to satisfy the Performance Test Standards.
 - (b) The parties shall mutually agree on specific reading routes (each a **“Route”**). Each Route will be separately tested with the intent to provide incremental acceptance of distinctly defined geographical areas and populations of meters. Each Route shall contain a statistical sample of Test Units (**“Route Units”**). Route Units only include the Test Units installed in the applicable Route. For Customers with any combination of water, gas, and electricity Endpoints, the water Endpoints, gas Endpoints, and electricity Endpoints will each be tested separately according to the procedure below. For clarity, a single Route will not have a combination of water, gas and electricity meters, but it will consist of only water, gas or electricity Units.
 - (c) Before beginning the Performance Test Standards, all Route Units must be installed. Customer shall send written notice to Sensus once the Test Equipment and all Route Units are installed (**“Route Deployment”**). Such notice shall indicate the date on which the Route Deployment was completed (**“Route Deployment Date”**).
 - (d) Within thirty (30) days after the Route Deployment Date, the parties shall begin the Performance Test Standards on the Route. Customer and Sensus shall work in good faith to complete the Performance Test Standards no later than thirty (30) days after commencement of testing.
 - ii. **Route Read Success Test.**
 - (a) The Route Read Success Test will measure the percentage of Route Units that deliver valid billable meter reads during the Billing Window. The Route Read Success Test only measures reads sent from the Route Units; it does not include on demand reads. The commencement date of the Billing Window shall be agreed by Customer and Sensus.
$$\text{Route Read Success} = 100 \times \frac{(\text{# of Route Units that deliver a valid billable meter read during the Billing Window})}{(\text{total # of Route Units in the applicable Route})}$$
 - (b) If Route Read Success is equal or greater than the Success Percentage during one Billing Window, the Performance Test Standards for that Route has passed. Customer shall promptly issue written notice to Sensus that either (a) Sensus has not successfully completed the Performance Test Standards for the applicable Route; or (b) Sensus has successfully completed the Performance Test Standards for the applicable Route and such notice shall specify the applicable Route and shall state the date on which the Route Read Success Test was successfully completed. If Customer does not issue such notice within five days of completion of the test, then the test is automatically deemed successfully passed. Sensus has no obligation to continue optimizing the system and meeting performance specifications upon successful completion of the Performance Test Standards for each Route. This process shall continue until all Routes have successfully completed the Performance Test Standards. If Sensus does not

successfully complete the Performance Test Standards for the applicable Route, then upon receipt of notice, Sensus shall fulfill its obligations in Section 2 above, and the applicable Route shall be retested within a reasonable time.

(c) Upon completion of the Performance Test Standards for all Routes, Customer shall promptly issue written notice to Sensus that either (a) Sensus has not successfully completed the Performance Test Standards for the FlexNet System; or (b) Sensus has successfully completed the Performance Test Standards for the FlexNet System and such notice shall state the date on which the Performance Test Standards was successfully completed. If Customer does not issue such notice within five days of completion of the tests, then the Performance Test Standards for the FlexNet System is automatically deemed successfully passed. If Sensus does not successfully complete the Performance Test Standards, then upon receipt of notice, Sensus shall fulfill its obligations in Section 2 above, and the FlexNet System shall be retested within a reasonable time.

4. THE WARRANTY SET FORTH IN SECTION 2 OF THIS PERFORMANCE WARRANTY IS THE ONLY WARRANTY RELATED TO THE PERFORMANCE OF THE FLEXNET SYSTEM. SENSUS EXPRESSLY DISCLAIMS ANY AND ALL OTHER REPRESENTATIONS, WARRANTIES AND/OR CONDITIONS, EXPRESSED, IMPLIED, STATUTORY OR OTHERWISE, REGARDING ANY MATTER IN CONNECTION WITH THIS PERFORMANCE WARRANTY, INCLUDING WITHOUT LIMITATION, WARRANTIES AS TO FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, NON-INFRINGEMENT AND TITLE.

5. SENSUS ASSUMES NO LIABILITY FOR COSTS OR EXPENSES ASSOCIATED WITH LOST REVENUE OR WITH THE REMOVAL OR INSTALLATION OF EQUIPMENT. THE FOREGOING REMEDIES ARE CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES FOR THE PERFORMANCE OF THE FLEXNET SYSTEM.

6. **Definitions.** Any terms used in this Performance Warranty as defined terms, and which are not defined herein, shall have the meanings given to those terms in the Agreement.

- A. "**Endpoints**" mean both (a) Sensus FlexNet meters (with a SmartPoint Module installed); and (b) Sensus SmartPoint Modules which have been installed on a third party meter.
- B. "**Meter Data**" means the specific metering information, including without limitation, locations and antenna heights, provided to Sensus by Customer in writing prior to the earlier of the; (i) Effective Date; and (ii) the date set forth on the propagation study (collectively, the "**Data Date**"). The parties recognize and agree that the RF Field Equipment site design and build is based on the specific Meter Data provided to Sensus. For clarity, the Meter Data only contains the information specifically provided to Sensus by the Customer in writing prior to the Data Date. By way of example only (and not as an exhaustive list), the "Meter Data" includes the latitudes and longitudes of each meter, the location of each module either inside or outside (outside is assumed), and, for meters in pits, whether the radio is installed through or under the lid (the assumption is through the lids). New or different metering locations and/or antenna heights provided after the Data Date are not included as part of the Meter Data.
- C. "**Recurrent RF Field Equipment Fees**" means any and all costs, fees, and expenses required to; (i) warrant the RF Field Equipment; and (ii) install and keep the RF Field Equipment located in the field, including without limitation, site procurement and preparation fees, fees related to building poles or towers, tower lease fees, costs of electricity supply, and any local, state, or federal government taxes or charges.
- D. **The "Required RF Field Equipment"** means the following equipment, installed in the locations and at the heights described in the Certified Propagation Study: Two (2) FlexNet M400B2 Base Stations, including Lyons Crest Manor located at the following coordinates (40.225167, -105.279267) and with 40' antenna centerline, and the Water Tank located at the following coordinates (40.228553, -105.269067) and with 45' antenna centerline.
- E. "**Success Percentage**" means, of the covered meters in the propagation study, 98.5%.
- F. "**Test Equipment**" means the number of RF Field Equipment and production RNIs set forth in the Certified Propagation Study. The Test Equipment specifically does not include test RNIs or backup RNIs; it only includes production RNIs.
- G. "**Test Units**" means Endpoints that are both; (i) Available Meters throughout the entire test period; and (ii) are covered meters, as depicted on the Certified Propagation Study.
- H. "**Warranty End Date**" means the earlier of; (i) the third anniversary of the Effective Date; (ii) successful completion of the applicable Performance Test Standards; or (iii) the termination or expiration of this Agreement between Customer and Sensus.