

City of Naperville: Water AMI Project

Exhibit C

Warranties: Core & Main/Sensus

EXHIBIT C -WARRANTIES

Exhibit C(1) – Core & Main City of Naperville Warranty

Exhibit C(2) *Sensus General Limited Warranty

Exhibit C(3) *Sensus Limited Warranty – G500

Exhibit C(4) *Sensus AMI System Performance Warranty

Exhibit C(5) **Sensus AMI System Extended Performance Warranty

Note 1: Three-Party Agreement. Attached as Exhibit F to the Provider Services Agreement (or “PSA”) is a Three-Party Agreement between Core & Main LP, Sensus USA, Inc. and the City of Naperville, referenced here for the purpose of documenting that:

- *Sensus “Terms of Sale” are not applicable to City of Naperville agreements and warranties with or from Sensus USA, Inc.

- **Where there is any conflict between the Sensus AMI Water Extended Performance Warranty and the Sensus AMI System Performance Warranty, the Extended Performance Warranty shall control.

- Exhibit C(5), is an exhibit to the Three-Party Agreement.

Note 2: Additional warranty-related language is found in Sections 2.3, 13.2 and 13.2.1, 13.4, and 13.5 of the Provider Services Agreement.

CITY OF NAPERVILLE WARRANTY

The warranties on Products and Services shall be as follows:

1. Project Products.

(a) General. Products that Client purchases from Core & Main LP (“Core & Main”) are warranted by the manufacturers to be free from manufacturers’ defects for the period specified in the manufacturers’ warranties. Copies of the Sensus warranties applicable to the Products are attached to the Provider Services Agreement in Exhibit C. The term of such manufacturer’s warranties shall be as set forth in such attached manufacturer’s warranties, but generally the start date for warranties is the date of the manufacturer’s shipment of such Products (“Manufacturer’s Warranty Period”). Notwithstanding the provisions of the Sensus AMI System Performance Warranty, the Sensus General Limited Warranty, the Sensus Limited Warranty/G-500, the Base Station Protection Plan, or any other Sensus warranty or plan (all of which are applicable to the City of Naperville), as set forth in Exhibit F - Agreement Re: City of Naperville RFP 19-214/Water AMI Project, to the Provider Services Agreement, Sensus agrees that the Sensus Terms of Sale will not be applicable to the City of Naperville.

(b) Core & Main’s Responsibility. Upon any breach of the manufacturer’s warranty on Products noticed to Core & Main during the applicable manufacturer’s warranty period, Core & Main’s sole responsibility shall be to cooperate with the City in arranging for the manufacturer to repair or replace any defective meters or equipment.

2. Installation Services.

(a) General. Core & Main warrants that all installation Services provided by Core & Main shall be performed by Core & Main or its Subcontractor in a workmanlike manner and in compliance with any specifications set forth in this Agreement, with such warranty to expire one year from the date of Substantial Completion as defined in the Statement of Work (the “Warranty Period”).

(b) Exclusive Remedy. Except as otherwise provided in Section 13 of the Agreement, upon any breach of Core & Main’s warranty as to installation Services during the applicable Warranty Period, Core & Main’s sole responsibility shall be to perform any corrective installation Services necessary to bring Core & Main’s installation Services into compliance with such requirements.

3. DISCLAIMER OF FURTHER LIABILITIES. EXCEPT FOR THE FOREGOING EXPRESS WARRANTY, CORE & MAIN DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. EXCEPT AS OTHERWISE PROVIDED IN SECTION 14 OF THE AGREEMENT, IN NO EVENT, WHETHER ARISING OUT OF WARRANTY, INDEMNITY, TORT, CONTRACT OR OTHERWISE, SHALL CORE & MAIN

BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES OF ANY KIND.

General Limited Warranty

Revised November 2019

1. Terms of Sale. Sensus USA Inc. ("Sensus") warrants its products and parts as set forth below. All products are sold to the buyer ("Customer") pursuant to Sensus' Terms of Sale, available at: [sensus.com/tc](https://www.sensus.com/tc).
2. Electricity Meters and Electricity SmartPoint™ Modules. Sensus warrants the Sensus electricity meters and Sensus electricity SmartPoint Modules to be in compliance with their respective specifications under normal use and service, and to be free from material defects in materials and workmanship for a warranty period of twelve (12) months from the date of the installation or eighteen (18) months from the date of shipment, whichever occurs first. The warranty period for new spare parts and components sold by Sensus is twelve (12) months from the date of shipment. The warranty period for repaired or refurbished parts repaired by Sensus is ninety (90) days from the date of shipment, unless repaired pursuant to a warranty, in which case the repair is warranted for the time remaining of the original warranty period.
3. Gas Products and Gas SmartPoint Modules.
 - a. Except for the Sonix meters, Sensus warrants the Sensus gas products to be in compliance with their respective specifications under normal use and service, and to be free from material defects in materials and workmanship for a warranty period of twelve (12) months from the date of the installation or eighteen (18) months from the date of shipment, whichever occurs first. Sensus warrants the Sensus Sonix meters to be free from material defects in materials and workmanship for a warranty period of fifteen (15) years from the date of shipment. Sensus warrants the batteries in the Sensus Sonix meters to be free from material defects in materials and workmanship for a warranty period of ten (10) years from the date of shipment. The warranty period for new spare parts and components sold by Sensus is twelve (12) months from the date of shipment. The warranty period for repaired or refurbished parts repaired by Sensus is ninety (90) days from the date of shipment, unless repaired pursuant to a warranty, in which case the repair is warranted for the time remaining of the original warranty period.
 - b. Sensus warrants the Sensus gas SmartPoint Modules as set forth in the "G500" warranty, as set forth at: [sensus.com/tc](https://www.sensus.com/tc), or available at 1-800-METER-IT.
4. Water Meters and Water SmartPoint Modules. Sensus warrants the Sensus water meters and Sensus water SmartPoint Modules as set forth in the "G500" warranty, as set forth at: [sensus.com/tc](https://www.sensus.com/tc), or available at 1-800-METER-IT.
5. VantagePoint® Lighting Control Module. Sensus warrants the Sensus VantagePoint® Lighting Control Module to be in compliance with their respective specifications under normal use and service, and to be free from material defects in materials and workmanship for a warranty period of ten (10) years from the date of shipment. The warranty period for new spare parts and components sold by Sensus is twelve (12) months from the date of shipment. The warranty period for repaired or refurbished parts repaired by Sensus is ninety (90) days from the date of shipment, unless repaired pursuant to a warranty, in which case the repair is warranted for the time remaining of the original warranty period.
6. DA Devices and HAN Devices. Sensus warrants the Sensus DA Devices and Sensus HAN Devices to be in compliance with their respective specifications under normal use and service, and to be free from material defects in materials and workmanship for a warranty period of twelve (12) months from the date of shipment. The warranty period for new spare parts and components sold by Sensus is twelve (12) months from the date of shipment. The warranty period for repaired or refurbished parts repaired by Sensus is ninety (90) days from the date of shipment, unless repaired pursuant to a warranty, in which case the repair is warranted for the time remaining of the original warranty period.
7. RF Field Equipment. Sensus warrants the Sensus RF Field Equipment to be in compliance with their respective specifications under normal use and service, and to be free from material defects in materials and workmanship for a warranty period of twelve (12) months from the date of shipment.
8. Server Hardware. Sensus provides no warranty on the Server Hardware.
9. Third Party Goods. Notwithstanding anything to the contrary herein, Sensus does not warrant any goods manufactured or software supplied by third parties. For example, if Customer elects to buy meters from a third party, the Sensus SmartPoint Modules installed in such third party meters shall, subject to Section 11, below, be covered by the warranty above, but any warranty on the meter itself shall be a matter directly between Customer and such third party meter supplier.
10. Services. Sensus warrants that its services shall, at the time of performance, materially conform to the contract requirements, and shall be performed in a professional and workmanlike manner, free from material defects in workmanship.
11. Remedy.
 - a. If any Field Device or RF Field Equipment fails during the applicable warranty period (a "Failed Good"), Sensus' obligation, and Customer's exclusive remedy, is, at Sensus' option, to either (i) repair or replace the Failed Good, provided the Customer (a) returns the product to the location designated by Sensus within the warranty period; and (b) prepaies the freight costs both to and from such location; or (ii) deliver replacement components to the Customer, provided the Customer installs, at its cost, such components in or on the Failed Good (as instructed by Sensus). In all cases, Customer shall be responsible for returning the Failed Good to Sensus, including all costs associated with the return of the Failed Good, and Sensus shall be responsible for shipping the repaired or replaced good back to Customer's warehouse. Customer shall, in all cases, be responsible for the In/Out Costs. If Sensus determines that the returned good is not defective, Customer shall pay and/or reimburse Sensus for all expenses incurred by Sensus in the examination of the returned good.
 - b. Customer's remedy under the warranty for services shall be, at Sensus' sole cost and expense, to correct or re-perform any defective or non-conforming services to assure compliance with the contract requirements.
 - c. THIS SECTION 10 SETS FORTH CUSTOMER'S SOLE REMEDY WITH RESPECT TO A FAILED GOOD OR ANY DEFECTIVE OR NON-CONFORMING SERVICE.
12. Warranty Exceptions. This General Limited Warranty does not include costs for removal or installation of products, or costs for replacement labor or materials, which are the responsibility of the Customer. The warranties in this General Limited Warranty do not apply to, and Sensus has no liability for, goods that have been: installed improperly or in non-recommended installations; installed to a socket that is not functional, or is not in safe operating condition, or is damaged, or is in need of repair; tampered with; modified or repaired with parts or assemblies not certified in writing by Sensus, including without limitation, communication parts and assemblies; improperly modified or repaired (including as a result of modifications required by Sensus); converted; altered; damaged; read by equipment not approved by Sensus; for water meters, used with substances other than water, used with non-potable water, or used with water that contains dirt, debris, deposits, or other impurities; subjected to misuse, improper storage, improper care, improper maintenance, or improper periodic testing (collectively, "Exceptions."). If Sensus identifies any Exceptions during examination, troubleshooting or performing any type of support on behalf of Customer, then Customer shall pay for and/or reimburse Sensus for all expenses incurred by Sensus in examining, troubleshooting, performing support activities, repairing or replacing any Equipment that satisfies any of the Exceptions defined above. The above warranties do not apply in the event of Force Majeure, as defined in the Terms of Sale.
13. THE WARRANTIES SET FORTH IN THIS 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, CONDITIONS, EXPRESSED, IMPLIED, STATUTORY OR OTHERWISE, REGARDING ANY MATTER IN CONNECTION WITH THIS GENERAL LIMITED WARRANTY OR WITH EH TERMS OF SALE, INCLUDING WITHOUT LIMITATION, WARRANTIES AS TO FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, NON-INFRINGEMENT AND TITLE.
14. 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 FAILURE OF EQUIPMENT, LICENSED SOFTWARE OR SERVICES TO CONFORM TO THEIR RESPECTIVE WARRANTIES.
15. Limitation of Liability
 - a. 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 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.
 - b. AS A SEPARATE AND INDEPENDENT LIMITATION 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 OF WHETHER SUCH LOST REVENUE OR PROFITS IS CATEGORIZED AS DIRECT DAMAGES OR OTHERWISE; NOR (III) ANY IN/OUT COSTS; NOR (IV) MANUAL METER READ COSTS AND EXPENSES.
 - c. 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. To the maximum extent permitted by law, no Cause of Action may be instituted by Customer against Sensus more than TWELVE (12) MONTHS after the Cause of Action first arose. In the calculation of any damages in any Cause of Action, no damages incurred more than TWELVE (12) MONTHS prior to the filing of the Cause of Action shall be recoverable.
16. Definitions. Any terms used in this General Limited Warranty as defined terms, and which are not defined herein, shall have the meanings given to those terms in the Terms of Sale.
 - a. "Agreement" means this General Limited Warranty, Customer's purchase order (except any Additional Terms), Sensus' Acknowledgement Form (if any), Sensus' invoice and the Terms of Sale.
 - b. "DA Devices" means RTMs and RTUs.
 - c. "Echo Transceiver" (formerly "FlexNet Network Portal" and "FNP") identifies the Sensus standalone, mounted relay device that takes the radio frequency readings from the SmartPoint Modules and relays them by radio frequency to the relevant FlexNet Base Station.
 - d. "End User" means any end user of electricity/water/gas that pays Customer for the consumption of electricity/water/gas, as applicable.
 - e. "Equipment" means the Field Devices, RF Field Equipment, Server Hardware, and any other goods sold hereunder.
 - f. "FlexNet Base Station" (formerly "Tower Gateway Base Station" and "TGB") 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 Echo Transceiver) by radio frequency and passes those readings to the RNI by TCP/IP backhaul communication.
 - g. "Field Devices" means the meters, SmartPoint Modules, DA Devices and HAN Devices.
 - h. "Force Majeure" shall have the meaning set forth in the Terms of Sale.
 - i. "HAN Devices" means the PCTs, IHDs and LCMs.
 - j. "IHDs" means the in-home displays.
 - k. "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.
 - l. "LCMs" means the load control modules.
 - m. "PCTs" means the programmable controllable thermostats.
 - n. "Remote Transceiver" (formerly "FlexNet Remote Portal" and "FRP") 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.
 - o. "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.
 - p. "RF Field Equipment" means, collectively, FlexNet Base Stations, Echo Transceivers and Remote Transceivers.
 - q. "RTMs" means the telemetric remote telemetry modules.
 - r. "RTUs" means telemetric MicroRTU (T866).
 - s. "Server Hardware" means the RNI hardware and the FlexServer hardware.
 - t. "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 take the readings of the meters and transmit those readings by radio frequency to the relevant FlexNet Base Station, Remote Transceiver or Echo Transceiver.

Sensus Limited Warranty

1. General Product Coverage. Unless otherwise provided herein, Sensus USA Inc. ("Sensus") warrants its products and parts to be free from defects in material and workmanship for one (1) year from the date of Sensus shipment and as set forth below. All products are sold to customer ("Customer") pursuant to Sensus' Terms of Sale, available at: sensus.com/TC ("Terms of Sale").

2. SR II® and accuSTREAM™ 5/8", 3/4" & 1" Meters are warranted to perform to new meter accuracy level set forth in the SR II and accuSTREAM Data Sheets available at sensus.com for five (5) years from the date of Sensus shipment or until the registration shown below, whichever occurs first. Sensus further warrants that the SR II and accuSTREAM meters will perform to at least AWWA Repaired Meter Accuracy Standards for fifteen (15) years from the date of Sensus shipment or until the registration shown below, whichever occurs first:

	New Meter Accuracy	Repair Meter Accuracy
5/8" SR II Meter and accuSTREAM Meter	500,000 gallons	1,500,000 gallons
3/4" SR II Meter and accuSTREAM Meter	750,000 gallons	2,250,000 gallons
1" SR II Meter and accuSTREAM Meter	1,000,000 gallons	3,000,000 gallons

3. ally® Meters that register water flow are warranted to perform to the accuracy level set forth in the ally Data Sheet available at sensus.com for fifteen (15) years from the Date of Installation, but no longer than sixteen (16) years from date of manufacture, not including the meter's sensors, valve, and gear motor, which are warranted under different terms described below. As used herein, "Date of Installation" means the date after which the ally Meter has been out of empty pipe for seven (7) consecutive days, as those days are measured by the ally Meter and stored in the meter's nonvolatile memory.

4. iPERL® Meters that register water flow are warranted to perform to the accuracy levels set forth in the iPERL Data Sheet available at sensus.com for twenty (20) years from the date of Sensus shipment. The iPERL System Component warranty does not include the external housing.

5. SR II maincases are warranted to be free from defects in material and workmanship for twenty-five (25) years from the date of Sensus shipment. accuSTREAM maincases will be free from defects in material and workmanship for fifteen (15) years from the date of Sensus shipment.

6. Sensus OMNI™ Meters and Propeller Meters are warranted to perform to as set forth in OMNI and Propeller data sheets for one (1) year from the date of Sensus shipment.

7. Sensus accuMAG™ and Hydroverse™ Meters are warranted to be free from defects in material and workmanship, under normal use and service, for 18 months from the date of Sensus shipment or 12 months from startup, whichever occurs first.

8. Sensus Registers are warranted to be free from defects in material and workmanship from the date of Sensus shipment for the periods stated below or until the applicable registration for AWWA Repaired Meter Accuracy Standards, as set forth above, are surpassed, whichever occurs first:

5/8" thru 1" SR II, accuSTREAM Standard Registers	25 years
5/8" thru 1" SR II, accuSTREAM Encoder Registers	10 years
All HSPU, IMP Contactor, R.E.R. Elec. ROFI	1 year
Standard and Encoder Registers for Propeller Meters	1 year
OMNI and OMNI+ Registers with Battery	10 years

9. Sensus Electric and Gas Meters are warranted pursuant to the General Limited Warranty available at sensus.com/TC.

10. Batteries, iPERL System Components, AMR and FlexNet® Communication Network AMI Interface Devices are warranted to be free from defects in material and workmanship from the date of Sensus shipment for the period stated below:

Electronic TouchPad	10 years
Act-Pak® Remote Monitoring Instruments	1 year
Gas SmartPoint® Modules and Batteries	20 years ¹
6500 series Hand-Held Device	2 years
Vehicle Gateway Base Station (VGB) and other AMR Equipment	1 year
EasyLink Reader	1 Year
CPTP100	20 Years ²
FlexNet Base Station (including the R100NA and M400 products)	1 year
RM4160	1 Year
iPERL System Battery and iPERL System Components	20 years ³

¹ Sensus will repair or replace non-performing Gas SmartPoint Modules (configured to the factory setting of six transmissions per day under normal system operation of up to one demand read to each SmartPoint Module per month and up to five firmware downloads during the life of the product) and batteries.

² Sensus will repair or replace non-performing CPTP100 modules (configured at factory setting of four transmissions per day under normal system operations of up to one demand read per month and up to five firmware downloads during the life of the product) and batteries.

Sensus® Electronic Register+™	20 years ⁴
Sensus® Smart Gateway Sensor Interface	1 year ⁵
SmartPoint® 510M/520M/515M/512M Modules and Batteries	20 years ³

11. ally® Meter Batteries and Components, including SmartPoint 510M/520M Modules are warranted to be free from defects in material and workmanship from the Date of Installation, as defined in Section 3, for the period stated below:

Batteries	15 years ⁶
Sensors	5 years
Valve & Gear Motor	5 years ⁷
SmartPoint 510M/520M Modules and Batteries in service w/ally	15 years ⁶

³ Sensus will repair or replace non-performing:

- iPERL System Batteries, and/or the iPERL System flowtube, the flow sensing and data processing assemblies, and the register ("iPERL System Components") with hourly reads,
- SmartPoint 510M/520M/515M/512M-PLS Modules (configured to the factory setting of six transmissions per day under normal system operation of up to one demand read to each SmartPoint Module per month and up to five firmware downloads during the life of the product) and batteries, unless the SmartPoint 510M/520M Module is ever paired with an ally Meter, which event immediately amends the warranty terms to those described in Section 11;

at no cost for the first fifteen (15) years from the date of Sensus shipment, and for the remaining five (5) years at a prorated percentage, applied towards the published list price in effect for the year the product is accepted by Sensus under the warranty conditions according to the following schedule:

Years	Replacement Price
1 – 15	0%
16	30%
17	40%
18	50%
19	60%
20	70%
>20	100%

⁴ Sensus will repair or replace non-performing Sensus Electronic Register+ with hourly reads for the first ten (10) years from the date of Sensus shipment, and for the remaining ten (10) years, at a prorated percentage, applied towards the published list prices in effect for the year product is accepted by Sensus under warranty conditions according to the following schedule:

Years	Replacement Price	Years	Replacement Price
1 – 10	0%	16	55%
11	30%	17	60%
12	35%	18	65%
13	40%	19	70%
14	45%	20	75%
15	50%	>20	100%

⁵ Sensus® Smart Gateway Sensor Interface warranty valid only for analog Meter Sample Rates of four times per hour with a Standard Transmit Rate of hourly or greater for the analog channel(s).

⁶ If applicable, any SmartPoint 510M/520M Modules ever paired with an ally Meter are warranted with the following limitations:

- When configured to the default installation setting of six transmissions of metrology and pressure per day and one update of temperature per day, the SmartPoint is warranted to perform up to five (5) firmware upgrades for the SmartPoint Module and up to five (5) firmware upgrades for the ally Meter;
- 2500 Operational Commands, where "Operational Commands" include on demand reads (such as consumption, pressure, temperature), an ally valve command, or a configuration command; and
- 15 Diagnostic Commands, which includes two-way communications tests and installations

for the first ten (10) years from Date of Installation at no cost. For the remaining five (5) years, Customer will pay the reduced Replacement Price of the then-current list price in effect at the time the product is accepted for return in accordance with the following schedule:

Years	Replacement Price	Years	Replacement Price
1 – 10	0%	14	65%
11	35%	15	75%
12	45%	>15	100%
13	55%		

⁷ Notwithstanding the foregoing, valve and gear motor components of ally Meters are not warranted beyond two thousand (2000) Valve State Operations, even if the warranty period provided herein has not yet expired. As used herein, "Valve State Operations" means adjustments of the Meter to open, close, or reduce flow.

12. iPERL and ally Connectors and Cables are warranted to be free from defects in materials and workmanship, under normal use and service, for ten (10) years from the date of Sensus shipment. Nicor or Itron connectors included with a Sensus product are warranted according to the terms for Third-Party Devices in Section 13.

13. Third-Party Devices are warranted to be free from defects in materials and workmanship, under normal use and service, for one (1) year from the date of Sensus shipment. As used in this Sensus Limited Warranty, "Third Party Devices" means any product, device, or component part used with a Sensus product that is manufactured or sold by any party that is not Sensus. Failure of a Third Party Device which subsequently causes failure to a Sensus device shall be the responsibility of the manufacturer of the Third Party Device.

14. Software. Software supplied and/or licensed by Sensus is supported according to the terms of the applicable software license or usage agreement. Sensus warrants that any network and monitoring services shall be performed in a professional and workmanlike manner.

15. Return. Sensus' obligation, and Customer's exclusive remedy, under this Sensus Limited Warranty is, at Sensus' option, to either (i) repair or replace the product, provided the Customer (a) returns the product to the location designated by Sensus within the warranty period; and (b) prepays the freight costs both to and from such location; or (ii) deliver replacement components to the Customer, provided the Customer installs, at its cost, such components in or on the product (as instructed by Sensus), provided, that if Sensus requests, the Customer (a) returns the product to the location designated by Sensus within the warranty period; and (b) prepays the freight costs both to and from such location. In all cases, if Customer does not return the product within the time period designated by Sensus, Sensus will invoice, and Customer will pay within thirty days of the invoice date, for the cost of the replacement product and/or components.

The return of products for warranty claims must follow Sensus' Returned Materials Authorization (RMA) procedures. Water meter returns must include documentation of the Customer's test results. Test results must be obtained according to AWWA standards and must specify the meter serial number. The test results will not be valid if the meter is found to contain foreign materials. If Customer chooses not to test a Sensus water meter prior to returning it to Sensus, Sensus will repair or replace the meter, at Sensus' option, after the meter has been tested by Sensus. The Customer will be charged Sensus' then current testing fee. All product must be returned in accordance with the RMA process. For all returns, Sensus reserves the right to request meter reading records by serial number to validate warranty claims.

For products that have become discontinued or obsolete ("Obsolete Product"), Sensus may, at its discretion, replace such Obsolete Product with a different product model ("New Product"), provided that the New Product has substantially similar features as the Obsolete Product. The New Product shall be warranted as set forth in this Sensus Limited Warranty.

THIS SECTION 15 SETS FORTH CUSTOMER'S SOLE REMEDY FOR THE FAILURE OF THE PRODUCTS, SERVICES OR LICENSED SOFTWARE TO CONFORM TO THEIR RESPECTIVE WARRANTIES.

16. Warranty Exceptions and No Implied Warranties. This Sensus Limited Warranty does not include costs for removal or installation of products, or costs for replacement labor or materials, which are the responsibility of the Customer. The warranties in this Sensus Limited Warranty do not apply to and Sensus has no liability for goods that have been: installed improperly or in non-recommended installations; installed to a socket that is not functional, or is not in safe operating condition, or is damaged, or is in need of repair; tampered with; modified or repaired with parts or assemblies not certified in writing by Sensus, including without limitation, communication parts and assemblies; improperly modified or repaired (including as a result of modifications required by Sensus); converted; altered; damaged; read by equipment not approved by Sensus; for water meters, used with substances other than water, used with non-potable water, or used with water that contains dirt, debris, deposits, or other impurities; subjected to misuse, improper storage, improper care, improper maintenance, or improper periodic testing (collectively, "Exceptions"). If Sensus identifies any Exceptions during examination, troubleshooting or performing any type of support on behalf of Customer, then Customer shall pay for and/or reimburse Sensus for all expenses incurred by Sensus in examining, troubleshooting, performing support activities, repairing or replacing any Equipment that satisfies any of the Exceptions defined above. The above warranties do not apply in the event of Force Majeure, as defined in the Terms of Sale.

THE WARRANTIES SET FORTH IN THIS SENSUS LIMITED WARRANTY ARE THE ONLY WARRANTIES GIVEN WITH RESPECT TO THE GOODS, SOFTWARE, SOFTWARE LICENSES AND SERVICES SOLD OR OTHERWISE PROVIDED BY SENSUS. SENSUS EXPRESSLY DISCLAIMS ANY AND ALL OTHER REPRESENTATIONS, WARRANTIES, CONDITIONS, EXPRESSED, IMPLIED, STATUTORY OR OTHERWISE, REGARDING ANY MATTER IN CONNECTION WITH THIS SENSUS LIMITED WARRANTY OR WITH THE TERMS OF SALE, INCLUDING WITHOUT LIMITATION, WARRANTIES AS TO FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, NON-INFRINGEMENT AND TITLE.

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 FAILURE OF EQUIPMENT, LICENSED SOFTWARE OR SOFTWARE SERVICES, AND OTHER SERVICES TO CONFORM TO THEIR RESPECTIVE WARRANTIES.

17. 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 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 A SEPARATE AND INDEPENDENT LIMITATION 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 OF WHETHER SUCH LOST REVENUE OR PROFITS IS CATEGORIZED AS DIRECT DAMAGES OR OTHERWISE; NOR (III) ANY IN/OUT COSTS; NOR (IV) MANUAL METER READ COSTS AND EXPENSES; NOR (V) DAMAGES ARISING FROM MAINCASE OR BOTTOM PLATE BREAKAGE CAUSED BY FREEZING TEMPERATURES, WATER HAMMER CONDITIONS, OR EXCESSIVE WATER PRESSURE. "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. "END USER" MEANS ANY END USER OF ELECTRICITY/WATER/GAS THAT PAYS CUSTOMER FOR THE CONSUMPTION OF ELECTRICITY/WATER/GAS, AS APPLICABLE.

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.

Sensus AMI System Performance Warranty

CF-C-WAR-00-01-0814-01-A

1. Terms of Sale

Sensus USA Inc. ("Sensus") warrants the performance of the AMI 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 Sensus Terms of Sale, available at: <http://na.sensus.com/TC/TermsConditions.pdf> ("Terms of Sale").

2. Performance Warranty. The "Performance Warranty" is as follows:

A. **Warranty.** Sensus warrants to Customer that the AMI System deployed for a particular Utility 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 Utility Customer's AMI 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 AMI System to satisfy the Performance Test Standards. Such steps may include Sensus' delivery to the Utility Customer (without charge to the Utility Customer) the hardware for additional RF Field Equipment, provided that all RF Field Equipment shall be located and installed as directed by Sensus. Utility 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 Utility 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 Utility 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 Utility Customer has entered into a Spectrum Lease Agreement with Sensus; (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 AMI 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

A. Generally.

- i. 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 Utility 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 Test Units.
- ii. 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").
- iii. Within thirty (30) days after the Route Deployment Date, the parties shall begin the Performance Test Standards on the Route. Customer, Utility Customer, and Sensus shall work in good faith to complete the Performance Test Standards no later than thirty (30) days after commencement of testing.

B. Route Read Success Test.

- i. 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.

$$\text{Route Read Success} = 100 \times \frac{\text{(# of Route Units that deliver a valid billable meter read during the Billing Window)}}{\text{(total # of Route Units in the applicable Route)}}$$

- ii. 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.
- iii. 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 AMI System; or (b) Sensus has successfully completed the Performance Test Standards for the AMI 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 AMI 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 AMI 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 AMI SYSTEM. SENSUS EXPRESSLY DISCLAIMS ANY AND ALL OTHER REPRESENTATIONS, WARRANTIES, CONDITIONS, EXPRESSED, IMPLIED, STATUTORY OR OTHERWISE, REGARDING ANY MATTER IN CONNECTION WITH THESE TERMS OF SALE, 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 AMI SYSTEM.**

6. Limitation of Liability.

SENSUS' AGGREGATE LIABILITY IN ANY AND ALL CAUSES OF ACTION ARISING UNDER, OUT OF OR IN RELATION TO THIS WARRANTY AND ALL OTHER AGREEMENTS BETWEEN SENSUS AND CUSTOMER, THEIR NEGOTIATION, PERFORMANCE, BREACH OR TERMINATION (COLLECTIVELY "CAUSES OF ACTION") SHALL NOT EXCEED (I) IF CUSTOMER IS ALSO THE UTILITY CUSTOMER, THE TOTAL AMOUNT PAID BY CUSTOMER TO SENSUS; OR (II) IF CUSTOMER IS NOT THE UTILITY CUSTOMER, THE TOTAL AMOUNT PAID BY CUSTOMER TO SENSUS SOLELY IN RELATION TO THE UTILITY CUSTOMER. 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 A SEPARATE AND INDEPENDENT LIMITATION 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, UTILITY CUSTOMER OR EITHER OF THEIR AFFILIATES FROM ANY END USER(S), IRRESPECTIVE OF WHETHER SUCH LOST REVENUE OR PROFITS IS CATEGORIZED AS DIRECT DAMAGES OR OTHERWISE; NOR (III) ANY IN/OUT COSTS; NOR (IV) MANUAL METER READ COSTS AND EXPENSES. The limitations on liability set forth herein are fundamental inducements to Sensus. They apply unconditionally and in all respects. They are to be interpreted broadly so as to give Sensus the maximum protection permitted under law. To the maximum extent permitted by law, no Cause of Action may be instituted against Sensus more than TWELVE (12) MONTHS after the Cause of Action first arose. In the calculation of any damages in any Cause of Action, no damages incurred more than TWELVE (12) MONTHS prior to the filing of the Cause of Action shall be recoverable.



Sensus AMI System Performance Warranty

7. 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 Terms of Sale, as defined above.

- A. **"AMI System"** identifies the Sensus FlexNet Advanced Meter Infrastructure System deployed by the Customer, comprised of the SmartPoint Modules, RF Field Equipment, regional network interface (RNI), software, FCC licenses, and other Sensus equipment provided to Customer and/or to the Utility Customer. The AMI System only includes the foregoing, as provided by Sensus to the Utility Customer, either directly or through a Sensus authorized distributor. The AMI System does not include goods, equipment, software, licenses or rights provided by a third party(ies).
- 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) if applicable, it is in a deployment area of meters 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 Utility Customer under Sensus' or Utility Customer's preventative maintenance; (viii) its functioning or performance has not been adversely affected by a failure of Customer and/or Utility Customer to perform its obligations or tasks for which it is responsible, including without limitation, testing and confirming that the socket to which the meter 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; (ix) its functioning or performance has not been adversely affected by a failure or insufficiency of the back haul telecommunications network for communications among the components of the Sensus AMI System; and (x) it has been installed in compliance with the procedures and specifications approved by Customer and Sensus.
- C. **"Billing Window"** for a meter means the four day period commencing one day prior to the relevant billing day for such meter and ending two days after such billing day. The Billing Window for testing purposes shall be agreed by Customer and Sensus.
- D. **"Customer"** means the entity that purchases goods and/or services directly from Sensus.
- E. **"Effective Date"** means the date the Utility Customer signs the Spectrum Lease Agreement between Utility Customer and Sensus.
- F. **"End User"** means any end user of electricity, water, and/or gas (as applicable) that pays Utility Customer for the consumption of electricity, water, and/or gas, as applicable.
- G. **"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.
- 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. **"In/Out Costs"** means any costs and expenses incurred in transporting goods between to and from End User's premises and any costs and expenses incurred in installing, uninstalling and removing goods.
- J. **"Meter Data"** means the specific metering information, including without limitation, locations and antenna heights, provided to Sensus by Utility 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 Utility 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.
- K. **"Ongoing fees"** means any reoccurring monthly or annual fees, including without limitation, fees for software and spectrum leases.

- L. **"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.
- M. **"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.
- N. **"Required RF Field Equipment"** means the number, location, and height of the RF Field Equipment set forth in the Certified Propagation Study.
- O. **"RF Field Equipment"** means the FlexNet Base Stations, Echo Transceivers, and Remote Transceivers.
- P. **"Service Territory"** identifies the geographic area where Utility Customer provides electricity, water, and/or gas (as applicable) services to End Users as of the Effective Date. This area will be described in Utility Customer and Sensus' spectrum lease filing with the FCC.
- Q. **"Spectrum Lease Agreement"** means a written, signed agreement between Sensus and Utility Customer whereby the Utility Customer leases certain spectrum from Sensus. The Spectrum Lease Agreement may be included as part of a larger agreement, such as an AMI Agreement or a Software License and Spectrum Lease Agreement.
- R. **"Success Percentage"** means, of the covered meters in the propagation study, 98.5%.
- S. **"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.
- T. **"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.
- U. **"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 Utility 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: Utility 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. The unit is 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.
- V. **"Utility Customer"** means the utility customer that uses the Sensus goods and services in its AMI System regardless of whether such goods and services are purchased directly from Sensus or from a Sensus authorized distributor. For clarity, the Utility Customer is also the Customer if the Utility Customer purchases directly from Sensus.
- W. **"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 the Spectrum Lease Agreement between Utility Customer and Sensus.

EXHIBIT A
SENSUS AMI System Performance Expanded Warranty

Assumptions

1. As used in this AMI System Performance Expanded Warranty document (“**Expanded Warranty**”), “**Customer**” means the City of Naperville and “**Sensus**” means Sensus USA Inc. Provider’s Services Agreement (“**PSA**”) means the agreement entered into between the Customer and Sensus’ authorized distributor, Core & Main LP. All other defined terms not defined herein shall have the meaning given to them in the Software License Agreement between Customer and Sensus dated [INSERT DATE] (“**Agreement**”).
2. This Expanded Warranty becomes effective following successful completion of the applicable Performance Test Standards for Customer’s AMI System as set forth in the Sensus AMI System Performance Warranty.
3. Sensus’ obligations in this Expanded Warranty are contingent upon Sensus having access to the necessary facilities, equipment, and personnel in a timely manner to perform its duties and obligations under this Expanded Warranty, including but not limited to:
 - a. Customer will provide a suitable VPN type connection to the RNI to facilitate Sensus’ ability to perform its obligations and to provide support to the Customer.
 - b. Customer will make personnel available for escort to any required field visits to Available Meter locations.

Monthly Reporting

4. Customer shall prepare and provide monthly reports on AMI System performance to Sensus for each Billing Cycle during the Warranty Period. Each monthly report shall contain data sufficient for Sensus to determine whether the AMI System meets the Service Levels.
5. When installed, operated, and maintained properly, the AMI System should enable 99.5% of Available Meters to be read within their respective Billing Window each month (the “SLA”). In the event the AMI System fails to meet the monthly SLA and both of the following criteria are met:
 - a. Customer has carried out its obligations relevant to achieving the SLA(s); and
 - b. such failure is the result of the RF Network, the RNI software, integration performed by Sensus, or Final Network Design and Propagation Study (as determined by Sensus, acting reasonably),

then Sensus will perform an analysis of the Customer’s AMI System’s actual performance.

Definitions

6. “**Billing Window**” for an Available Meter means the three day period commencing one day prior to the relevant billing day for such meter and ending two days after such billing day. The Billing Window for testing purposes shall be agreed by Customer and Sensus.

7. “**Available**” or “**Available Meter**” means an installed Sensus FlexNet meter or a Sensus SmartPoint Module which has been installed on a third party meter, and which satisfies all of the following criteria:
- i. it has been installed and activated; it is powered; and it is not a damaged or tampered meter or subject to other human induced failures such as theft;
 - ii. it has heard and responded to a ping command;
 - iii. it is serviced by a collector that has not been subjected to a power failure greater than eight (8) total hours;
 - iv. neither it nor the collector or any other network equipment that serves that meter has been affected by: (i) radio frequency interference; or (ii) a Force Majeure event that precludes the meter from transmitting its message to the network ;
 - v. it is installed in the Service Territory in compliance with the AMI Equipment Installation Specifications;
 - vi. its failure to operate in accordance with this Agreement is not the result of Company’s failure to perform its obligations or tasks for which it is responsible under this Agreement;
 - vii. its performance has not been adversely affected by a failure or insufficiency of the back haul telecommunications and any related collector has been installed and programmed using Sensus standard procedures and such equipment has not otherwise been reprogrammed or modified, except as a result of Sensus’ acts or omissions; and
 - viii. It has not been reported to Sensus under Sensus’ preventative maintenance program.
8. “**Warranty Period**” means three years from the date of successful completion of the applicable Performance Test Standards for Customer’s AMI System.

Troubleshooting, Remediation and Replacement

9. If the SLA is not met due to software issues, Sensus shall correct the software.
10. If (i) any installed SmartPoints do not meet the SLA, or (ii) the SmartPoint fails initial activation attempts by Customer as provided below, the parties shall troubleshoot as described in this section:
- i. On initial installation, Customer or installer must attempt activation of the SmartPoint a minimum of two (2) separate times. After the second failed attempt, Customer or installer will replace the SmartPoint. If activation or replacement does not correct the situation then Customer shall promptly notify Sensus.
 - ii. Following failed activation as provided above, or in the event Available SmartPoints lose connectivity during the Warranty Period, Core and Main and Customer shall perform a joint investigation and mutually agree upon the remediation approach as defined below:
 - a. *SmartPoint Product Quality Defect:*

- (1) Customer shall follow the RMA warranty process outlined in the published product warranties, and Sensus (Core and Main) shall provide a replacement SmartPoint at Sensus' expense;
 - (2) Customer shall perform the installation of the replacement SmartPoint at its expense.
 - b. *Access Issue or Obstructed SmartPoint; Installation Error; or any other cause not attributable to Sensus:*
 - (1) Customer shall remediate the access issue or obstruction, correct installation errors, or install a replacement SmartPoint at Customer's cost.
 - c. *RF Enhancement:*
 - (1) Sensus shall remediate the RF issue; and
 - (2) Sensus shall provide any additional Network Equipment at its expense, subject to the limitations noted below.
 - i. Sensus has no obligation to provide additional network equipment if the existing network equipment is not installed properly or at the locations identified in the underlying propagation study (including heights noted on the propagation study).
 - ii. Customer is responsible for installing any additional network equipment. Customer is responsible for providing an adequate site for the additional network equipment, power to the site, all coax and cabling, backhaul, all fittings, and anything else required in order for the network equipment to operate effectively.
 11. If remediation in accordance with Section 10 above (as applicable) does not enable the AMI System to meet the SLA, then Sensus and Customer will reassess and determine a new corrective action.
 12. SmartPoints pending remediation in accordance with this section shall be deemed corrected when the SmartPoint meets the criteria set forth in this Expanded Warranty.
 13. If any SmartPoints stop communicating during the Warranty Period due to a Sensus tuning issue or any other Sensus responsibility, then Sensus shall be responsible for fixing the SmartPoint communication problem and retesting to validate that the Available SmartPoint is communicating by performing a ping test to the SmartPoint within ninety (90) days; however, communication issues caused by RF interference will be addressed within a mutually agreed time period subject to each party's obligations under the Spectrum Lease described in the Agreement.
 14. Where there is any conflict between this Extended Performance Warranty and the Sensus AMI System Performance Warranty, this Extended Performance Warranty shall control.
 15. This Expanded Warranty states Sensus' sole and exclusive obligation, and Customer's sole and exclusive remedy, regarding the ongoing performance of the AMI System.
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