



MASTER METER, INC. TERMS OF SALE

1. DEFINITIONS. The term "Terms of Sale" means these Terms of Sale. The term "Buyer" means the party purchasing Products or Services pursuant to the Contract. The term "Products" means the equipment, parts, materials, supplies, software, and other goods Master Meter has agreed to supply to Buyer under the Contract. The term "Services" means the services Master Meter has agreed to perform for Buyer under the Contract. The term "Contract" means either the contract agreement signed by both parties or the purchase order signed by Buyer and accepted by Master Meter, for the sale of Products and/or Services, together with these Terms of Sale, the Master Meter Consolidated Measurement and Systems Products & Meter Accuracy Warranty in effect at the time that the contract is entered into between the Buyer and Seller ("Master Meter Warranty"), Master Meter's final applicable quotation, proposal or price list, the agreed scope of work, and Master Meter's order acknowledgment. The term "Contract Price" means the agreed price stated in the Contract for the sale of Products and/or Services, including any adjustments in accordance with the Contract. The term "Master Meter" means Master Meter, Inc., a Texas corporation.

2. PRICES; PAYMENT. All Products and Services are offered subject to the prices and other terms specified in the applicable Master Meter quotation, proposal or price list. All prices quoted are subject to change based on Master Meter's selling prices in effect as of date of shipment. A Buyer's purchase order shall constitute an acceptance of the offer to sell; however, any inconsistent, additional or different terms contained in a Buyer's request for quotation or purchase order are hereby objected to and rejected by Master Meter and will not become part of the Contract unless conspicuously stated and specifically negotiated with and accepted in a writing signed by an authorized officer of Master Meter. Credit, payment and transportation terms shall be as stated on Master Meter's invoice. If no

terms are stated on Master Meter's invoice, then Buyer shall pay Master Meter within thirty (30) days of the date of the invoice. Buyer agrees to make prompt payment in accordance with such payment terms, without set-off for any payment due from Master Meter not due under the applicable Contract. Master Meter reserves the right to modify credit or payment terms at any time without prior notice to Buyer and to require payment guarantees, security or payment in advance in Master Meter's sole discretion. For each calendar month, or fraction thereof, that payment is late, Buyer shall pay a late payment charge computed at the rate of 1.5% per month on the overdue balance or the maximum rate permitted by law, whichever is less.

3. TAXES AND DUTIES. Master Meter shall be responsible for all corporate taxes measured by net income due to performance of or payment under the Contract ("Master Meter Taxes"). Buyer shall be responsible for all taxes, duties, fees, or other charges of any nature (including, but not limited to, consumption, gross receipts, import, property, sales, stamp, turnover, use, or value-added taxes, and all items of withholding, deficiency, penalty, addition to tax, interest, or assessment related thereto, imposed by any governmental authority on Buyer or Master Meter or its subcontractors) in relation to the Contract or the performance of or payment for work under the Contract other than Master Meter Taxes ("Buyer Taxes"). The Contract Price does not include the amount of any Buyer Taxes. All Buyer Taxes applicable to the transaction and required by law to be collected from Buyer by Master Meter will be added to the invoice as a separate charge. If Buyer deducts or withholds Buyer Taxes, Buyer shall pay additional amounts so that Master Meter receives the full Contract Price without reduction for Buyer Taxes. Buyer shall provide to Master Meter, within one month of payment, official receipts from the applicable governmental authority for deducted or withheld taxes.

4. DELIVERIES; TITLE TRANSFER; RISK OF LOSS; PACKAGING. Shipping dates and completion dates quoted by Master Meter are made in good faith but are not guaranteed and Master Meter



reserves the right to extend shipping dates as it deems necessary in its sole discretion, without liability to Buyer. In the absence of shipping instructions from Buyer, Master Meter will use its discretion as to the selection of shipping services and routings. Title and risk of loss to the Products shift to Buyer upon shipment. All goods are shipped F.O.B. shipping point. Prices quoted for blanket orders are subject to review and retroactive adjustment if necessary, based on actual quantities shipped. Master Meter reserves the right to select the manner in which Products are packaged. Quoted prices include regular packaging. Special requirements for packaging will be subject to extra charges. No Products may be returned for credit or repair without the prior authorization of Master Meter. Authorized return shipments must be returned in good condition to Master Meter's designated receiving point and must have transportation charges prepaid by Buyer. Correspondence concerning all returned goods should be addressed to the appropriate Master Meter office.

5. WARRANTIES. The following Warranties shall apply:

a. **Products.** Master Meter warrants its Products as set forth in the Master Meter Consolidated Measurement and Systems Products & Meter Accuracy Warranty ("Master Meter Warranty") (a copy of which may be obtained at www.mastermeter.com). Master Meter warrants its other Products (to the extent not covered in the Master Meter Warranty) to be in compliance with their respective specifications under normal use and service, and to be free from 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 Master Meter is twelve (12) months from the date of shipment. The warranty period for repaired or refurbished products or parts, repaired by Master Meter, 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.

Notwithstanding the foregoing, the warranty contained in this Section 5(a) and in the Master Meter Warranty shall not apply to the extent that a breach of any such warranty arises out of or in connection with (i) any such Product not being used in any material respect in accordance with Master Meter's expressly written instructions, (ii) the combination, operation or use of such Product with other products, other than as contemplated by the Contract, (iii) such Product being altered, modified or revised, other than as contemplated by the Contract, by anyone other than Master Meter or any of its affiliates, (iv) Products modified or repaired with component parts or assemblies, including, without limitation, communication system component parts and assemblies, not certified by Master Meter, or damaged, altered, improperly installed or otherwise subjected to misuse or improper storage, as determined by Master Meter, (v) conditions which are not reasonably expected to be present where such Product is placed into service and which condition is not within the reasonable control of Master Meter or any of its affiliates, or (vi) as may be set out in the Master Meter Warranty.

b. **Services.** Master Meter warrants that Services shall, at the time of acceptance, conform to the Contract requirements, and shall be performed in a professional and workmanlike manner, free from defects in workmanship.

c. **Software.** Master Meter's warranty for software licensed to Buyer by Master Meter shall be as set forth in the applicable software license.

d. ALL WARRANTIES SET FORTH IN THIS SECTION 5 ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE. BUYER ASSUMES SOLE RESPONSIBILITY FOR DETERMINING THAT THE PRODUCTS, SERVICES AND SOFTWARE LICENSES PURCHASED ARE SUITABLE FOR THEIR INTENDED APPLICATION AND USE.

6. BUYER'S REMEDIES. The following remedies shall apply:



a. If any Product fails within the applicable warranty period, Master Meter shall, at its sole option, either repair or replace the item, provided that the Product is returned to Master Meter's designated receiving facility or agent with transportation charges prepaid and the Product, upon examination, is found by Master Meter not to conform to the warranty. No remedy shall apply to any Products modified or repaired with component parts or assemblies, including, without limitation, communication system component parts and assemblies, not certified by Master Meter. MASTER METER IS NOT LIABLE FOR ANY REVENUE LOST BY ANY UTILITY, MUNICIPALITY OR OTHER USER OF ELECTRICITY, GAS OR WATER, AS APPLICABLE.

b. Buyer's remedy under the warranty for Services shall be, at Master Meter's sole cost and expense, to correct or re-perform any defective or non-conforming Services to assure compliance with the Contract requirements.

c. Buyer's remedy for software licensed to Buyer shall be as set forth in the applicable software license.

EXCEPT AS OTHERWISE PROVIDED, IN NO EVENT SHALL MASTER METER OR ANY OF ITS BUSINESS PARTNERS BE LIABLE TO THE CUSTOMER OR ANY THIRD PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES, INCLUDING ANY DAMAGES FOR BUSINESS INTERRUPTION, LOSS OF USE, DATA, REVENUE OR PROFIT, COST OF CAPITAL, COST OF SUBSTITUTE EQUIPMENT, DOWNTIME COSTS, WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT THE MASTER METER WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE FOREGOING REMEDIES ARE BUYER'S SOLE AND EXCLUSIVE REMEDIES FOR THE FAILURE OF PRODUCTS, SERVICES OR LICENSED SOFTWARE TO CONFORM TO THEIR RESPECTIVE WARRANTIES

7. CONFIDENTIALITY. Buyer may be provided with or have access to Confidential Information (defined below) of Master Meter and Buyer shall

(and shall cause its, employees, contractors, representative, agents, and affiliates to): (a) use the Confidential Information only in connection with the Contract and the use of Products and Services, (b) take all reasonable measures to prevent disclosure of the Confidential Information to third parties, and (c) not disclose the Confidential Information to any third party. Notwithstanding these restrictions, Buyer may disclose Confidential Information to its employees, contractors, representatives, agents, and affiliates in connection with the performance of the Contract (so long as Buyer obtains a non-disclosure commitment from each such employee, contractor, representative, agent, and affiliate that prohibits disclosure of the Confidential Information); provided, however, that Buyer shall remain responsible for any unauthorized use or disclosure of Confidential Information by any of them. Buyer shall, upon request of Master Meter, return to Master Meter or destroy all copies of Confidential Information except to the extent that a specific provision of the Contract entitles Buyer to retain an item of Confidential Information. As used herein, "Confidential Information" means all proprietary and confidential information of Master Meter including, without limitation, the terms of the Contract, pricing information, Product performance, Product architecture and design, software, and trade secrets. The obligations under this Section 7 shall not apply to any portion of Confidential Information that (i) is or becomes generally available to the public other than as a result of disclosure by Buyer or any person or entity with respect to which Buyer is responsible pursuant to this Section 7, (ii) is or becomes available to Buyer on a non-confidential basis from a source other than Master Meter when the source is not, to the best of Buyer's knowledge, subject to a confidentiality obligation to Master Meter, (iii) is independently developed by Buyer or any person or entity with respect to which Buyer is responsible pursuant to this Section 7, without reference to Confidential Information, (iv) is required to be disclosed by law or valid legal process provided that Buyer shall promptly notify Master Meter in advance of such disclosure and reasonably cooperate in attempts to maintain the confidentiality of Confidential Information. This



Section 7 does not supersede any separate confidentiality or non-disclosure agreement signed by the parties.

8. INTELLECTUAL PROPERTY INDEMNITY. Master Meter shall indemnify and hold harmless Buyer from and against any claim instituted against Buyer by a non-affiliated third party alleging that the Products or Services provided under the Contract infringe upon the Intellectual Property (defined below) of such third party provided that Buyer (a) promptly notifies Master Meter in writing of such claim, (b) makes no admission of liability and does not take any position adverse to Master Meter, (c) gives Master Meter sole authority to control defense and settlement of the claim, and (d) provides Master Meter with full disclosure and reasonable assistance as required to defend the claim. "Intellectual Property" shall mean patent, copyright, trade secret, trademark, or other third-party intellectual property right. The foregoing indemnity shall not apply and Master Meter shall have no obligation or liability to the extent any claim is based upon (i) any Products or Services that have been altered, modified, or revised, to the extent that any such alteration, modification or revision made an otherwise non-infringing Product or Service infringe, other than as contemplated by the Contract, (ii) the combination, operation, or use of any such Products or Services with other products or services, when such combination is part of any allegedly infringing process, other than as contemplated by the Contract; (iii) failure of Buyer to implement any update provided by Master Meter that would reasonably be expected to have prevented the occurrence of the event giving rise to the claim, or (iv) unauthorized use of Products or Services by Buyer. Should any of the Products or Services, or any portion thereof, be legally determined to infringe upon or violate the Intellectual Property of a third party, Master Meter will either (I) procure for Buyer the right to continue using the Product or Service, or portion thereof, (II) modify or replace the Product or Service, in whole or in part, to make it non-infringing and functionally equivalent, or (III) failing (I), or (II), take back Products or Services and refund all fees received by Buyer attributable to the infringing Product or Service. This Section 8 states Master Meter's entire

liability to Buyer and sole remedy for indemnification for infringement or misappropriation of third-party Intellectual Property. NOTWITHSTANDING THE FOREGOING, MASTER METER ASSUMES NO LIABILITY FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST REVENUES OR PROFITS, ARISING OUT OF ANY CLAIM OF INTELLECTUAL PROPERTY INFRINGEMENT. EQUIPMENT MANUFACTURED TO BUYER'S DESIGNS OR SPECIFICATIONS ARE SOLD WITH NO WARRANTY AGAINST INTELLECTUAL PROPERTY INFRINGEMENT. THE FOREGOING STATES BUYER'S SOLE AND EXCLUSIVE REMEDY WITH RESPECT TO INTELLECTUAL PROPERTY INFRINGEMENT CLAIMS.

9. INDEMNITY. Each of Master Meter and Buyer (as an "Indemnifying Party") shall indemnify the other party from and against claims brought by a third party, on account of personal injury or damage to the third party's tangible property, to the extent caused by the negligence of the Indemnifying Party in connection with the Contract. In the event the injury or damage is caused by joint or concurrent negligence of Buyer and Master Meter, the loss or expense shall be borne by each party in proportion to its degree of negligence.

10. FORCE MAJEURE. For the period and to the extent that Master Meter is disabled from fulfilling in whole or in part its obligations under the Contract, where such disability arises by reason of an event of force majeure (including, but not limited to, any law or government regulation or any act of God, flood, war, revolution, civil commotion, political disturbance, strike, lockout, fire, explosion, or any other cause whatsoever over which Master Meter has no reasonable control), Master Meter shall be released from its obligations under the Contract until a reasonable time after the cessation of such disability.

11. TERMINATION. Orders acknowledged by Master Meter may not be canceled or amended, or deliveries deferred, by Buyer except with Master Meter's prior written consent, and then only upon such terms as shall be acceptable to Master Meter.



12. COMPLIANCE WITH LAWS. Master Meter shall comply with laws applicable to the manufacture of Products and its performance of Services. Buyer shall comply with laws applicable to the application, operation, use, and disposal of Products and Services.

13. CHANGES. Either party may at any time propose changes in the schedule or the scope of Products or Services. Master Meter is not obligated to proceed with any change until both parties agree upon such change in writing. The written change document will describe the changes in scope and schedule, and the resulting change in price and other provisions, as agreed.

14. LIMITATION OF LIABILITY.

a. Master Meter's aggregate liability in any and all causes of action arising under, out of or in relation to the Contract, its negotiation, performance, breach or termination (collectively "Causes of Action") shall not exceed the total amount paid to Master Meter under the Contract, or, if Buyer places multiple order(s) under the Contract, the price of each particular order for all claims arising from or related to that order for all claims not part of any particular order; irrespective of whether the Causes of Action are in tort, including, without limitation, negligence or strict liability, in contract, under statute or otherwise. All liability of Master Meter shall end upon the expiration of the applicable warranty period, provided that Buyer may continue to enforce a claim for which it has given notice prior to that date by commencing an action before expiration of any statute of limitations or other legal time limitation but in no event later than one year after expiration of such warranty period.

b. As separate and independent limitations on liability, Master Meter's liability shall be limited to direct damages. Master Meter shall not be liable for (i) any indirect, incidental, special or consequential damages; nor (ii) any revenue lost by Buyer or by any utility from any end user that pays for the consumption of electricity, gas, or water, as applicable, irrespective whether such lost revenue is categorized as direct damages or otherwise.

c. If Buyer is supplying Products or Services to a third party, or using Products or Services at a facility owned by a third party, Buyer shall either (i) indemnify and defend Master Meter from and against any and all claims by, and liability to, any such third party in excess of the limitations set forth in this Section 14, or (ii) require that the third party agree, for the benefit of and enforceable by Master Meter, to be bound by all of the limitations included in this Section 14.

d. The limitations on liability set forth in these Terms of Sale are fundamental inducements to Master Meter entering into the Contract. They apply unconditionally and in all respects. They are to be interpreted broadly so as to give Master Meter the maximum protection permitted under law.

e. For purposes of this Section 14, the term "Master Meter" means Master Meter, its affiliates, subcontractors and suppliers of any tier, and their respective employees.

15. GOVERNING LAW. THE EXECUTION, INTERPRETATION AND PERFORMANCE OF A CONTRACT, AND ANY DISPUTES WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED BY A CONTRACT, INCLUDING ANY FRAUD CLAIMS, SHALL BE GOVERNED BY THE INTERNAL LAWS AND JUDICIAL DECISIONS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS.

16. DISPUTE RESOLUTION. If a claim, demand, disagreement, controversy, or dispute (each a "Dispute") arises in connection with the Contract or the breach thereof and if the Dispute cannot be settled through direct discussions, the parties agree to endeavor first to settle the Dispute in an amicable manner by mediation to be held in Fort Worth, Tarrant County, Texas, United States of America, administered by the American Arbitration Association under its Commercial Mediation Rules before resorting to arbitration. The mediation will be completed within thirty (30) days of receipt of written demand for mediation. Thereafter, any unresolved controversy or claim relating to the Contract or breach thereof will be settled by binding arbitration initiated by written



notice by either party to the other of the intent to arbitrate. The arbitration will be held in Fort Worth, Tarrant County, Texas, United States of America, and administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered may be entered in any court having jurisdiction. Notwithstanding any other provision of this Agreement or this Section 16 to the contrary, no party will be precluded from seeking injunctive relief or a temporary restraining order before implementing procedures for mediation or arbitration, provided that such party determines in the good-faith exercise of its reasonable best judgment that it will suffer irreparable harm or injury by any delay caused by mediation or arbitration proceedings.

Any dispute arising out of or in connection with the Agreement, including any question regarding its existence, validity or termination, will be resolved in accordance with this Section and will be settled, if possible, by negotiation of the Parties. Either Party may, by giving written notice, refer the dispute to a meeting of appropriate representatives of each Party, to be held within twenty (20) business days after giving notice. If the dispute is not resolved within thirty (30) business days after the date of the meeting of the Parties, or any later date to which the Parties may agree, either Party may submit the dispute to any mutually agreed to mediation service for mediation by providing to the mediation service a joint, written request for mediation, setting forth the subject of the dispute and the relief requested. The parties shall cooperate with the mediation service and with one another in selecting a neutral mediator and in scheduling the mediation proceedings. The parties covenant that they will use commercially reasonable efforts in participating in the mediation. The parties agree that the mediator's fees and expenses and the costs incidental to the mediation will be shared equally between the parties.

In the event that the Parties are unable to resolve a dispute through mediation, then all disputes arising out of or in connection with this Agreement, which shall include, but not limited to all contracts

entered into between the Parties, or the validity, enforceability or scope of this arbitration provision, shall be finally settled under the Rules of Arbitration of the American Arbitration Association by three arbitrators appointed in accordance with said Rules. Such arbitrators shall each have not less than 10 years' experience in arbitration of commercial contracting disputes. The place of arbitration shall be Fort Worth, Texas. The Parties agree that the United States Federal Arbitration Act shall govern the interpretation, enforcement, and proceedings pursuant to the arbitration clause in this agreement. The arbitrators shall award to the prevailing party, if any, as determined by the arbitrators, all of its costs and fees. "Costs and fees" mean all reasonable pre-award expenses of the arbitration, including the arbitrators' fees, administrative expenses, travel expenses, out of pocket expenses such as copying and telephone, court costs, witness fees, and attorney's fees.

These dispute resolution procedures are not intended to be used for disputes concerning actual, alleged or threatened breaches of a Party's confidentiality obligations or infringement of a Party's Intellectual Property Rights where the remedy being sought is injunctive or other equitable relief, and the Parties may immediately bring an action therefore seeking injunctive or other equitable relief. Any claims seeking monetary damages shall be disputed by arbitrations as provided in this Agreement, provided that such arbitration shall not preclude a Party's right to bring an action for injunctive or other equitable relief for breach of the confidentiality obligations or infringement of Intellectual Property Rights, whether brought contemporaneously or otherwise.

17. ENTIRE AGREEMENT. The Order, these Terms of Sale, and any additional terms so accepted by Master Meter in writing, constitute the entire agreement between the parties hereto with respect to the subject matter hereof and supersede any and all prior agreements, understanding or other communications, whether written or oral, formal or informal, between them. No consent, waiver, alteration, amendment, or



modification shall be binding unless in writing and signed by both parties.

18. ASSIGNMENT. Buyer may not assign, transfer or delegate the Contract or any part of Buyer's rights or duties thereunder without the prior written consent of Master Meter. Any attempt by Buyer to assign or delegate any portion of the Contract in violation of this Section shall be null and void. Master Meter may assign the Contract, without the consent of Buyer in the sole discretion of Master Meter.

19. SURVIVAL. The provisions of the Contract that are applicable to circumstances arising after its termination or expiration shall survive such termination or expiration.

20. SEVERABILITY. In the event any provision of the Contract is held to be void, unlawful or otherwise unenforceable, that provision will be severed from the remainder of the Contract and replaced automatically by a provision containing terms as nearly like the void, unlawful, or unenforceable provision as possible; and the Contract, as so modified, will continue in full force and effect.