

# General Limited Warranty

South America – August 2016

1. Terms of Sale. Sensus Chile S.A. ("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 <http://sensus.com/regions/south-america/south-america-legal/>.
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: <http://sensus.com/regions/south-america/south-america-legal/>, 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: <http://sensus.com/regions/south-america/south-america-legal/>, or available at 1-800-METER-IT.
5. 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.
6. 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.
7. Server Hardware. Sensus provides no warranty on the Server Hardware.
8. 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.
9. 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.
10. 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) 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 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.
11. 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 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.
12. 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 THE TERMS OF SALE, INCLUDING WITHOUT LIMITATION, WARRANTIES AS TO FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, NON-INFRINGEMENT AND TITLE.
13. 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.
14. 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.
15. 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.