

IMPORTANT: PLEASE READ THIS AGREEMENT CAREFULLY AND CHECK THE IHYDRANT WEBSITE (www.ihydrant.com) REGULARLY FOR MODIFICATIONS.

IHYDRANT® SERVICE AGREEMENT

This iHydrant Service Agreement ("Agreement") is between Clow Valve Company, a division of McWane, Inc. ("Provider") and Customer (defined below), and expressly incorporates the McWane, Inc. Terms and Conditions of Sale found at www.clowvalve.com under the Terms and Conditions tab ("Terms and Conditions") which are incorporated into and made a part of this Agreement (except as specifically otherwise provided in this Agreement). Provider provides fire hydrants and smart hydrant sensors ("iHydrant®") and cloud-based iHydrant utility software, including its associated data collection, data storage and event notification services (the "System"), which enable a customer to access and monitor pressure and temperature data across a water distribution system. Customer agrees to be bound by the Terms and Conditions with respect to its use of the System. All capitalized terms not otherwise defined in this Agreement have the meanings given to them in the Terms and Conditions. Customer's access or use of the System and/or Services and every payment of Service Fees constitutes Customer's acceptance of and agreement to be bound by this Agreement, as modified from time to time. Provider will post any modifications to this Agreement on its website and Customer should check the iHydrant website (www.iHydrant.com) regularly to read and review the then-current terms of this Agreement.

1. DEFINITIONS.

- (a) "**Aggregated Statistics**" means data and information related to Customer's use of the Services that is used by Provider in an aggregate and anonymized manner, including to compile statistical and performance information related to the provision and operation of the Services.
- (b) "**API**" means an Application Programming Interface, which is an optional System service involving separately priced set-up and recurring annual service charges, and which provides a programmatic mechanism for a Customer to download, on demand, a potentially large quantity of previously collected Customer Data as currently saved in the System.
- (c) "**Authorized User**" means Customer's employees, consultants, contractors, and agents (i) who are authorized by Customer to access and use the Services under the rights granted to Customer under this Agreement and (ii) for whom access to the Services has been provided by Provider.
- (d) "**Customer**" means the purchaser of the System and Services from Provider and includes its Authorized Users.
- (e) "**Customer Data**" means, other than Aggregated Statistics, information, data, and other content, in any form or medium, that is submitted, posted or otherwise transmitted by or on behalf of Customer through the Services.
- (f) "**Equipment**" means iHydrant mechanical and electronic components combined and delivered to Customer either as a retrofit kit to be incorporated into a hydrant or as a complete hydrant with the iHydrant components already included.
- (g) "**Provider IP**" means the Services and all intellectual property provided to Customer in connection with the Services or System. For the avoidance of doubt, Provider IP includes Aggregated Statistics and any information, data or other content derived from Provider's monitoring of Customer's access to or use of the Services.
- (h) "**Services**" means the cloud-based iHydrant utility software service that enables an Authorized User to access, monitor and control physical iHydrants deployed across a water distribution system.
- (i) "**Third-Party Products**" means any third-party products provided with or incorporated into the Equipment or the Services.

2. SERVICE.

- (a) Subject to and conditioned on Customer's payment of Service Fees and compliance with all other terms and conditions of this Agreement, Seller grants Customer a non-exclusive, nontransferable right to access and use the Services during the Term, solely for use by Authorized Users in accordance with the terms and conditions herein and only for Customer's internal use. Provider will provide Customer the necessary passwords, links or connections to allow Customer to access the Services.

- (b) Customer will not use the Services for any purposes beyond the scope of the access granted in this

Agreement. Customer will not at any time, directly or indirectly: (i) copy, modify, or create derivative works of the Services or the System, in whole or part; (ii) rent, lease, lend, sell, license, sublicense, assign, distribute, publish, transfer, or otherwise make available the Services to any other party; (iii) reverse engineer, disassemble, decompile, decode, adapt, or otherwise attempt to derive or gain access to any software component of the Services or the System, in whole or part; (iv) remove any proprietary notices from the Services or System components; or (v) use the Services or the System in any manner or for any purpose that infringes, misappropriates, or otherwise violates any intellectual property right or other right of any person, or that violates any applicable law. Customer will not access and/or use or permit any other person or entity to access and/or use the Service in violation of any domestic or foreign law or regulation.

(c) Notwithstanding anything to the contrary in this Agreement, Provider may temporarily suspend Customer's and any Authorized User's access to any portion or all of the Services if:

- (i) Provider reasonably determines that (A) there is a threat or attack on any Provider IP; (B) Customer's or any Authorized User's use of the Provider IP disrupts or poses a security risk to the Provider IP or to any other customer or vendor of Provider; (C) Customer or any Authorized User is using the Provider IP for fraudulent or illegal activities; (D) subject to applicable law, Customer has ceased to continue its business in the ordinary course, made an assignment for the benefit of creditors or similar disposition of its assets, or become the subject of any bankruptcy, reorganization, liquidation, dissolution, or similar proceeding; or (E) Provider's provision of the Services to Customer or any Authorized User is prohibited by applicable law;
- (ii) any vendor of Provider has suspended or terminated Provider's access to or use of any third-party services or products required to enable Customer to access the Services; or
- (iii) in accordance with Section 5(a)(iii);

(any such suspension described in subclause (i), (ii), or (iii), a "Service Suspension"). Provider will use commercially reasonable efforts to provide written notice of any Service Suspension to Customer and to provide updates regarding resumption of access to the Services following any Service Suspension. Provider will use commercially reasonable efforts to resume providing access to the Services as soon as reasonably possible after the event giving rise to the Service Suspension is cured. Provider will have no liability for any damage, liabilities, losses (including any loss of data or profits), or any other consequences that Customer or any Authorized User may incur as a result of a Service Suspension.

(d) Customer acknowledges and accepts that the Service relies in part on cellular carrier services, which may themselves occasionally experience disruptions which are beyond Provider's control, the causes of which may include extreme weather conditions and/or equipment breakdowns, repairs or upgrades. Unless specifically arranged otherwise between Customer and Provider, such disruptions will be considered a normal business experience and will not affect Customer's payment of Service Fees due. If such disruptions continue for an extended period of time, Provider may be able to permanently switch some of the Customer's System to an alternate cellular carrier or service by means of a field visit.

(e) For information regarding Provider's commitment to cybersecurity for its iHydrant products, please visit www.iHydrant.com.

3. CUSTOMER RESPONSIBILITIES.

(a) **Service Fees.** Customer will pay Provider all fees, expenses, and costs associated with access to and/or use of the Services (collectively, "Service Fees") in full (without offset or deduction) and in strict compliance with every Provider invoice, bill, or other payment demand sent in physical form or electronically.

(b) **Start of Service Fees.** Service Fees will start after the delivery of the Equipment to Customer, unless otherwise stated in the written Order when Customer purchased such Equipment.

(c) **Service Fee Increase.** For Services provided on an annual Term, Provider may increase the Service Fees at any time on thirty (30) days' advance written notice, effective as of the first day of the renewal Term.

- (d) **SIM Card Misuse.** Customer will not, and will not direct or permit any third party to, remove the telecommunications SIM card from the Equipment so as to use that SIM card for any purpose other than with the System.
- (e) **Emails and/or Text Messaging:** Customer understands that Customer and/or Authorized Users may grant consent to be contacted by Provider through automated emails and/or text messages. If an Authorized User's employment with Customer is terminated or an Authorized User is no longer affiliated with Customer, Customer shall promptly notify Provider so that such Authorized User's prior consent to receive automated emails and/or text messages from Provider can be revoked.
- (f) **General.** Customer is responsible and liable for all uses of the Services resulting from access provided by Customer, directly or indirectly, whether such access or use is permitted by or in violation of this Agreement. Without limiting the generality of the foregoing, Customer is responsible for all acts and omissions of Authorized Users. Customer will use reasonable efforts to make all Authorized Users aware of this Agreement's provisions as applicable to such Authorized User's use of the Services and will cause Authorized Users to comply with such provisions.

4. **TERM, RENEWAL AND CANCELLATION, AND TERMINATION.**

- (a) **Term.** The initial term of this Agreement begins on the date Provider makes the Service available for Customer's access and use and continues for the period stated in any written Order ("Term"). If no period is stated in a written Order, then the initial Term will be through the current year-end.
- (b) **Renewal and Cancellation.** This Agreement will automatically renew for successive renewal Terms of one year each, unless Provider or Customer gives written notice of an intention not to renew before the expiration of the initial Term or then-current renewal Term, as applicable. If Customer provides written notice that Customer wishes to cancel the Services and terminate this Agreement, such termination will take effect on the later of the date specified in the notice of cancellation or the last date for which the Services have been previously paid and, on notice of cancellation, payment for the Services will become due through that later date.
- (c) **Termination.** Provider may immediately terminate this Agreement if: (i) Provider discovers that the information Customer provided about itself or its proposed use of the Services is materially inaccurate or incomplete; (ii) Customer's payment of Service Fees is overdue and Customer does not pay the overdue amount within three (3) days of written notice; (iii) a credit report indicates Customer no longer meets Provider's reasonable credit criteria; (iv) Customer uses the Services in violation of this Agreement or any other agreement applicable to Customer's use of the Services; (v) Customer violates Provider's authorized use policy or privacy policy more than once, even if Customer cures each violation; (vi) Customer fails to comply with any other provision of this Agreement and does not remedy the failure within ten (10) days of a notice to Customer describing the failure; (vii) any change in domestic or foreign laws or regulations, or the interpretation thereof, that adversely changes the duties or responsibilities of Provider, or the method or amount of Service Fees or payment for Services under this Agreement; and (viii) upon Customer's bankruptcy, insolvency, or winding up of business for any reason.
- (d) **Post-Termination and Survival.** On termination of this Agreement, Customer will immediately discontinue access and/or use of the Services and will return and/or destroy all documentation associated with the Services. Paragraphs 3, 5 through 8, and any other provisions that should survive pursuant to their terms will survive any termination of this Agreement.

5. **DISCLAIMER AND EXCLUSION OF WARRANTIES.**

- (a) **General Disclaimer and Exclusion of Warranties.** CUSTOMER ACKNOWLEDGES, REPRESENTS, AND AGREES THAT:
 - (i) THE SERVICES FURNISHED UNDER THIS AGREEMENT ARE PROVIDED ON AN "AS IS" BASIS, WITHOUT ANY WARRANTIES OR REPRESENTATIONS, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING BUT NOT LIMITED TO WARRANTIES OF PERFORMANCE, TIMELINESS, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, SECURITY, AVAILABILITY, SATISFACTORY QUALITY OR AGAINST INTERFERENCE WITH ANY ENJOYMENT OF THE SERVICE;
 - (ii) THERE ARE NO WARRANTIES

CREATED BY COURSE OF DEALING, COURSE OF PERFORMANCE, OR TRADE USAGE; (iii) PROVIDER DOES NOT WARRANT OR REPRESENT THAT THE SERVICES WILL MEET CUSTOMER'S NEEDS OR REQUIREMENTS, BE ERROR-FREE OR SECURE, THAT ACCESS TO OR USE OF THE SERVICES WILL BE UNINTERRUPTED, OR THAT DEFECTS IN THE SERVICES WILL BE CORRECTED; (iv). NO ORAL OR WRITTEN REPRESENTATION, STATEMENT, OR INFORMATION PROVIDED BY PROVIDER BEFORE, DURING, OR AFTER CUSTOMER'S FIRST ACCESS AND/OR USE OF THE SERVICES WILL CREATE A WARRANTY; (v) THERE ARE RISKS INHERENT IN INTERNET CONNECTIVITY AND ACTIVITY THAT COULD RESULT IN THE LOSS OF PRIVACY, DATA, CONFIDENTIAL INFORMATION, AND PROPERTY AND, THEREFORE, CUSTOMER'S ACCESS AND/OR USE OF THE SERVICES ARE AT CUSTOMER'S SOLE RISK AND, SHOULD THE SERVICES PROVE TO BE DEFECTIVE, CUSTOMER ASSUMES THE ENTIRE COST OF ALL NECESSARY SERVICING, REPAIR, OR CORRECTION.

- (b) Customer acknowledges and agrees that Customer is solely responsible for determining the suitability of the Services for its use, including but not limited to the suitability in light of any applicable domestic or foreign laws or regulations, including but not limited to the Healthcare Insurance Portability and Accountability Act, the Graham-Leach-Bliley Act, and any applicable data privacy laws or regulations.
- (c) The disclaimers and exclusions contained in paragraphs 5(a) and (b) of this Agreement are an essential part of this Agreement and formed the basis for determining the price charged for the Services.

6. **LIMITATION OF LIABILITY AND DAMAGES.**

- (a) Provider and Customer have considered the risks and rewards associated with this Agreement and agree to allocate certain of the risks so that, to the fullest extent permitted by law, Provider's total aggregate liability to Customer, if any, will be limited to the ***lesser of*** \$1,000.00 or the value of the Services provided by Provider for the invoice term period immediately preceding the filing or submission of a claim, suit, demand, action, cause of action, proceeding, demand, complaint, loss, grievance, injury, relief or liability (individually and collectively, "Claim"), regardless of the legal, equitable, statutory, or other theory under which such liability may be imposed. Provider will not be liable for any monetary or equitable relief associated with a Claim brought by another person or entity against Customer arising from, concerning, or relating to this Agreement or the business relationship between Provider and Customer, regardless of the legal, equitable, statutory, or other theory under which such liability may be imposed.
- (b) NOTWITHSTANDING PARAGRAPH 6(a) ABOVE, IN NO EVENT WILL PROVIDER, OR ITS DIRECTORS, OFFICERS, SHAREHOLDERS, MEMBERS, PARTNERS, AFFILIATES, EMPLOYEES, AGENTS, REPRESENTATIVES OR ANY OTHER PERSON AND/OR ENTITY ACTING FOR, IN CONCERT WITH, OR ON BEHALF OF PROVIDER (INDIVIDUALLY AND COLLECTIVELY, "PROVIDER AFFILIATES"), BE LIABLE TO CUSTOMER FOR: (i) PERSONAL INJURY OR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY DAMAGES, REGARDLESS OF THE LEGAL, EQUITABLE, STATUTORY, OR OTHER THEORY UNDER WHICH SUCH LIABILITY MAY BE IMPOSED, INCLUDING BUT NOT LIMITED TO THIRD PARTY CLAIMS; (ii) DAMAGES CONCERNING OR RELATING TO DELAYS, MALFUNCTIONS, LOSS OF OR DAMAGE TO DATA, LOSS OF USE, INTERRUPTION OF SERVICE, LOSS OF ACTUAL OR PROSPECTIVE CONTRACTS, BUSINESS RELATIONS, REVENUE OR PROFITS, OR LOSS OR DAMAGE TO REPUTATION OR GOODWILL; (iii) DAMAGES CONCERNING OR RELATING TO INJURY TO ANY PERSON OR DAMAGE TO ANY REAL OR PERSONAL PROPERTY; (iv) LOSS OF OR DAMAGE SUSTAINED AS A RESULT OF WORK STOPPAGE; (v) DAMAGES CONCERNING OR RELATING TO ANY OTHER COMMERCIAL OR ECONOMIC LOSS; OR (vi) DAMAGES FOR ANY LOSSES WHATSOEVER ARISING FROM OR RELATING TO THE USE OR RELIANCE UPON THE SERVICES), EVEN IF PROVIDER OR THE PROVIDER AFFILIATES HAVE BEEN ADVISED OF THE POSSIBILITY OR LIKELIHOOD OF SUCH DAMAGES AND EVEN IF A LIMITED REMEDY IS DEEMED TO HAVE FAILED OF ITS ESSENTIAL PURPOSE. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE LIMITATION OF LIABILITY CONTAINED IN THIS PARAGRAPH 6(b) WILL APPLY EVEN IN THE EVENT OF A FUNDAMENTAL OR MATERIAL BREACH OF THIS AGREEMENT BY PROVIDER.

7. **INDEMNIFICATION.** Customer acknowledges, agrees, and represents that Customer, to the fullest extent permitted by applicable law, will indemnify, defend and hold Provider and Provider Affiliates harmless from any costs, expenses, and liabilities, including but not limited to reasonable attorneys' fees, arising from any Claim made by any third party due to, concerning, relating to or arising out of access and/or use of Services by Customer or any other person or

entity associated with Customer, negligent, wanton, and/or intentional acts or omissions of Customer or any other person or entity associated with Customer, infringement of a third-party's intellectual property by Customer or any other person or entity associated with Customer, and breach of this Agreement or any other applicable agreement by Customer or any other person or entity associated with Customer. Customer will use its best efforts to cooperate with Provider in the defense of any such Claim. Provider reserves the right, but not the obligation, to employ separate counsel and assume the exclusive defense and control of any such Claim subject to indemnification by Customer.

8. **GENERAL TERMS.**

- (a) **Ownership of Intellectual Property.** Customer acknowledges that, as between Customer and Provider, Provider owns all right, title, and interest, including all intellectual property rights, in and to the Provider IP. Provider reserves all rights not expressly granted to Customer in this Agreement. Except for the limited rights and licenses expressly granted under this Agreement, nothing in this Agreement grants, by implication, waiver, estoppel, or otherwise, to Customer or any third party any intellectual property rights or other right, title or interest in or to the Provider IP.
- (b) **Consent for Collection and Use of Customer Data.** Provider acknowledges that, as between Provider and Customer:
 - (i) Customer owns all right, title and interest, including all intellectual property rights, in and to the Customer Data;
 - (ii) Customer grants to Provider a non-exclusive, royalty-free, worldwide license to collect, reproduce, distribute and otherwise use and display the Customer Data and perform all acts with respect to the Customer Data as may be necessary for Provider to provide the Services to Customer, to incorporate within the Aggregated Statistics or to improve the System or the Services;
 - (iii) Provider may from time to time declare limits on how many months of historical Customer Data will be retained in the System ("Data Retention Limit") and how many months of historical Customer Data will be thinned in the System ("Data Thinning Limit") and will provide Customer with 90 days' notice prior to taking Customer Data-related actions, including:
 - (1) Thinning the frequency of Customer Data samples older than the Data Thinning Limit to retain fewer data samples; and
 - (2) Deleting Customer Data samples older than the Data Retention Limit.
 - (iv) If Customer chooses to retain Customer Data beyond those Limits, Customer must download such Customer Data prior to Provider's action.
 - (v) If Customer wishes to retain Customer Data after termination of this Agreement or Customer's cessation of System usage, Customer must download copies of such Customer Data prior to such termination or cessation of System usage.
- (c) **API Data.** If Customer subscribes to System's optional API service, the Customer Data available for downloading via API will be restricted by any Data Retention and Data Thinning Limits in force at time of downloading, as explained above in Section 8(b)iii.
- (d) **Aggregated Statistics.** Notwithstanding anything to the contrary in this Agreement, Provider may monitor Customer's use of the Services and collect and compile Aggregated Statistics. As between Provider and Customer, all right, title, and interest in Aggregated Statistics, and all intellectual property rights therein, belong to and are retained solely by Provider. Customer acknowledges and agrees that Provider may compile Aggregated Statistics based on Customer Data input into the Services and may (i) make Aggregated Statistics publicly available in compliance with applicable law and (ii) use Aggregated Statistics to the extent and in the manner permitted under applicable law.
- (e) **Feedback.** If Customer or any of its employees or contractors sends or transmits any communications or materials to Provider by mail, email, telephone, or otherwise, suggesting or recommending changes to the Provider IP, including but not limited to new features or functionality relating thereto, or any comments, questions, suggestions, or the like ("Feedback"), Provider is free to use such Feedback irrespective of any other obligation or limitation between the parties governing such Feedback. Customer assigns to Provider on Customer's behalf, and

on behalf of its employees, contractors and/or agents, all right, title, and interest in all ideas, know-how, concepts, techniques, or other intellectual property rights contained in the Feedback, and Provider is free to use such, without attribution or compensation to any party, for any purpose whatsoever, although Provider is not required to use any Feedback.

- (f) **Third-Party Products.** Customer acknowledges and agrees that the System and the Services may rely upon or incorporate Third-Party Products. For purposes of this Agreement, such Third-Party Products may be subject to their own terms and conditions and the applicable flow-through provisions referred to on Appendix A, which are incorporated into this Agreement by reference. If Customer does not agree to abide by the applicable terms for any such Third-Party Products, then Customer may not access or use such Third-Party Products.

9. **Notices.** Any notice due or to be given hereunder to Provider will be in writing by U.S. mail or commercial delivery service such as Federal Express or United Parcel Service, and delivered to Provider at:

VP of Operations, iHydrant
Clow Valve Company
1313 Valwood Pkwy, Ste 150
Carrollton, TX 75006-6883 USA

Appendix A (Applicable in Canada Only)

- 1. Limitations on Service.** If Customer utilize any services/products provided by Rogers Communications Canada Inc. ("Rogers Services") when using the System, the System may only work if within range of the wireless network operated by Rogers Services ("Rogers Facilities"). In addition, Rogers Services may be temporarily refused, interrupted, or limited at any time and individual data transmissions may be involuntarily delayed.
- 2. Security of Transmissions.** Privacy cannot be guaranteed when using Rogers Services. If Customer requires secure transmission of data, Customer must provide for its own means of doing so. Customer assumes full responsibility for the establishment of appropriate security measures to control access to its own respective equipment and information.
- 3. Identifiers.** Customer will not have any property right in any Rogers Services codes or identifiers, including but not limited to MSISDNs, IMSIs, Internet Protocol addresses and personal identification numbers.
- 4. Limitations on Roaming Service.** Rogers Services may, at its discretion, provide certain roaming services to Customer. Rogers Services may in its sole discretion suspend roaming privileges to Customer at any time.
- 5. Rogers Limited Warranty.** Rogers Services makes no warranty, express or implied, as to the services it provides or facilities and/or services made available to Rogers and/or Provider from a third party vendor ("Third Party Facilities and/or Services"), including but not limited to any implied warranties as to merchantability or fitness for a particular purpose, nor does Rogers Services warrant uninterrupted working of, or the privacy of any communications using, the Rogers Services or the Rogers Facilities, and/or Third Party Facilities and/or Services.
- 6. CRTC Mandatory Provisions.** Customer will comply with the consumer safeguard obligations listed in Appendix 1 of Telecom Regulatory Policy 2017-11 (posted on the following link: <http://crtc.gc.ca/eng/archive/2017/2017-11.htm>), as such safeguards may be updated from time to time by the Canadian Radio-television and Telecommunications Commission ("CRTC"). Customer understands that the CRTC may change, modify or amend its policies at any time. Customer must abide by all applicable CRTC obligations.