

SPECTRUM LEASE AGREEMENT

BETWEEN

CITY OF GAHANNA

AND

**SENSUS USA INC.
("Sensus")**

SENSUS

EXHIBIT A

SPECTRUM LEASE AGREEMENT

This spectrum manager lease agreement (this "Agreement") is entered into as of the ____ day of ____, 20__, by and between Sensus USA Inc. together with its wholly owned subsidiary, Sensus Spectrum LLC, with offices at 8601 Six Forks Road, Suite 700, Raleigh, North Carolina, 27615 (collectively "Sensus"), and the entity last named below in the signature box as the Utility ("Utility") (each a "Party", collectively, the "Parties").

Background

Utility has bought or will buy or use FlexNet equipment manufactured by Sensus;

Sensus is leasing spectrum to Utility to operate the FlexNet equipment;

The spectrum that Sensus is leasing is authorized by Sensus' FCC License(s) listed in Exhibit A, below ("FCC License"); and

Sensus is leasing spectrum to Utility in Utility's service area listed in Exhibit B, below (the "Service Area").

Agreement

NOW THEREFORE, in consideration of the mutual promises contained herein, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Sensus hereby grants to Utility and Utility accepts a spectrum manager lease ("Lease") over the frequencies of the FCC License and solely within Utility's Service Area. (The frequencies of the FCC License within Utility's geographic Service Area are called the "Leased Spectrum"). As consideration, \$900 will be partitioned from the Utility's per base station payment to Sensus for maintenance service is hereby allocated to spectrum lease pursuant to this Agreement.
2. Sensus will file with the Federal Communications Commission (FCC) a Form FCC 608, notification/application for a long term spectrum manager lease. This Lease becomes effective when the FCC receives the notification.
3. In order to do the FCC lease application, Utility will:
 - (a) Review pages 5 and 11, and sign page 11 of the draft Form FCC 608 which Sensus will prepare for Utility. Utility's signature will indicate that Utility authorizes Sensus to file the lease notification and that Utility has reviewed and approved the representations on Form 608 demonstrating that Utility qualifies under FCC rules.
 - (b) Give Sensus the coordinates of the boundaries of Utility's Service Area or, alternatively, approve Sensus' estimation of the same.

(c) In the event that Utility does not already have one, Utility hereby authorizes Sensus to apply on Utility's behalf and obtain for Utility a Federal Registration Number (FRN, the FCC's unique identifier for each licensee).

(d) Provide any other information or other cooperation reasonably necessary for the Parties to perform as set forth herein.

4. Utility may transmit or receive over the Leased Spectrum only using FlexNet equipment manufactured by Sensus and used in accordance with Sensus' specifications. Utility may use the Leased Spectrum only to read and direct meters in support of Utility's primary utility business or any other operation approved by Sensus in writing. Without limiting the foregoing, Utility is prohibited from reselling, subleasing or sublicensing the Leased Spectrum or from transmitting voice communications over the Leased Spectrum.

5. Unless terminated earlier (because for example Utility stopped using the FlexNet equipment), this Lease will have the same term as the FCC license. If Utility is operating in compliance with this Agreement and Utility's underlying agreement with Sensus and is current on any payments owed to Sensus, when the FCC License renews, the Parties will apply to the FCC to renew this Lease.

6. The Lease will terminate: (a) two months after Utility stops transmitting with FlexNet equipment manufactured by Sensus; (b) upon termination, revocation or expiration of the FCC License; or (c) upon Utility's breach of this Agreement or Utility's underlying agreement with Sensus.

7. The following FCC requirements apply to this Agreement.

(a) Pursuant to 47 CFR 1.9040(a),

(1) Utility must comply at all times with applicable FCC rules. This Agreement may be revoked by Sensus or the FCC if Utility fails to so comply;

(2) If the FCC License is terminated, Utility has no continuing right to use the Leased Spectrum unless otherwise authorized by the FCC;

(3) This Agreement is not an assignment, sale or other transfer of the FCC License;

(4) This Agreement may not be assigned except upon written consent of Sensus, which consent may be withheld in its discretion; and

(5) In any event, Sensus will not consent to an assignment that does not satisfy FCC rules.

(b) Pursuant to the standards set forth in 47 CFR 1.9010, Sensus retains *de facto* control over the applicable radio facilities, including that,

- (1) Sensus will be responsible for Utility's compliance with FCC policies and rules. Sensus represents and warrants that it has engineered the FlexNet equipment and accompanying software and other programs to comply with FCC rules. Utility will operate the FlexNet equipment solely in accordance with Sensus' specifications. Sensus retains the right to inspect Utility's radio operations hereunder and to terminate this Agreement or take any other necessary steps to resolve a violation of FCC rules, including to order Utility to cease transmission. Sensus will act as spectrum manager in assigning spectrum under the FCC License so as to avoid any harmful interference or other violation of FCC rules. Sensus will be responsible for resolving any interference complaints or other FCC rule violations that may arise; and
 - (2) Sensus will file any necessary FCC forms or applications and Utility agrees reasonably to assist Sensus with such filing by providing any necessary information or other cooperation. Sensus will otherwise interact with the FCC with respect to this Agreement, the FCC License or FlexNet equipment.
8. Utility agrees to report to Sensus promptly, and in no event later than 72 hours afterward, any incident related to the Leased Spectrum, including where Utility experiences harmful interference, receives a complaint or other notice of having caused harmful interference, or receives any type of communication from the FCC or other government agency regarding radio transmission.
9. The Parties agree to indemnify and hold each other harmless as follows.
 - (a) In the event that the FCC License is revoked, cancelled or terminated, or the FCC or other government agency otherwise mounts an enforcement action with respect to radio operation under this Agreement, and Utility has been in full compliance with this Agreement, Utility's underlying agreement with Sensus, and Sensus' specifications, and is current on any payments owed to Sensus, Sensus will indemnify and hold Utility harmless for all liabilities, claims, costs, damages, fines forfeitures and expenses arising out of such government action including, where necessary, Sensus will use commercially reasonable efforts to migrate Utility to other suitable spectrum.
 - (b) Utility will indemnify Sensus and affiliated companies and entities, officers, directors employees and agents from all liabilities, claims, costs, damages, fines forfeitures and expenses arising out of Utility's breach of this Agreement.
10. Sensus' 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 be limited to direct damages. Sensus shall not be liable for any indirect, incidental, special or consequential damages. This is so whether the Causes of Action are in tort, including, without limitation, negligence or strict liability, in contract, under statute or otherwise. 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.

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IN WITNESS WHEREOF, the Parties have executed this Lease as of the date first above written.

SENSUS

SENSUS USA INC.

By Michael Tracy
Name: Michael Tracy
Title: Executive Vice President

SENSUS SPECTRUM LLC

By Todd Ellis
Name: Todd Ellis
Title: Sr. Product Manager, Spectrum

UTILITY

City of Gahanna
Name of Utility

By _____
Name: _____
Title: _____

Utility contact person for FCC filings

Name: _____
Telephone: _____

EXHIBIT A

FCC LICENSE(S) AND LICENSED FREQUENCIES

Call Sign	Market Number	Channel Block	Market Name
KNKY203	NWA255	03	U.S. and Possessions
KNKY204	NWA255	04	U.S. and Possessions

EXHIBIT B

GEOGRAPHIC BOUNDARIES OF UTILITY'S SERVICE AREA

Channels (Base/Remote Frequency)	Locations (Coordinates)
901.100-901.200 MHz uplink, 940.100-940.200 MHz downlink	40 03 23.4N, 82 53 18.8W
	40 03 16.0N, 82 50 34.1W
	40 03 12.6N, 82 49 23.8W
	40 03 10.1N, 82 49 04.2W
	40 02 50.9N, 82 49 04.0W
	40 02 43.6N, 82 49 04.3W
	40 02 40.0N, 82 49 06.1W
	40 02 38.9N, 82 49 09.5W
	40 02 30.9N, 82 49 23.1W
	40 02 32.8N, 82 49 56.5W
	40 02 37.3N, 82 50 12.7W
	40 02 44.6N, 82 50 12.1W
	40 02 43.7N, 82 50 24.3W
	40 02 39.6N, 82 50 24.8W
	40 02 42.4N, 82 50 32.7W
	40 02 45.3N, 82 50 35.9W
	40 02 41.9N, 82 50 38.7W
	40 02 22.7N, 82 50 40.0W
	40 02 23.0N, 82 50 50.7W
	40 02 05.2N, 82 50 52.4W
	40 02 05.8N, 82 51 02.5W
	40 01 56.6N, 82 51 03.2W
	40 01 57.1N, 82 51 18.7W
	40 01 51.4N, 82 51 18.5W
	40 01 43.3N, 82 51 19.4W
	40 01 42.3N, 82 51 21.7W
	40 01 40.9N, 82 51 29.4W
	40 01 40.6N, 82 51 32.6W
	40 01 40.8N, 82 51 35.2W
	40 01 37.0N, 82 51 38.8W
	40 01 29.1N, 82 51 39.0W
	40 01 29.2N, 82 51 44.0W
	40 01 32.3N, 82 51 44.0W
	40 01 32.4N, 82 51 46.6W
	40 01 33.3N, 82 51 49.0W
	40 01 29.2N, 82 51 53.2W
	40 01 25.1N, 82 51 49.3W
	40 01 24.2N, 82 51 42.7W
	40 01 17.3N, 82 51 42.1W

	40 01 17.2N, 82 51 41.0W
	40 01 15.5N, 82 51 24.6W
	40 01 15.3N, 82 51 23.8W
	40 01 10.6N, 82 51 17.4W
	40 01 07.3N, 82 51 17.8W
	40 01 04.1N, 82 51 20.9W
	40 01 00.0N, 82 50 00.8W
	40 00 07.5N, 82 50 04.8W
	40 00 08.0N, 82 50 14.1W
	40 00 21.1N, 82 50 14.6W
	40 00 21.5N, 82 50 21.8W
	40 00 08.6N, 82 50 25.2W
	40 00 04.4N, 82 50 29.7W
	40 00 04.8N, 82 50 35.8W
	40 00 06.5N, 82 50 38.9W
	39 59 53.3N, 82 50 39.7W
	39 59 52.4N, 82 50 06.3W
	39 59 59.0N, 82 50 06.3W
	40 00 03.7N, 82 50 05.1W
	40 00 02.7N, 82 49 49.5W
	40 00 06.6N, 82 49 46.8W
	40 00 05.5N, 82 49 27.6W
	39 59 49.3N, 82 49 28.5W
	39 59 48.5N, 82 49 13.0W
	39 59 57.7N, 82 49 12.4W
	39 59 56.5N, 82 48 55.2W
	39 59 53.4N, 82 48 55.5W
	39 59 53.3N, 82 48 52.5W
	39 59 52.8N, 82 48 50.6W
	39 59 46.5N, 82 48 50.8W
	39 59 42.8N, 82 48 57.2W
	39 59 23.2N, 82 50 10.9W
	39 59 19.3N, 82 50 27.1W
	39 59 19.2N, 82 50 32.6W
	39 59 16.0N, 82 50 55.1W
	39 59 15.5N, 82 50 59.8W
	39 59 13.6N, 82 51 27.4W
	39 59 22.2N, 82 51 26.9W
	39 59 41.7N, 82 51 25.6W
	39 59 45.5N, 82 51 52.9W
	39 59 47.8N, 82 52 03.1W
	39 59 51.7N, 82 52 11.4W
	39 59 53.7N, 82 52 14.1W
	40 00 05.2N, 82 52 25.6W
	40 00 09.7N, 82 52 27.9W
	40 00 14.1N, 82 52 28.9W

	40 00 23.4N, 82 52 28.6W
	40 00 27.0N, 82 52 42.7W
	40 00 30.1N, 82 53 36.1W
	40 00 31.0N, 82 53 43.8W
	40 00 32.0N, 82 53 48.0W
	40 00 35.1N, 82 53 55.8W
	40 00 38.3N, 82 54 01.0W
	40 00 46.4N, 82 54 03.6W
	40 00 50.9N, 82 54 04.2W
	40 01 10.5N, 82 54 03.2W
	40 01 11.2N, 82 54 10.7W
	40 01 31.8N, 82 54 14.6W
	40 01 38.2N, 82 54 14.0W
	40 01 59.4N, 82 54 13.8W
	40 02 11.0N, 82 54 13.2W
	40 02 16.1N, 82 54 12.3W
	40 02 16.5N, 82 54 02.2W
	40 02 46.8N, 82 54 00.1W
	40 02 46.2N, 82 53 52.5W
	40 02 43.2N, 82 53 52.6W
	40 02 42.9N, 82 53 37.9W
	40 02 46.6N, 82 53 37.5W
	40 02 48.0N, 82 53 24.6W
	40 02 48.5N, 82 53 20.8W
	40 02 56.9N, 82 53 25.1W
	40 02 59.5N, 82 53 26.5W
	40 03 03.4N, 82 53 26.7W
	40 03 05.5N, 82 53 26.4W
	40 03 12.1N, 82 53 24.8W