

**RESOLUTION 16-36**

**A RESOLUTION OF THE CITY OF PANAMA CITY BEACH,  
FLORIDA, APPROVING A SETTLEMENT AGREEMENT  
WITH SENSUS USA, INC. FOR THE REPLACEMENT OF  
WATER METERS.**

**BE IT RESOLVED** that the appropriate officers of the City are authorized to execute and deliver on behalf of the City that certain Settlement Agreement between the City and Sensus USA, Inc, relating to the replacement of water meters previously purchased by the City at no cost to the City, with such changes, insertions or omissions as may be approved by the City Manager, whose execution of such agreement shall be conclusive evidence of such approval.

**THIS RESOLUTION** shall be effective immediately upon passage.

**PASSED** in regular session this 14<sup>th</sup> day of January, 2016.

**CITY OF PANAMA CITY BEACH**

By: 

Gayle F. Oberst, Mayor

**ATTEST:**

  
Diane Fowler, City Clerk

## SETTLEMENT AND RELEASE AGREEMENT

This SETTLEMENT AND RELEASE AGREEMENT (the "Agreement"), dated and effective as of \_\_\_\_\_, 20\_\_ ("Effective Date"), is by and between Sensus USA Inc., a Delaware corporation ("Sensus"), and the City of Panama City Beach, Florida ("City").

WHEREAS, the City has purchased approximately three thousand nine hundred fifty-four (3,954) Sensus iPERL water meters (the "Meters");

WHEREAS, a potential dispute arose between Sensus and the City regarding the Meters (the "Dispute"); and

WHEREAS, following good faith negotiations, Sensus and the City have agreed to resolve the Dispute on the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual agreements set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, Sensus and the City hereby agree as follows:

1. Recitals. The recitals set forth above are hereby incorporated into and made a part of this Agreement.
2. Replacement Meters.
  - a. Initial Replacement Meters. Sensus will provide the City with three thousand five hundred (3,500) iPERL water meters (the "Replacement Meters") at no cost to the City. The Replacement Meters will be of like sizes necessary to replace the Meters.
  - b. Warranty on Replacement Meters. Sensus' standard limited warranty attached hereto as Exhibit A will apply to each Replacement Meter, provided that the warranty period is limited to the time remaining under the original warranty applicable to the Meter it replaced.
  - c. Disposal of Meters. Upon replacement with Replacement Meters, Sensus will take possession and ownership of all replaced Meters (the "Replaced Meters"). Sensus will scrap the Replaced Meters or take such other action as Sensus deems appropriate and Sensus will own all amounts generated by such activity.
3. Installation of Replacement Meters. Sensus will contract with a third-party to install all Replacement Meters at Sensus' cost and expense. The City will be responsible for its own direct and indirect costs and expenses incurred in connection with the replacement.
  - a. Project Management. The third-party contractor engaged by Sensus will be responsible for overseeing the installation and will act as a point of contact for the City.
  - b. Route Data. The City will provide Sensus or the third-party contractor with route data from billing to create work orders for the replacement.

4. Release.

a. Release of Sensus. The City, for itself and its affiliates, successors, and assigns, for and in consideration of the terms and conditions of this Agreement, and by its execution of this Agreement, hereby fully, completely, and forever releases, remises, and discharges and agrees to reimburse, defend, indemnify, and hold harmless Sensus and its directors, officers, shareholders, employees, affiliates, distributors, and agents from any and all claims, actions, causes of action, lawsuits, suits, demands, damages, injuries, losses, costs, and liabilities whatsoever, whether currently known, unknown, or which may arise in the future, resulting from, arising out of, or in any way connected to the Meters, the Dispute, or the underlying facts giving rise to the Dispute. The foregoing release is a condition precedent to Sensus entering into this Agreement. It is to be interpreted broadly so as to provide Sensus and the other released parties the maximum protection permitted under law.

b. This Agreement. Nothing in this Section 4 of this Agreement, or anywhere else in this Agreement, is meant to, and does not, release claims and remedies for breach of this Agreement or relieve any party hereto of its obligations under this Agreement.

5. Acknowledgement. Each party hereto understands that the facts in respect of which this Agreement is made may hereafter turn out to be other than or different from the facts now known or believed by it to be true. Each party hereto accepts and assumes all risk of facts turning out to be different, such as any potential claim being greater, different, or more extensive than now known, anticipated, or expected. In spite of this risk, each party hereto agrees that this Agreement shall be and remain in all respects effective and not subject to termination or rescission by virtue of any such mistake, change, or difference in facts. Each party hereto further agrees to waive and relinquish all rights it has or may have under any statute or legal decision providing that a general release does not extend to claims not known or suspected to exist at the time of executing the release, which if known by a claimant might have materially affected the settlement. Each party hereto specifically agrees that this Agreement and all releases set forth herein apply in such case to all such claims.

6. Confidentiality; Non-Disparagement; Public Statement.

a. Except as required by law, neither party will directly or indirectly disclose to any non-party the facts or contents of this Agreement, or any documents or communications related to this Agreement or the Dispute, without the prior written consent of the other party. In the event that a party receives a document request, subpoena, or other legal process, such party shall immediately notify the other party so as to provide an opportunity for said other party to object to challenge the subpoena, request, or other process in court. The party receiving the request, subpoena, or other process shall not, absent the written consent of the other party, produce this Agreement or any documents or communications related to this Agreement or the Dispute until the last day on which it may do so without incurring legal sanction or penalty.

b. The City agrees that it will not, directly or indirectly, in writing, orally, or by any other means, make any statement or comment to any person, entity, or organization that might reasonably be construed to be derogatory or critical of, or negative toward, or disparaging to

Sensus or its officers, employees, products, services, or technology, unless required by law or as directed by a court or other governmental authority.

c. Any statement or communication to the media or general public in relation to the Meters or this Agreement, or any of the terms hereof, whether verbal or written, electronically or otherwise, will be first negotiated and agreed to by Sensus and the City. Each party hereto agrees that it must provide written notice to the other party of any intention to make any public statement or communication regarding the Meters or this Agreement at least two (2) business days prior to making any such statement. In the event the parties cannot agree on the content, nature, and purpose of such statement or communication, no statement or communication to the media or general public will be made.

d. Notwithstanding any other provision in this Section 6, Sensus acknowledges that the City is a public entity of the State of Florida and subject to its broad public records laws. In addition, the provisions of Subsections 6(b) and 6(c) do not apply to statements of publically elected officials of the City provided any such statement is made in good faith.

7. Joint Effort. The preparation of this Agreement has been a joint effort of the parties hereto and shall not be construed more strictly against any party.

8. Free and Voluntary Agreement. Each party hereto acknowledges and agrees that it has been fully advised by legal counsel concerning the language and legal effect of this Agreement and knowingly enters into this Agreement freely and without coercion of any kind.

9. No Waiver. Any failure by a party hereto to enforce any of the provisions of this Agreement or to require at any time performance by the other party of any of the provisions hereof shall in no way affect the validity of this Agreement, or any part hereof, and shall not be deemed a waiver of the rights of either party thereafter to enforce any and each such provision.

10. No Admission. The execution of this Agreement affects the settlement of potential claims and allegations which are disputed, contested, and denied. Each party hereto understands and agrees that nothing herein is intended, nor shall be deemed nor construed to be, an admission of liability by any party in any respect and to any extent whatsoever.

11. Authority. Each person signing this Agreement on behalf of a party hereto represents and warrants that he or she has the legal right, status, and authority to enter into this Agreement on behalf of the party for which he or she is signing. This includes specifically the authority of the representative of the City to execute this Agreement.

12. Governing Law and Dispute Resolution. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Florida. Any and all disputes arising under, out of, or in relation to this Agreement, its negotiation, execution, performance, breach, or termination shall first be resolved by the parties attempting executive level meetings. If the dispute cannot be resolved within sixty (60) days of the commencement of the meetings, it shall be finally settled under the Commercial Arbitration Rules of the American Arbitration Association (“Rules”) by one arbitrator appointed in accordance with the Rules. The arbitration shall be held in Panama City, Florida in the English language. In any arbitration, the parties may agree on the selection of a single arbitrator,

but if they cannot so agree, the parties shall accept a single arbitrator selected by the American Arbitration Association pursuant to the Rules. The arbitrator may not be affiliated, whether directly or indirectly, with any of the parties, including, without limitation, as an employee, consultant, partner, or shareholder. The arbitrator may permit each of the parties to the arbitration to engage in a reasonable amount of discovery. The award by the arbitrator shall be final and the parties shall require that the arbitrator issue along with the award a reasoned legal opinion explaining and justifying the award based on applied legal principles. The award issued by the arbitrator may be enforced in any court of competent jurisdiction. Notwithstanding the foregoing, either party may pursue equitable relief to prevent irreparable harm (e.g., inappropriate use or disclosure of a party's confidential information) in any court of competent jurisdiction. TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE PARTIES AGREE TO A BENCH TRIAL AND THAT THERE SHALL BE NO JURY IN ANY DISPUTES.

13. Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all such counterparts shall constitute one and the same instrument. The exchange of executed copies of this Agreement by facsimile, portable document format (PDF) transmission, or other reasonable form of electronic transmission shall constitute effective execution and delivery of this Agreement.

14. Integration; Modification. This Agreement constitutes the sole agreement of the parties with respect to the terms hereof and shall supersede all oral negotiations and the terms of prior writings with respect thereto. No modification hereof or any agreement referred to herein shall be binding or enforceable unless in writing and signed on behalf of the party against whom enforcement is sought.

15. Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

16. Successors and Assigns. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns.

[The next page is the signature page.]

IN WITNESS WHEREOF, Sensus and the City have executed this Settlement and Release Agreement as of the Effective Date.

SENSUS USA INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

CITY OF PANAMA CITY BEACH, FLORIDA

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Exhibit A

Warranty

(see attached)

# Sensus Limited Warranty

G-500 R20

## I. General Product Coverage

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](http://sensus.com/TC) ("Terms of Sale").

## II. SR II® and accuSTREAM™ 5/8", 3/4" & 1" Meters...

are warranted to perform to AWWA New Meter Accuracy Standards 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 meter 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

## III. SR® 5/8", 3/4" & 1" Meters...

are warranted to perform to AWWA New Meter Accuracy Standards for one (1) year from the date of Sensus shipment. Sensus further warrants that the 5/8", 3/4" and 1" SR meter 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:

	Repair Meter Accuracy
5/8" SR Meter	1,500,000 gallons
3/4" SR Meter	2,250,000 gallons
1" SR Meter	3,000,000 gallons

## IV. SR 1-1/2" & 2"...

are warranted to perform to AWWA New Meter Accuracy Standards for one (1) year from the date of Sensus shipment. Sensus further warrants that the 1-1/2" and 2" SR meter will perform to at least AWWA Repaired Meter Accuracy Standards for ten (10) years from the date of Sensus shipment or until the registration shown below, whichever occurs first:

	Repair Meter Accuracy
1-1/2" SR	5,000,000 gallons
2" SR	8,000,000 gallons

## V. PMM® 5/8", 3/4", 1" Meters...

are warranted to perform to AWWA New Meter Accuracy Standards for one (1) year from the date of Sensus shipment. Sensus further warrants that the 5/8", 3/4", and 1" PMM meter 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:

	Repair Meter Accuracy
5/8" PMM	1,500,000 gallons
3/4" PMM	2,000,000 gallons
1" PMM	3,000,000 gallons

## VI. PMM 1-1/2", 2" Meters...

are warranted to perform to AWWA New Meter Accuracy Standards for one (1) year from the date of Sensus shipment. Sensus further warrants that the 1-1/2", and 2" PMM meter will perform to at least AWWA Repaired Meter Accuracy Standards for ten (10) years from the date of Sensus shipment or until the registration shown below, whichever occurs first:

	Repair Meter Accuracy
1-1/2" PMM	5,000,000 gallons
2" PMM	8,000,000 gallons

## VII. IPERL™ Water Management Systems...

that register water flow are warranted to perform to the accuracy levels set forth in the IPERL Water Management System Data Sheet available at [sensus.com/iparl/datasheet](http://sensus.com/iparl/datasheet) or by request from 1-800-METER-IT, for twenty (20) years from the date of Sensus shipment. The IPERL System warranty does not include the external housing.

## VIII. Maincase...

of the SR, SR II and PMM in both standard and low lead alloy meters are warranted to be free from defects in material and workmanship for twenty-five (25) years from the date of Sensus shipment. Composite and E-coated maincases will be free from defects in material and workmanship for fifteen (15) years from the date of Sensus shipment.

## IX. Sensus "W" Series Turbo Meters, OMNI™ Meters and Propeller Meters...

are warranted to perform to AWWA New Meter Accuracy Standards for one (1) year from the date of Sensus shipment.

## X. Sensus accuMAG™ 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.

## XI. 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 2" SR, SR II, PMM, accuSTREAM Standard Registers	25 years
5/8" thru 2" SR, SR II, PMM, accuSTREAM Encoder Registers	10 years
Electronic Communication Index (ECI)	10 years
All HSPU, IMP Contactor, R.E.R. Elec. ROFI	1 year
Standard and Encoder Registers for: "W" Turbo and Propeller Meters	1 year
OMNI Register with Battery	10 years

## XII. Sensus Electric Meters...

are warranted to be free from defects in material and workmanship for one (1) year from the date of Sensus shipment. Spare parts and components are warranted to be free from defects in material and workmanship for one (1) year from the date of Sensus shipment.

Repaired or refurbished equipment repaired by Sensus is warranted to be free from defects in material and workmanship for ninety (90) days from the date of Sensus shipment or for the time remaining on the original warranty period, whichever is longer.

## XIII. Batteries, iPERL System Components, AMR and FlexNet™ System 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
RadioRead® MXU (Model 505C, 510R or 520R) and Batteries	20 years*
Act-Pak® Instrumentation	1 year
TouchRead® Coupler and AMR Equipment	1 year
FlexNet Water or Gas SmartPoint™ Modules and Batteries	20 years*
Hand Held Device	1 year
Vehicle Gateway Base Station	1 year
FlexNet Base Station (including the Metro and M400 base stations)	1 year
Echo Transceiver	1 year
Remote Transceiver	1 year
iConA and FlexNet Electricity SmartPoint Module	1 year
iPERL System Battery and iPERL System Components	20 years*
Residential Electronic Register	20 years*

\* Sensus will repair or replace non-performing:

- RadioRead® MXU (Model 505C, 510R and 520R) and Batteries,
- FlexNet Water or 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 two firmware downloads during the life of the product) and batteries,
- Residential Electronic Register with hourly reads, and
- 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

at no cost 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%

Note: Software supplied and licensed by Sensus is warranted according to the terms of the applicable software license agreement. Sensus warrants that network and monitoring services shall be performed in a professional and workmanlike manner.

## XIV. 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. Sensus SmartPoints modules and MXU's returned must be affixed with a completed return evaluation label. 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 XIV SETS FORTH CUSTOMER'S SOLE REMEDY FOR THE FAILURE OF THE PRODUCTS, SERVICES OR LICENSED SOFTWARE TO CONFORM TO THEIR RESPECTIVE WARRANTIES.

#### XV. 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 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 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 SERVICES TO CONFORM TO THEIR RESPECTIVE WARRANTIES.

#### XVI. 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.

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.