



Compound Meter Warranty (CM)

Scope of Warranty

This warranty applies exclusively to RG3 Meter Company Compound Meters and direct read registers (“product”) purchased and manufactured after August 1, 2012 and (1) used in potable water below 120° F in accordance with RG3 Meter Company’s published Technical Specifications and (2) when installed in accordance with RG3 Meter Company’s published installation instructions, both as in effect as of the date of RG3 Meter Company’s shipment of the product. This warranty applies exclusively to the original utility purchaser when product is purchased from RG3 Meter Company or an RG3 Meter Company authorized Distributor.

Under this warranty, product defining a compound meter comprises a high flow turbine meter and a low flow by-pass meter.

Materials and Workmanship

If used and installed as described above, RG3 Meter Company guarantees product covered by this warranty to be free from defects in materials and workmanship for a period of 12 months after installation or 18 months after shipment by RG3 Meter Company, whichever occurs first.

Case Integrity

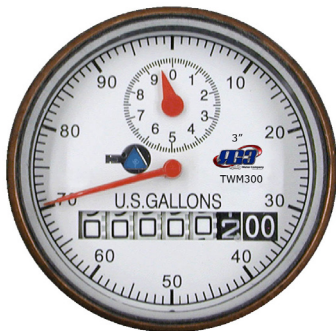
If used and installed as described above, RG3 Meter Company guarantees that the main cases of product covered by this warranty will retain their structural integrity for a period of 2 years from date of shipment by RG3 Meter Company.

Register Functionality

If used and installed as described above, RG3 Meter Company guarantees that direct read registers purchased with product comprising turbine meters will function for 2 years from date of manufacture. AMR/AMI, encoder, and pulse register warranties are specified separately.

Accuracy

If used and installed as described above, RG3 Meter Company guarantees that a turbine meter covered by this warranty will meet or exceed AWWA C702 accuracy standards for 2 years from date of shipment by RG3 Meter Company. A by-pass meter is covered by its own specific warranty. Please see warranty specific to the by-pass meter used.



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Claims

Any product covered by this guarantee that fails to meet the terms of the stated guarantee will be repaired or replaced, at the option of RG3 Meter Company, without additional charge to the customer. The replacement or repaired product will maintain the original warranty based on the original ship date. The customer is responsible for removing the product from service, returning it to the factory service center designated by RG3 Meter Company, providing a written RG3 Return Materials Authorization form (available at www.rg3meter.com) with the returned product, and for freight costs to the service center. Customer will also be responsible for freight from the service center if returned product performs as intended, is not eligible for warranty consideration, or does not meet warranty specifications. Customer is also responsible for reinstalling repaired or replaced product. Any product replaced becomes the property of RG3 Meter Company.

Limits of Liability

This warranty does not apply to product damaged by aggressive water conditions, foreign matter in water, vandalism, negligence, physical damage, installation not in accordance with RG3 Meter Company's installation instructions, misapplication or other use not as described above, acts of God or other conditions beyond the control of RG3 Meter Company. If a product is claimed to breach the accuracy guarantees as stated herein, the customer shall submit a certified copy of the test results at the time the product is returned to RG3 Meter Company. The guarantees as to accuracy shall be void if an examination of the customer's water supply shows an unusually adverse effect on the product. Any description of product, whether in writing or made orally by RG3 Meter Company or its agents, specifications, samples, literature, models, bulletins, drawings, diagrams, engineering sheets or similar materials used in connection with any customer's order are for the sole purpose of identifying product and shall not be construed as an express or implied guarantee. Any suggestions by RG3 Meter Company or its agents regarding use, application or suitability of product inconsistent with the terms this warranty shall not be construed as an express or implied guarantee unless confirmed to be such in writing by RG3 Meter Company. The laws of the State of Texas, excluding its conflicts of law rules shall exclusively govern this warranty. If any provision hereof, partly or completely, shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision or portion hereof and these terms shall be construed as if such invalid or unenforceable provision or portion thereof had never existed.

THE FOREGOING EXPRESS GUARANTEE IS IN LIEU OF ALL OTHER GUARANTEES OR WARRANTIES WHATSOEVER, WHETHER EXPRESS, IMPLIED OR STATUTORY (EXCEPT FOR WARRANTY OF TITLE), INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. CUSTOMER'S EXCLUSIVE REMEDY AND RG3 METER COMPANY'S AND ITS AUTHORIZED DISTRIBUTORS' SOLE LIABILITY ON ANY CLAIM, WHETHER IN TORT (INCLUDING STRICT LIABILITY), NEGLIGENCE, CONTRACT, WARRANTY OR OTHERWISE, FOR ANY PRODUCT WHICH FAILS TO MEET THE TERMS OF THE GUARANTEE STATED ABOVE, SHALL BE LIMITED TO REPAIR OR REPLACEMENT AS DESCRIBED ABOVE. IN NO EVENT SHALL RG3 METER COMPANY AND/OR ITS AUTHORIZED DISTRIBUTORS BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR REVENUE, LOSS OF USE, COST OF CAPITAL, COST OF SUBSTITUTE EQUIPMENT, FACILITIES OR SERVICES, DOWNTIME COSTS, DELAYS AND CLAIMS OF CUSTOMERS OF THE CUSTOMER OR OTHER THIRD PARTIES.

The limitations on liability set forth in this Warranty Agreement are fundamental inducements to RG3 Meter Company for entering into this Warranty Agreement. Such limitations on liability apply unconditionally and in all respects and are to be interpreted broadly to provide the RG3 Meter Company with the maximum protection permitted under law.

To the extent allowed by the laws of Texas, no damages will be recoverable and no Cause of Action may be instituted under this Warranty Agreement by anyone against RG3 Meter Company more than one year after a party knew or should have known a Cause of Action first arose.

