

## **Exhibit A**

### **Scope of License**

#### **Introduction and Purpose:**

City wishes to grant Licensee a non-exclusive license to use the City's name and logo on letterhead, bills and marketing materials to be sent to Residential Property Owners from time to time, and to be used in advertising (including on the Contractor's website), all at Contractor's sole cost and expense and subject to City's prior review and approval, which will not be unreasonably conditioned, delayed, or withheld. City agrees that, during the term of this agreement and any subsequent renewal, City will not extend a similar license to any competitor of Contractor.

#### **Service Terms and Products:**

1. Products offered to residents by Contractor:

- a. External water service line warranty (initially, \$5.75 per month)
- b. External sewer/septic line warranty (initially, \$7.75 per month)
- c. Interior plumbing and drainage warranty (initially, \$9.99 per month)

Licensee may adjust the above fees provided, that any such adjustment shall not exceed \$.50 per month in any 12-month period, unless otherwise agreed to in writing by City in accordance with Paragraph 9. Contract Administrators, Notices and Demands of the contract.

2. Scope of Policy Coverage (see Attachment 1 Sample Policy, hereby attached and made a part of this Exhibit, for complete terms)

- a. External water service line warranty:
  - Homeowner responsibility: From the meter and/or curb box to the external wall of the home.
  - Covers well service lines if applicable.
- b. External sewer/septic line warranty:
  - Homeowner responsibility: From the exit point of the home to the main.
  - Covers septic lines if applicable.
- c. Interior plumbing and drainage warranty:
  - Water supply pipes and drainage pipes within the interior of the home.

Licensee shall be allowed to conduct up to three marketing campaigns per year. City shall approve the contents before the campaign starts, for which such approval shall not be unreasonably withheld. Each marketing campaign may be comprised of up to six mailings per year.

Licensee may, at any point during the initial term of this contract and subsequent renewals, with City's permission; offer interior plumbing and drainage warranty products.

#### **Licensing and Branding Fees:**

Licensee shall pay the City a License Fee \$0.50 per Product for each month that a Product is in force for a Residential Property Owner (and for which payment is received by Company), aggregated and paid annually, for:

City logo on letterhead, advertising, billing, and marketing materials

The first License Fee payment shall be due by January 30th of the year following the conclusion of first year of the Term. Succeeding License Fee payments shall be made on an annual basis throughout the Term and any Renewal Term, due and payable on January 30th of the succeeding year. City shall have the right, at its sole expense, to conduct an audit, upon reasonable notice and during normal business hours, of Contractor's books and records pertaining to any fees due under this Agreement while this Agreement is in effect and for one (1) year after any termination of this Agreement.

Licensee shall pay a Brand Fee of forty five thousand dollars (\$45,000.00) paid thirty days after the initial marketing campaign.

Payment of the Brand Fee for the first year is subject to the approval and mailing of the first campaign for that year. In subsequent years, payment of the Brand Fee is subject to City's timely approval of all other marketing materials for the prior year and the approval and mailing of the first campaign of the current contract year. Licensee shall pay City Brand Fees within thirty (30) days after marketing materials are approved by City.