



METER

METER Group, Inc. USA Equipment Lease with Purchase Option

Equipment Lease – Purchase Option (the “Agreement”) is effective _____, between **METER Group, Inc. USA** (the “Lessor”), a company organized and existing under the laws of Washington State with its head office located at 2365 NE Hopkins Court, Pullman, WA 99163 and _____ (the “Lessee”), a company organized and existing under the laws of _____ State with its head office located at _____.

WHEREAS the Lessor wishes to enter into a capital lease with the Lessee for the equipment hereinafter described;

WHEREAS the Lessee wishes to lease such equipment from the Lessor on the basis of the capital lease terms and conditions hereinafter set forth;

NOW THEREFORE, the parties hereby agree as follows:

LEASE AGREEMENT. Lessor hereby leases to Lessee, and Lessee hereby rents from Lessor all the equipment described in Schedule “A” hereto or in such replacement equipment lease schedules which may from time to time hereafter be executed by Lessor and Lessee and attached hereto. All of the terms and conditions of this Lease shall govern the rights and obligations of Lessor and Lessee except as specifically modified in writing. Whenever reference is made herein to “this Lease”, it shall be deemed to include each of the various schedules identifying all items of Equipment and any additional terms applying to any item of Equipment, all of which constitute one undivided lease of the Equipment on the terms and conditions incorporated herein by reference.

TERM. The obligations under this Lease in respect of the Equipment shall commence as of and from _____ and shall continue for _____ months, until _____ inclusively (provided Lessee is not in default hereunder at such time) and unless terminated prior thereto pursuant to the provisions hereof and unless modified by any schedule. At the end of the lease term, the Lessee will retain ownership rights in the equipment.

LEASE PAYMENTS. Lessee shall pay to Lessor monthly rent payments for the Equipment during the term of this Lease in the amount of _____ dollars (\$_____). The Lessor shall receive from the Lessee, upon or prior to the execution hereof, a nonrefundable commitment fee of five hundred dollars (\$500.00). The first rental payment shall be due and payable on _____ and the subsequent monthly rental payments shall be due on the _____ (____) day of each month thereafter during the term hereof, each at the office of the Lessor.

NO SUBLEASE OR ASSIGNMENT. Lessee shall not transfer, deliver up possession of, or sublet the Equipment, and this Lease and the rights and obligations thereunder shall not be assignable by Lessee without the written consent of the Lessor, which consent may not be unreasonably withheld. Lessor may at any time, whether with or without notice to lessee, assign, pledge, mortgage, transfer, or otherwise dispose of, either in whole or in part, its rights hereunder.

MAINTENANCE AND INSPECTION OF EQUIPMENT. Lessee shall at all times and at Lessee’s own expense keep the Equipment in good and efficient working order. Lessor, its employees, and its agents shall at all times have access to the Equipment for the purpose of inspecting it. Lessee shall not, without the prior written consent of the Lessor, make any alterations, additions, or improvements to the Equipment. All such alterations or improvements so made shall belong to and remain the property of Lessor.

LOSS OR DAMAGE. Lessee assumes the entire risk of loss of or damage beyond normal wear and tear to the Equipment. No loss or damage to the Equipment or any part thereof shall affect or impair the obligations of Lessee hereunder which shall continue in full force and effect.

INDEMNIFICATION. Lessee hereby indemnifies Lessor against and holds Lessor harmless from any and all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities, including legal fees, arising out of or connected with or resulting from, without limitation, the manufacture, selection, delivery, installation, possession, use, operation, or return of the Equipment or otherwise on account of any personal injury or death or damage to property occasioned by the Equipment or the negligence of the employees, servants, or agents of Lessee or Lessor, or on account of any infringement or alleged infringement of any patent of any third party, resulting from or relating to the Lessee’s operation of the Equipment or the product of such an operation.

EVENTS OF DEFAULT. The occurrence of any of the following shall constitute a default under this agreement: (1) failure of Lessee to perform any obligation or agreements specified in this agreement or if any warranty or representation made under this agreement by Lessee should prove to be materially incorrect; (2) the dissolution, merger, consolidation, or reorganization of any corporate Lessee or corporate obligor on such obligation; (3) the institution of any proceeding in bankruptcy, receivership, or insolvency against Lessee or against any secured obligation or the institution by any party of



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action for attachment or similar process; or (4) the default by Lessee under any other contract obligations or installment sale security agreement between the parties to this security agreement.

In the event of a default, or if the Lessor or its assignee shall consider the payment for the balance of the installment payments insecure, Lessor shall have the right to obtain judgment for the amount of the installments delinquent under the contract plus interest at eighteen (18) percent on such delinquent payments from the due date and reasonable attorney's fees without prejudging the Lessor's right to subsequently obtain judgment for additional, or the balance of the installments or to exercise other rights contained in this agreement.

WARRANTIES. The Lessor warrants all equipment manufactured by it to be free from defects in parts and labor for a period of one year from the date of shipment from the factory. The liability of the Lessor applies solely to repairing, replacing, or issuing credit (at the Lessor's sole discretion) for any equipment manufactured by the Lessor and returned by the Lessee during the warranty period. LESSOR MAKES NO SEPARATE OR OTHER WARRANTY OF ANY NATURE WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING THE WARRANTY OF MERCHANTABILITY OR FOR A PARTICULAR PURPOSE. There shall be no other obligations either expressed or implied.

LIMITATION OF LIABILITY. To the extent permitted by law, Lessor will not be liable to the Lessee or any other person or entity for indirect, special, incidental, consequential, punitive, or exemplary damages in connection with this transaction or any acts or omissions associated therewith or relating to the sale or use of any goods, whether such claim is based on breach of warranty, contract, tort, or other legal theory and regardless of the causes of such loss or damages or whether any other remedy provided herein fails. In no event will the Lessor's total liability under this contract exceed an amount equal to the total amount paid for the goods purchased hereunder.

GENERAL TERMS. This Lease shall be interpreted and construed in accordance with the laws of the State of Washington and treated in all respects as a Washington State contract. All amounts expressed herein and in the various schedules hereto are in legal tender of the United States unless expressly provided otherwise.

ENTIRE AGREEMENT. This Lease constitutes the entire agreement between the parties with respect to the Equipment and its rental to and use by the Lessee and supersedes all prior agreements, negotiations, discussions, and understandings, written or oral, between the parties, save and except the Purchase Agreement. There are no other terms, conditions, obligations, representations, or warranties on the part of either party, whether oral, written, express, implied, statutory, or otherwise, governing or affecting the transactions contemplated in this Lease or which may give rights to the Lessee or restrict the rights and remedies of the Lessor.

IN WITNESS WHEREOF, METER and Lessee have each executed and delivered this agreement as of the effective date.

METER Group, Inc. USA:

Lessee:

Signature _____

Signature _____

Printed Name _____

Printed Name _____

Title _____

Title _____