



A Proposal for an XiO Cloud SCADA® Water Control System for Lake County CSA 13: Kono Tayee.

Version 2.1
March 26, 2018

Proposal

XiO Proposed System

XiO, Inc. (XiO) is pleased to supply this proposal to provide a monitoring and control system for Lake County CSA 13: Kono Tayee (Kono Tayee).

The purpose of this proposed system is to:

- Provide a secure website where all water operations may be viewed and up-to-the-minute equipment status clearly displayed.
- Provide a secure method for authorized operators to put pumps online or offline and modify setpoints.
- Provide an advanced alarm system that will notify personnel via text or e-mail when user-defined events occur (e.g. low system pressure, pump fails to start, etc.).

• Well 1

- Monitor and control the well pump to maintain a user-defined water level in Tank 1.
- Monitor the electrical energy used by the well pump.
- Monitor flow-rate and total flow from the well using a customer-supplied water meter with pulse output register/transmitter.
- Monitor the aquifer level in the well using an XiO-supplied well level sensor.
- Monitor the volume of sodium hypochlorite on-hand using an XiO-supplied, non-contact drum volume sensor.

• Well 2

- Monitor and control the well pump to maintain a user-defined water level in Tank 1.
- Monitor the electrical energy used by the well pump.
- Monitor flow-rate and total flow from the well using a customer-supplied water meter with pulse output register/transmitter.
- Monitor the aquifer level in the well using an XiO-supplied well level sensor.

• Tank 1

- Monitor flow-rate and total flow from the well using a customer-supplied water meter with pulse output register/transmitter.
- Monitor the water level in the tank using an XiO-supplied water level sensor.

- Monitor and control the two booster pumps to maintain a user-defined water level in Tank 2.
- Monitor the electrical energy used by the two booster pumps.

• **Tank 2**

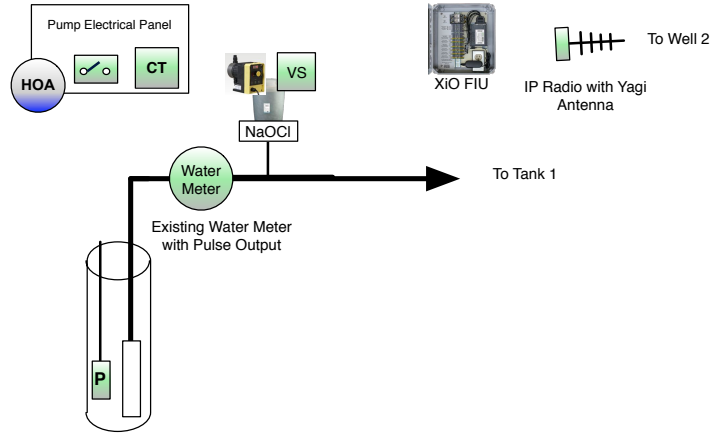
- Monitor the water level in the tank using an XiO-supplied water level sensor.
- Monitor and control the two booster pumps to maintain a user-defined water level in Tank 3.
- Monitor the electrical energy used by the two booster pumps.

• **Tank 3**

- Monitor the water level in the tank using an XiO-supplied water level sensor.

System Diagrams

WELL 1



NOTES:
 -Well Level Sensor: 150ft. of cable
 -Existing Pulse Output Water Meter

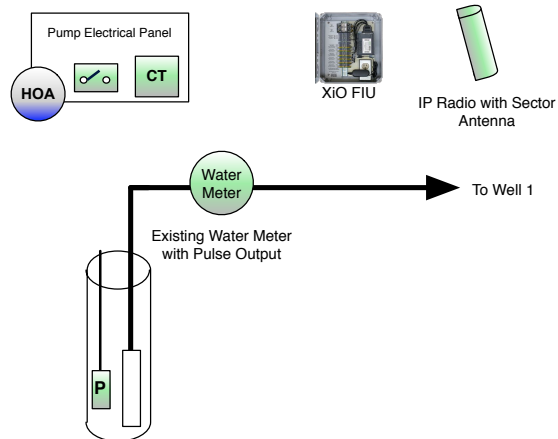


Kono Tayee CSA 13

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| XIO, Inc. | SIZE N/A | FSCM NO N/A | DWG NO 400-460-206-1 | REV A |
| March 23, 2018 | SCALE N/A | N/A | SHEET | 1 OF 1 |

WELL 2



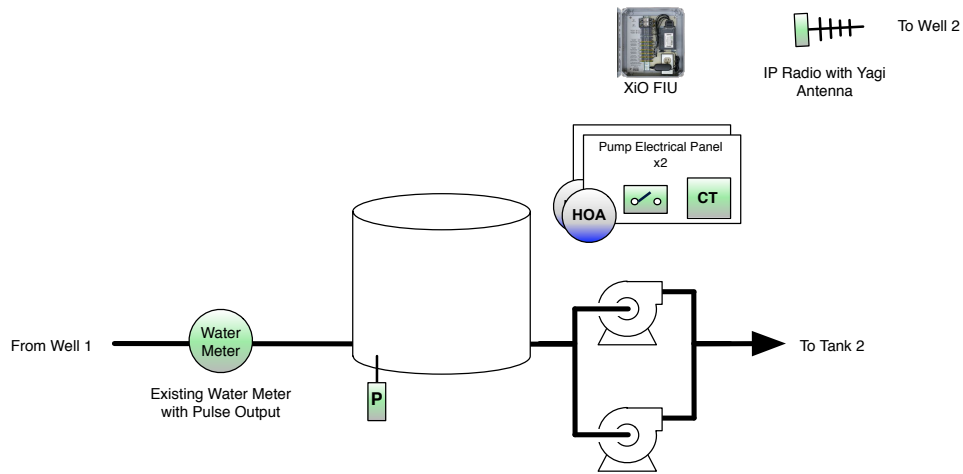
NOTES:
 -Well Level Sensor: 150ft. of cable
 -Existing Pulse Output Water Meter
 -Water Pumps through Well 1 to Tank 1



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TANK 1**NOTES:**

- Pumps fill Tank 2 (Lead/Lag & Alternation)
- Existing Pulse Output Water Meter
- External Pressure Transducer for Tank Level

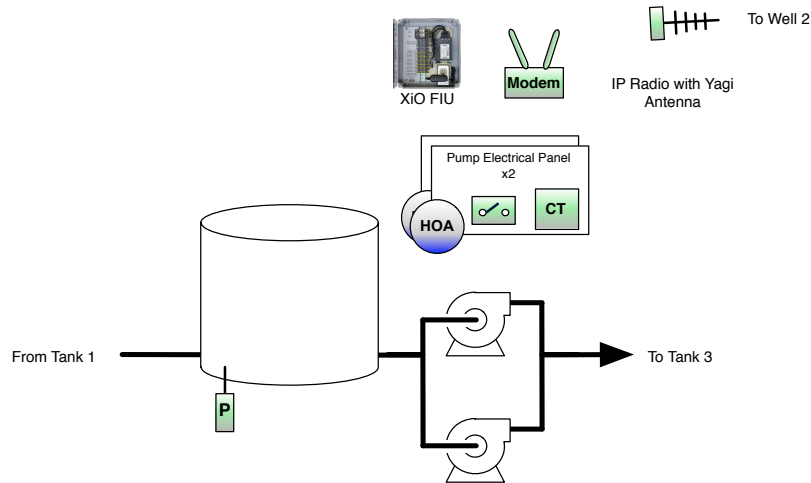


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| SCALE | N/A | | SHEET 1 OF 1 |

TANK 2**NOTES:**

- Pumps fill Tank 3 (Lead/Lag & Alternation)
- External Pressure Transducer for Tank Level



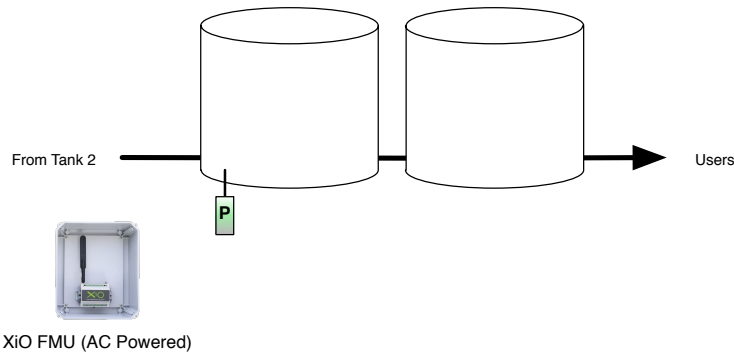
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March 23, 2018

Kono Tayee CSA 13






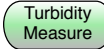


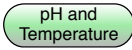





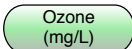












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TANK 3



| | | | | |
|---|---|-------------|----------------|-------------------------------------|
| NOTES: -Field Monitoring Unit with AC Power and Battery Backup. -External Pressure Transducer for Tank Level | Kono Tayee CSA 13 This document is the property of XiO, Inc. and is submitted on a strictly confidential basis. Any information contained hereon including part numbers is not to be disclosed to a third party without the expressed written permission of XiO, Inc. | | | |
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| | | |
|---|--|--|
|  Pressure Transducer, submersible or external |  Hand/Off/Auto selector switch |  Residual Chlorine Sensor (mg/L units) |
|  Differential Pressure Transducer |  Drum Volume Sensor |  Turbidity Sensor (NTU units) |
|  Tip-style Float Switch |  Voltage measurement |  pH and Temperature |
|  Water meter with pulse output |  Manual Valve |  Cellular Modem |
|  Current Transducer to measure motor or pump energy consumed |  Altitude Valve |  Ozone Sensor (mg/L units) |
|  Dry contact output from XiO FIU is used to request pump start/run |  Electric, Actuated Valve |  Unlicensed Radio with Yagi Antenna |
|  XiO Field Installable Unit (FIU) |  Electric Solenoid Actuated Valve |  Unlicensed Plate Radio |
|  XiO Field Monitoring Unit (FMU) |  Flow Control Valve |  Mechanical Pressure Switch |
| |  Electric, Actuated Valve with Feedback |  Variable Frequency Drive (VFD) |
| |  Manual Float Valve | |
| *Green-colored symbols connect to the XiO Cloud SCADA® Control System | | |
| Symbols Used in this Document This document is the property of XiO, Inc. and is submitted on a strictly confidential basis. Any information contained hereon including part numbers is not to be disclosed to a third party without the expressed written permission of XiO, Inc. | | |
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| SHEET 1 OF 1 | | |

How the System Operates

Two groundwater wells provide water for the Kono Tayee system. Water from both wells is routed through the Well 1 wellhead where it is treated with sodium hypochlorite and pumped to Tank 1. A pair of booster pumps at Tank 1 move water up the hill to Tank 2. These boosters may be called based on the water level in Tank 2 and the time of day. An XiO-supplied submersible water level sensor will monitor the aquifer level in each well. XiO proposes to provide a non-contact drum level sensor to monitor the volume of sodium hypochlorite on-hand at Well1. An XiO-supplied pressure transducer at each tank site will monitor the water level in Tank 1 and Tank 2. The XiO Cloud SCADA® Control System will also monitor the electrical energy used by each pump in the system.

A pair of booster pumps at Tank 2 move water up to Tank 3. Tank 3 consists of two connected tanks that will act as a single tank.

An XiO Field Monitoring Unit (FMU) with an XiO-supplied pressure transducer will monitor the water level in Tank 3. This unit will be powered by the AC power to be installed at the site. The FMU reports tank level at ten-minute intervals. This will be used to determine when to start/stop the boosters at Tank 2.

Mounted near the FIU at the Tank 2 site is the XiO-supplied Verizon modem that connects to the Internet.

Alarms

The XiO system will send email or SMS text notifications to a list of authorized operators upon at least the following alarm conditions:

- No communication with the site
- Pump fails to start
- Low flow through any meter
- High/Low tank level
- Low sodium hypochlorite drum level

Verizon Modem

The XiO Cloud SCADA control system requires a minimum of one connection to the Internet. XiO supplies a rugged NEMA4X enclosure with a Verizon modem that connects to the Verizon network. Like all parts of the XiO control system, the modem is shipped to site ready for an electrician to mount, apply 120VAC and power up. The system automatically connects to the Internet and XiO is informed of the event and can assist in system start-up.

Report Generator

Included at no additional cost is a comprehensive report generation system that can produce monthly reports downloadable in Excel format containing required fields, employing any data collected such as pressure levels, pump hours, water pumped, electricity used, cost to pump water—all listed by month, day, hour, minute. The data is organized and can be viewed by any authorized operator on the secure XiO website.

Cloud Based Management

The XiO system will be monitored and managed through an account on XiO's secure cloud servers. The password protected account will provide managers with the following:

- **System Overview** - Process diagram showing the current state of the system (i.e. tank levels, status of pumps, etc.).
- **Levels** - Line graphs showing the levels of all monitored parameters.
- **Reports** - Downloadable reports showing water pumped (gallons), energy used by pumps (kWh), efficiency of pumps (kWh/1000gallons), and pump runtime (hours).
- **Alarms** - View of all alarms that have been triggered.
- **Schedule** - Page allowing the user to adjust the set points that affect when the pumps will run.

Features to be Delivered

| QTY | Item | Description |
|-----|---|--|
| 2 | Well Controller with Submersible Water Level Sensor (Well 1 & Well 2) | <p>Well Controller provides up-to-the-minute views of well operation. Monitors well pump. Provides reports on electrical energy used by well pump, water production reports and pump efficiency reports. Advanced correlation alarms notify users of low flows and pump failures. Historical pump runtimes are included in the package. Provides flow rates and total flow from the well.</p> <p>*water production reports and flow require a water meter to be connected.</p> <p>Pricing includes:</p> <ul style="list-style-type: none"> • Field Installable Unit • RMS electrical current transducer • Submersible Water Level Management Sensor with 150 feet of water-tight, connectorized, low-loss, shielded cable for easy installation. • Inputs to monitor a water meter |
| 2 | Pump Controller (Tank 1 & Tank 2) | <p>Pump Controller provides up-to-the-minute views of pump operation. Monitors and controls two pumps. Contactor relays are provided to operate the pumps. Provides reports on electrical energy used by well pump, water production reports and pump efficiency reports. Advanced correlation alarms notify users of low flows and pump failures. Historical pump runtimes are included in the package.</p> <p>Pricing includes:</p> <ul style="list-style-type: none"> • Field Installable Unit • Two RMS electrical current transducers • Inputs to monitor a water meter |
| 1 | Field Monitoring Unit AC Powered (Tank 3) | <p>Field Monitoring Unit provides near-realtime views of up to two monitored inputs. Monitors up to 4 analog values and reports at 10-minute intervals.</p> <p>Pricing includes:</p> <ul style="list-style-type: none"> • Field Monitoring Unit housed in a NEMA-4X enclosure. • 18Ah Replaceable Battery with NEMA-4X Enclosure |

| QTY | Item | Description |
|-----|--|--|
| 3 | Tank Monitoring with External Pressure Sensor (Tank 1, Tank 2, & Tank 3) | <p>Tank Monitoring provides up-to-the-minute views of an additional tank level. Provides the ability to adjust well operation based on tank levels. Alarms notify users of a high and low levels.</p> <p>Pricing includes:</p> <ul style="list-style-type: none"> • External Water Level Management Sensor with 20 feet of water-tight, connectorized, low-loss, shielded cable for easy installation. |
| 1 | Chemical Drum Volume Monitoring | <p>Monitors chemical drum level. Provides the XiO system with the ability to monitor drum level and allows users to receive alarms indicating a low drum level. This is a crucial feature in water treatment facilities, ensures operators are always aware of the chemical drum level.</p> <p>Pricing includes:</p> <ul style="list-style-type: none"> • Drum level sensor with 20 feet of water-tight, connectorized, low-loss, shielded cable for easy installation. |
| 3 | PtP-Link IP Radio with Yagi Antenna | Provides communication between sites. Includes 50 feet of shielded ethernet cable for easy installation. |
| 1 | PtP-Link IP Radio with Sector Antenna | Provides communication between sites. The Sector Antenna provides up to 120 degrees of communication. Includes 50 feet of shielded ethernet cable for easy installation. |
| 1 | Cloud-Link Cellular Modem Package | Provides secure access to the XiO Cloud servers at the site. Housed in a NEMA-4X enclosure. |

System Installation

XiO does not act as a contractor and does not install the equipment. XiO recommends that the Proposed Control System be installed by a licensed electrician and a water operator. The XiO hardware requires a single 120VAC circuit, fused at 15 amps or less. An individual Field Installable Unit (FIU) draws 3.7 watts, while the supplied cellular modem draws 6 watts. A solid earth ground must be provided, as required by code, but no special precautions need be taken. All connections are clearly marked with UL-recognized label materials. All enclosures are non-metallic rated NEMA4X, and XiO recommends employing water tight conduit especially in near-marine environments.

The customer is responsible for providing a suitable mounting location for the FIU(s) and other XiO-supplied hardware. There are several considerations when selecting a suitable mounting location for the FIU, Uninterruptible Power Supply (UPS) or other XiO supplied hardware:

Temperature- As with all electronics, extreme temperatures, especially heat, can affect the proper operation of the XiO Control System. It is important to consider sources of heat when selecting a suitable mounting location for the FIU.

- Keep the FIU out of direct sunlight

- Do not mount the FIU on a South-facing wall or panel
- Consider constructing a cover to provide shade for the FIU
- Avoid mounting the FIU on a surface that may become hot such as an outdoor metal panel.
- Be sure the Soft-I/O Module is properly seated in its bracket

Environment- Components of the XiO Cloud SCADA® Control System are housed in NEMA-4X enclosures that protect them from many environmental conditions such as rain, solid objects, dust, and some corrosive agents.

- Take additional steps to avoid harsh environmental conditions if possible
 - This includes potentially dangerous gasses produced by wastewater
- Be sure to provide a water-tight seal on any enclosure penetrations

Delivery

The preconfigured system will be shipped from XiO **4—6 weeks** after receipt of a purchase order.

Quoted Price

The total cost of the system will be **\$38,109** (not including tax or actual UPS ground shipping costs). This price includes all XiO-supplied hardware as listed above, all programming, configuration, installation support (but no on-site installation). There are no other charges for the hardware. As a member of the CRWA, the first six months of Cloud Service Fees will be waived.

Recurring Monthly Service Fees

The cloud service fee is **\$39/month per Controller** and includes all programming, ongoing support, alarms, report generation, unlimited access to the secure website and an extended warranty on the FIU control module--Soft-I/O®--as long as the Cloud service fee is kept current. The warranty referenced in this paragraph is attached to this document. This paragraph specifically modifies the warranty in the favor of the customer. The cloud secure cellular access charge, including Internet, is **\$35/month per modem**. The fee of **\$41/month per Field Monitoring Unit** includes secure cellular cloud access as well as all programming, ongoing support, alarms, report generation, and unlimited access to the secure website.

When the system has been installed, the customer will receive notice regarding payment for the recurring service fees. A check will be required for the first 90 days of service. Subsequent payments will be made through an automatic payment process.

| Item | Monthly Fee/Unit | QTY | Subtotal |
|-----------------------------|------------------|-----|--------------|
| Controller (FIU) | \$39 | 4 | \$156 |
| Cellular Modem | \$35 | 1 | \$35 |
| Field Monitoring Unit (FMU) | \$41 | 1 | \$41 |
| Total Monthly Fee | | | \$232 |

Terms

This proposal is valid for 90 days from the the date that this proposal was transmitted. XiO will invoice upon shipment, and payment is due 30 days from invoice date.

Payment of Recurring Monthly Service Fees

When the system has been installed, the customer will receive notice regarding payment for the recurring service fees. A check will be required for the first 90 days of service. Subsequent payments will be made through an automatic payment process.

Terms and Conditions of Sale

The following Terms & Conditions of Sale are included in this proposal.

Accepted by (Print): _____

Sign: _____

Bill to:

Ship to:

Bill Cloud Service to:

Terms and Conditions

The following Terms and Conditions are incorporated in and are a part of the Purchase Agreement. Where the Product in question is a software product, it is understood that Customer receives only a license to use such product on the terms stated herein. XiO, Inc. ("XiO") retains title to said product.

1. Price; Payment Terms

- A. Prices for all products (hardware and software) will be the price agreed upon in XiO's acknowledgment of Customer's order or at the time of online order placement.
- B. XiO shall provide written acknowledgment of all non-online orders showing price, anticipated delivery date and payment terms. For online orders, Customer is provided with these Terms and Conditions, price, anticipated delivery date and payment terms. As a result, no written acknowledgment is provided for online orders.
- C. Prices are exclusive of all federal, state, municipal or other government, excise, sales, use, occupational, or like taxes or duties now in force or enacted in the future. Any such tax, fee, or charge of any nature whatsoever imposed by any governmental authority on, or measured by, the transaction (including the shipment of goods) between XiO and Customer shall be paid by Customer in addition to the prices quoted or invoiced. In the event XiO is required to pay any such tax, fee, or charge at the time of sale or thereafter, Customer shall reimburse XiO therefore.
- D. Payments shall be made by Customer in accordance with payment terms stated by XiO in written acknowledgment of order, or in an online description for online orders. Amounts not timely paid shall bear interest at the rate of 1-1/2% for each month or portion thereof that payment is late.

2. Delivery

- A. Delivery will be F.O.B. XiO's plant and shall occur on the date of turnover to a common carrier unless, at Customer's option, Product is picked up at the F.O.B. point by Customer.
- B. Title and risk of loss for Products shall pass to Customer on delivery F.O.B. XiO's plant. Customer shall then be responsible for and bear the entire risk of loss or damage to Products. Unless otherwise instructed, by Customer, XiO shall insure each product during shipment for Customer's account and will add the cost of such insurance to Customer's invoice.
- C. Shipment will be scheduled to be made on the date specified on Customer's written purchase order or on the date agreed upon by both parties and specified on the written acknowledgment of XiO, whichever is later, or--in the case of online orders--based upon the online-stated scheduled date. This date is the scheduled shipment date. XiO reserves the right to extend this date by not more than sixty (60) days upon notification of Customer. If shipment is delayed by XiO more than sixty (60) days, Customer may terminate this Agreement and receive a refund of all money paid hereunder.

3. Change Orders

Any written request from Customer for a change in the order acknowledged by XiO may subject Customer to a price change reflecting XiO's increased or decreased direct costs or an extension of the scheduled shipment date, or both, depending on the change requested. Written acknowledgment by XiO of a change order will specify and confirm any price or delivery impact.

4. Shipment

In the absence of specific shipping instructions from Customer, XiO will ship by the method it deems most advantageous to both parties. Transportation charges may be prepaid and will be subsequently invoiced to Customer. Unless otherwise specified, products shall be shipped in XiO's standard commercial packaging. When special packaging is requested or, in the opinion of XiO, required under the circumstances, the cost of the same will be separately invoiced. If Customer specifies the shipment method on the purchase order, and XiO uses a different method, then XiO shall be liable for the difference, if any, between the cost of freight incurred and the cost of freight which would have been incurred had XiO complied with Customer's shipping instructions.

5. Cancellations

XiO shall have the right to cancel the order and recover possession of and title to a product (if such have passed to Customer) under any of the following circumstances: Customer fails to perform its obligations under any of the material Terms and Conditions hereunder; or Customer's delay directly causes material delay to XiO's performance; or any bankruptcy, arrangement or insolvency proceedings are commenced by or against Customer; or in the event of the appointment of any assignee for the benefit of creditors or of a receiver of Customer or its properties. No such termination shall prejudice any of the rights of XiO arising prior to such termination or shall limit in any way other remedies available to XiO. Customer shall have no right to cancel the purchase of any product after shipment from XiO. Orders for standard products that are canceled within fifteen (15) days prior to the scheduled shipment date from XiO shall be subject to a cancellation charge equal to twenty percent (20%) of the total purchase price. Orders for custom products are not cancelable after order acknowledgment.

6. Warranty

Hardware products and software media are warranted against defects in materials and workmanship for a period of one year from the date of shipment. During the

warranty period, XiO will, at its option, either repair or replace (but not install) product or software media which proves to be defective. The Product or media must be returned to XiO for warranty service or repair. Customer shall prepay shipping charges to XiO and XiO shall ship to Customer in accordance with Section 4 of this Agreement, except that shipment by surface transportation to Customer, within the U.S. only, shall be at XiO's expense. XiO warrants that software products will conform to published specifications and will operate properly for one year from the date of shipment. XiO will correct material defects in software products during the warranty period by issuing converted versions of software products.

7. Limitations and Disclaimers of Warranties

Certain products are factory sealed and carry a label stating "warranty void if this seal is broken". In such a case, the foregoing warranty shall not apply if the product seal has been broken or the enclosure has been opened. The foregoing warranties shall not apply to defects resulting from improper connection, improper interfacing, misuse, or operation outside the specified environment.

THE FOREGOING WARRANTIES ARE IN LIEU OF ANY OTHER WARRANTY, EXPRESSED OR IMPLIED. XIO SPECIFICALLY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION CONTAINED HEREIN.

8. Waiver of Certain Damages and Limit of Liability

XIO WILL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, OR ON ANY THEORY OF LIABILITY, NOR WILL XIO BE LIABLE FOR LOSS, DAMAGE OR EXPENSE WHICH DIRECTLY OR INDIRECTLY ARISES FROM CUSTOMER' USE OF OR INABILITY TO USE PRODUCT EITHER SEPARATELY OR IN COMBINATION WITH OTHER EQUIPMENT [EXCEPT FOR DAMAGE TO PERSON OR TANGIBLE PROPERTY], OR FOR COMMERCIAL LOSS OF ANY KIND, OR FOR PROCUREMENT OF SUBSTITUTE GOODS, WHETHER OR NOT XIO HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE OR LOSS. IN NO EVENT SHALL XIO'S LIABILITY ARISING OUT OF THIS AGREEMENT EXCEED THE AMOUNT PAID TO XIO BY CUSTOMER FOR THE PURCHASE OF THE PRODUCT GIVING RISE TO SUCH LIABILITY. THIS LIMITATION IS INTENDED TO LIMIT THE LIABILITY OF XIO AND SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

9. Security Interest

Customer hereby grants to XiO a security interest in each product, to secure payment of the purchase price. XiO shall have the rights of a secured party under the Uniform Commercial Code in effect in the state where the premises at which the product is installed are located, including the right to retake possession of, or inhibit the use of product on any default by Customer. XiO's security interest shall expire upon the payment to XiO of the full purchase price. Customer agrees to execute such other documents as XiO shall reasonably require to perfect XiO's security interest.

10. Patent and Copyright Indemnity

- A. XiO will defend at its expense any action brought against Customer to the extent based upon the claim that a product constitutes direct infringement of any duly issued United States patent or copyright and shall pay any settlements or judgments to the extent based thereon, provided XiO shall have sole control of any such action or settlement negotiations, provided further that Customer notifies XiO promptly in writing of such claim, suit or proceeding and, at XiO's expense (except the value of time of Customer' employees), gives XiO adequate information and uses its best efforts to settle and/or defend any such claim, suit or proceeding.
- B. If a product becomes, or in the opinion of XiO may become, subject to any claim of infringement for any United States patent or copyright, XiO may, at its option: (i)

procure for Customer the right to use or sell the product; (ii) replace or modify the product, or part thereof; or (iii) remove the product, or part thereof, and refund the aggregate payments paid therefor to XiO less a reasonable sum for use and damage. XiO shall not be liable for any costs or expenses incurred without its prior written authorization.

- C. XiO assumes no liability for (i) infringement of patent or copyright claims resulting from completed products of Customer into which a product is incorporated; (ii) any assembly, circuit, combination, method or process of Customer in which any product may be used; (iii) any compliance with Customer' specifications; or (iv) the modification of a product, or any part thereof, unless such modification was made by XiO or with the written approval of XiO.
- D. THE FOREGOING STATES THE SOLE AND EXCLUSIVE LIABILITY OF XIO, AND THE EXCLUSIVE REMEDY OF CUSTOMER, FOR PATENT, COPYRIGHT AND OTHER INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT OR CLAIMS OF INFRINGEMENT.

11. Substitutions and Modifications

XiO reserves the right to make substitutions and modifications in the specifications of products designed by XiO providing that such substitutions or modifications will not materially negatively affect performance in the intended application, and that upon written request, XiO will provide a brief explanation of the change.

12. Entire Agreement

The Purchase Agreement and Terms and Conditions as set forth herein shall govern and constitute the entire agreement between XiO and Customer. XiO shall not be bound by any terms of Customer' order which are inconsistent with or additional to the Terms and Conditions herein set forth.

13. Software Products Restriction

Products delivered to Customer pursuant to these Terms and Conditions may embody and include certain software programs in object code (machine-readable but not human-readable form). In some cases, the only product delivered will be a software product. The software may be contained on disk drives or CD's, erasable programmable read-only memories (EPROMS), non-volatile random access memories (NVRAM), electrically erasable programmable read-only memories (EEPROMS or flash memory), programmable array logic devices (PALS or FPGAS), disk cartridges,

may be embodied in Application Specific Integrated Circuits (ASIC's) or in other electronic or mechanical forms. Such software constitutes either the copyrighted property of XiO or the proprietary trade secret information of XiO, or both, and shall be held in confidence by Customer. XiO retains title to the software (excluding media on which recorded) and all intellectual property rights, and no title to software or intellectual property rights is transferred to Customer. Unless Customer is granted greater rights by written amendment to these Terms and Conditions executed by XiO, Customer is hereby granted a personal, non-transferable, non-exclusive perpetual license to use only the number of copies of the software which are provided by XiO, and to use such copies only on (i) the hardware on which it is originally mounted by XiO, or (ii) on a single hardware product identified by Customer in its purchase order and confirmed by XiO in its order acknowledgment. Without XiO's prior written consent, Customer may not copy the software for any purpose, nor may Customer remove the software or attempt to execute the software on any hardware other than the authorized hardware. Customer shall not, whether through use of disassemblers or any other means whatsoever (including but not limited to manual, mechanical or electrical means), reverse engineer, decompile, disassemble or derive source code from the software, or attempt to or permit any third party to do any of the foregoing, including causing the software to be destroyed or disabled. Any attempt to do any of these things shall be material breach of these Terms and Conditions which shall immediately entitle XiO to exercise any remedies set forth herein, as well as any remedy that may exist at law or in equity. The provisions of this Section 13 shall survive this Agreement in perpetuity.

14. Conditions of Operation

THE PRODUCTS PROVIDED BY XIO ARE INTENDED TO BE USED ONLY WHEN SUPPLEMENTAL PROTECTION IS PROVIDED TO PREVENT DAMAGE TO CUSTOMER' PROPERTY OR INJURY TO PERSONNEL. BECAUSE OF THE HIGH COMPLEXITY OF A COMPUTER-CONTROLLED MACHINE CONTROL OR INPUT/OUTPUT SYSTEM, UNINTENDED MOTION AND ACTIONS CAN OCCUR. CUSTOMER ACCEPTS ALL RESPONSIBILITY FOR INTEGRATING XIO PRODUCTS INTO MECHANISMS OR PROCESSES. LIMIT SWITCHES MUST BE A PART OF A MACHINE CONTROL OR INPUT/OUTPUT SYSTEM. OPERATOR GUARDS AND OTHER PROTECTION FOR OPERATORS MUST UNILATERALLY ACT TO PROTECT PERSONNEL AND PROPERTY. CUSTOMER ACCEPTS ALL RESPONSIBILITY FOR INSURING THAT MECHANISMS OR PROCESSES OF WHICH XIO PRODUCTS ARE A PART COMPLY WITH APPLICABLE SAFETY AND HEALTH STANDARDS, MUNICIPAL CODES, AND ANY SIMILAR REQUIREMENTS.