

Exhibit A
NLC Service Line Warranty Program
City of Clearfield City, UT
Term Sheet
July 20, 2016
(Term Sheet valid for 90 days)

- I. Term of agreement
 - a. Initial term
 - i. Three years guaranteed (total of 8 campaigns)
- II. Annual royalty – \$0.50 per month per paid warranty contract
 - a. City logo on letterhead, advertising, billing, and marketing materials
 - b. Signature by City official
- III. Products offered
 - a. External sewer line warranty
 - b. External water line warranty
 - c. In-home plumbing warranty
- IV. Scope of Coverage
 - a. External sewer line warranty
 - i. Scope is from the city main tap until line daylights inside home...of which includes the service line under the concrete floor. [Note: **If homeowner responsibility is different than this language, please advise.**]
 - b. External water line warranty
 - i. Scope is from the meter and/or curb box until it daylights inside home...of which includes the service line under the concrete floor. [Note: **If homeowner responsibility is different than this language, please advise.**]
 - ii. Extended coverage: Scope includes thawing of frozen external water line.
 - c. In-home plumbing warranty
 - i. Scope covers residential in-home water supply lines and in-home sewer lines and all drain lines connected to the main sewer stack that are broken or leaking inside the home after the point of entry. Coverage includes broken or leaking water, sewer, or drain lines that may be embedded under the slab or basement floor. Coverage also includes repair of clogged toilets.
- V. Marketing Campaigns – three seasonal campaigns per year (Spring, Fall and Winter)
 - a. 2016 Fall - Sewer
 - b. 2017 Spring - Water
 - c. 2017 Fall - Sewer
 - d. 2018 Winter - In-home plumbing
 - e. 2018 Spring - Water
 - f. 2018 Fall - Sewer
 - g. 2019 Winter - In-home plumbing
 - h. 2019 Spring - Water
- VI. Campaign Pricing
 - a. Sewer

- i. Year 1 - \$7.75 per month; \$88.00 annually
 - ii. Year 2 - \$7.75 per month; \$88.00 annually (subject to annual review)
 - iii. Year 3 - \$7.75 per month; \$88.00 annually (subject to annual review)
- b. Water
 - i. Year 1 - \$5.75 per month; \$64.00 annually
 - ii. Year 2 - \$5.75 per month; \$64.00 annually (subject to annual review)
 - iii. Year 3 - \$5.75 per month; \$64.00 annually (subject to annual review)
- c. In-home plumbing
 - i. Year 1 - \$6.99 per month; \$78.99 annually
 - ii. Year 2 - \$6.99 per month; \$78.99 annually (subject to annual review)
 - iii. Year 3 - \$6.99 per month; \$78.99 annually (subject to annual review)

NLC Service Line Warranty

WHY SHOULD MY CITY offer this program?

Aging infrastructure can be a hassle for homeowners.



- In 2013, the American Society of Civil Engineers (ASCE) rated America's water and wastewater infrastructure with a D, with an estimate of more than \$3 trillion investments needed across the nation.
- Your homeowners' private lines are subjected to the same elements - root invasion, ground shifting, fluctuating temperatures and more.
- There are 650 water main breaks per day in the U.S., resulting in a daily loss of 7 billion gallons of water.¹
- Household leaks can waste more than 1 trillion gallons annually nationwide. That's equal to the annual household water use of more than 11 million homes.²



Most homeowners don't have enough savings to cover emergency expenses.

- When water and sewer lines break, many homeowners believe the responsibility to repair them lies with the city.
- When water or sewer lines fail, it can cost a homeowner \$1,300 to \$3,500 or more to repair.
- Studies³ show that most Americans don't have enough savings to cover this type of unexpected and expensive repair bill.

¹ According to a report sponsored by the National Association of Water Companies and the U.S. Chamber of Commerce. waterisyourbusiness.org

² epa.gov/WaterSense/pubs/fixleak.html

³ Bankrate.com

WHY CHOOSE TO PARTNER WITH THE NLC Service Line Warranty Program?

- At no cost to the city, the NLC Service Line Warranty allows homeowners to purchase affordable protection for their water and sewer lines that will cover the cost of repairing leaks, breaks and clogs.
- The program features generous coverage amounts, and there is never a service fee or deductible. There are no annual or lifetime limits - just peace of mind for the homeowner.
- We are the only warranty program endorsed by the NLC.
- Plumbers dispatched to the homeowner's residence undergo a rigorous background check conducted by a third-party compliance management firm before being accepted into the network.
- Contractors are local to the community into which the program has been introduced to help keep money in the local economy.



RECOGNITION & ACKNOWLEDGEMENTS

- We have maintained a customer satisfaction rating of greater than **95%** for more than a decade.
- **9 of 10** surveyed customers have recommended the program to friends, family and neighbors .
- Over **97%** of submitted claims are approved.
- 2014 Pennsylvania Municipal League 2014 Business/Community Partnership Award recipient
- 2013 winner of the Western Pennsylvania Better Business Bureau Torch Award for Marketplace Ethics



BBB Torch Award for Marketplace Ethics
Trust • Performance • Integrity
2013 Winner
Western Pennsylvania Better Business Bureau



Program Administrator