

WATER INNOVATIONS ALLIANCE FOUNDATION

MEMBERSHIP AGREEMENT AND

SUBCOMMITTEE INTELLECTUAL PROPERTY RIGHTS POLICY

This MEMBERSHIP AGREEMENT is entered into between Water Innovations Alliance Foundation, a Washington non-profit corporation (the “Foundation”), and the undersigned entity (“Member”). Member agrees to be a Member of the Foundation on the terms and conditions stated in this Membership Agreement and any Attachments thereto (“Agreement”), as well as any terms and conditions of membership that may be set forth in the Bylaws of the Foundation, a copy of which are incorporated by reference herein. All defined terms are as defined herein or as set forth in the Foundation’s Bylaws.

1. DEFINITIONS

Affiliate means any entity that is directly or indirectly controlled by, under common control with, or that controls another entity. For this purpose, “control” means direct or indirect ownership of, or the right to exercise greater than fifty percent (50%) of the voting power, or greater than fifty percent (50%) of the ownership interest representing the right to make decisions for the entity.

Board of Directors or Board means the board of directors of the Foundation.

Change of Control means a change in ownership or control of Member effected through any of the following transactions: (a) a merger, consolidation or reorganization approved by Member’s equity holders, unless securities representing more than fifty percent (50%) of the total combined voting power of the voting securities of the successor entity are immediately thereafter beneficially owned, directly or indirectly and in substantially the same proportion, by the persons who beneficially owned Member’s outstanding voting securities immediately prior to such transaction; (b) any transfer or other disposition of all or substantially all of Member’s assets; or (c) the acquisition, directly or indirectly, by any person or related group of persons (other than Member or any Affiliate of Member or any person currently owning, beneficially or of record, equity securities of Member), of beneficial ownership (within the meaning or Rule 13d-3 of the Securities Exchange Act of 1934, as amended) of securities possessing more than fifty percent (50%) of the total combined voting power of Member’s outstanding securities.

Committee means a group of individuals consisting of at least two (2) directors of the Foundation and Members, as designated by the Board of Directors, to carry out certain responsibilities of the Foundation, subject to the terms of the Foundation’s Bylaws.

Contribution means a disclosure or submission, in either written or electronic form, to the Foundation, or to a Subcommittee, or Committee, including but not limited to

disclosures related to a Draft Specification, or an addition to or modification of an existing Specification, or portion thereof.

Derivative Work means work which is based upon a preexisting copyrighted work, such as a revision, modification, translation, abridgement, condensation, expansion, compilation or any other form in which such preexisting work may be recast, transformed or adapted, and which, if prepared without authorization of the owner(s) of the copyright in such preexisting work, would constitute a copyright infringement.

Draft Specification means a proposal, document, or documents entitled Water Innovations Alliance Foundation Specification in draft or non-final form, and any additions or modifications thereto, being worked on or considered by a Subcommittee or Committee prior to formal adoption as a Specification.

Fully Compliant means: (a) an implementation of a Specification that supports or implements all of the portions of that Specification defined by that Specification as being "Required", or (b) an implementation of all portions of a Specification required for a specific type of application thereof.

Joint Invention means a potentially patentable invention conceived by individuals associated with two or more Members in furtherance of the purposes, programs and activities of the Foundation.

Members means the undersigned entity and all of the Foundation Members in good standing, including such Members who may become Members after the undersigned Member joins.

Necessary Claims means those claims of all patents or patent applications having a priority date up to eighteen (18) months after the date a Member either withdraws from membership in the Foundation or the Member's membership in the Foundation otherwise terminates, under which a Member or any of its Affiliates has the right to grant licenses of the scope contemplated herein, and which are necessarily infringed by an implementation of a version of a Specification adopted by the Board of Directors up to eighteen (18) months after the date a Member either withdraws from membership in the Foundation or the Member's membership in the Foundation otherwise terminates, where such infringement could not have been avoided by another commercially feasible non-infringing alternative implementation of such Specification.

Notwithstanding anything else in this Agreement, "Necessary Claims" shall not include: (1) enabling technologies that may be necessary to make or use any product or portion thereof that complies with the Specification and are not themselves expressly set forth in such Specification (for example and without limitation, semiconductor manufacturing technology, compiler technology, object-oriented technology, basic operating system technology); (2) the implementation of a Specification, or any portion thereof, in or with any product and/or any portion or combinations thereof, the sole purpose or function of which is not required in order to be a Fully Compliant product; (3) claims which, if

licensed, would require a payment of royalties by the licensor to unaffiliated third parties; and (4) design patents and design registrations.

Specification means a document entitled Water Innovations Alliance Foundation Specification adopted and approved for release by the Board of Directors, and any updates or revisions adopted and approved for release by the Board of Directors.

Subcommittee means certain Members that are chartered by the Board of Directors pursuant to the Bylaws, or by a Committee. A Subcommittee may be chartered to create Specifications, or to develop and execute Committee specific tasks.

Subcommittee Intellectual Property Rights Policy means Attachment 1 and Attachment 2 to this Membership Agreement, as applicable to Contributions made to a Committee or Subcommittee.

2. MEMBERSHIP

2.1 Contributions. Only Members may make contributions. Members may make Contributions subject to the terms and conditions of this Agreement and the applicable Subcommittee Intellectual Property Rights Policy. Nothing in this Agreement shall obligate a Member to make Contributions.

2.2 Dues and Other Fees. The Member shall pay dues, fees and other assessments, which are established from time to time by the Foundation. The Board of Directors may establish reasonable additional fees or charges for participation in meetings or for other benefits of membership.

2.3 Expenses. Unless otherwise authorized by the Board of Directors, the Member shall bear its own costs and expenses for its participation in any and all activities conducted pursuant to this Agreement, such as travel, employee compensation, and incidental expenses.

2.4 Antitrust Policy. The Member agrees to comply with all applicable antitrust laws pertaining to the Member's participation in the Foundation. Nothing in this Agreement shall be construed to require or permit conduct that violates any applicable antitrust law. Member consents to the disclosure of its name and any other required information for the purposes of permitting the Foundation to invoke the protection of the National Cooperative Research and Protection Act of 1993 (15 U.S.C. sec. 4301 et seq.).

2.5 No Member Status Under State Law. The Member acknowledges and agrees that entering into this Membership Agreement does not confer on such Member the status of a "member" of the Foundation, as that term is defined under the Washington Nonprofit Corporation Act, Chapter 24.03 of the Revised Code of Washington (the "Act"). Any reference to "Member," "Foundation Member", or "Membership" in this Agreement

indicates a non-statutory member, and not a member as is defined in the Act. Members are not entitled to any voting rights under the Foundation's Bylaws or otherwise with respect to the Foundation.

3. INFORMATION

3.1 Non-Confidentiality of Information. All information exchanged under this Agreement shall be deemed non-confidential, except for information acknowledged as confidential by the Board of Directors and disclosed pursuant to confidentiality terms accepted by the recipient and approved by the Board of Directors.

3.2 Independent Development. The terms of this Agreement shall not be construed to limit any Member's right to independently develop or acquire products. Subject to any licenses as may be set forth in this Agreement, all Members may use information disclosed under this Agreement for any purpose.

4. INTELLECTUAL PROPERTY

4.1 Member Trademark Nonassert. In the event that the Foundation proposes to adopt any name or logo as a trademark or trade name, the Foundation shall notify the Member in writing of the proposal. The Member will have not less than forty-five (45) days' notice to review the trademark or trade name proposal ("Review Period"). The Member agrees that unless the Member provides written notice to [<<INSERT>>] of the Member's objection to the proposed trademark or trade name within the Review Period, then the Member and its Affiliates shall not assert against the Foundation any trademark or trade name rights they may have or thereafter possess in the proposed trademark or trade name.

4.2 Foundation. The Member may publicly disclose that it is a Member of the Foundation. However, unless otherwise authorized by the Board of Directors, the Member may not identify any product or service as being sanctioned by, sponsored by or associated with the Foundation. The Foundation shall have the right to include the Member's name in any lists of Members published by the Foundation and to announce that the Member has joined the Foundation.

4.3 Patent License. Each Member shall grant to each other Member, upon their request, a non-exclusive, worldwide, patent license under the Necessary Claims of such grantor Member that are infringed by grantee Member's Fully Compliant implementation of Specifications, under reasonable and nondiscriminatory terms and conditions (which may include defensive suspension), in accordance with grantor Member's standard licensing practices, if any. Such licenses shall be sufficient to allow grantee Members to make, have made, use, import, offer to sell, lease and sell and otherwise distribute such Fully

sublicense other Affiliates of said Member. No sublicense shall be broader in any respect at any time during the life of this Agreement than the license held at that time by the party that granted the sublicense.

4.9 No Other License. Unless expressly set forth herein, no license, immunity or other intellectual property right is granted under this Agreement by any Member or its Affiliates to any other Member or its Affiliates or to Authorized Licensees, either directly or by implication, estoppel or otherwise. Section 4 shall not relieve any Member of any obligation or liability accrued to another Member hereunder prior to the signing of the Agreement.

5. TERM AND TERMINATION

5.1 Term. Unless terminated as provided below, this Agreement shall remain in full force and effect, renewing annually upon the Member's payment of dues, so long as the Foundation is in operation.

5.2 Termination. The membership of a Member shall terminate upon the occurrence of any of the following events:

- a) Upon a failure to initiate or renew membership by paying dues on or before their due date, such termination to be effective thirty (30) days after a written notification of delinquency is given personally, electronically mailed, or mailed to such Member. A Member may avoid such termination by paying the amount of delinquent dues within a thirty (30) day period following the Member's receipt of the written notification of delinquency.
- b) Upon written notice from the Member.
- c) Upon the affirmative vote of two thirds (2/3) of the Board, when the Board determines, after affording the Member in question the right to be heard on the issue, that the Member has violated the terms of the Membership Agreement.
- d) Upon a Member's dissolution.

5.3 Effect of Termination. In the event that this Agreement is terminated, Sections 4, 5, 6, and 7 shall survive. Additional consequences of termination of this Agreement as to a particular Subcommittee Intellectual Property Rights Policy are set forth in such policy. A Member terminated from the Foundation shall not receive any refund of dues already paid for the current dues period.

6. NO WARRANTY/LIMITATION OF LIABILITY/REPRESENTATION

7.10 Authority. The Member represents and warrants that it is authorized to enter into this Agreement. The undersigned person represents and warrants that he/she is authorized to sign this Agreement on behalf of the Member.

8. EFFECTIVE DATE

8.1 Effective Date. This Agreement shall be effective when it is executed by an authorized representative of Member and the Foundation.

MEMBER:

By: _____
Printed Name: _____
Title: _____
Address: _____

Dated: _____

Telephone Number: _____
Facsimile Number: _____
e-mail Address: _____

ACCEPTED AND AGREED:

**WATER INNOVATIONS ALLIANCE
FOUNDATION**

By: _____
Printed Name: _____
Title: _____

Dated: _____

Attachment 1

**REASONABLE AND
NON-DISCRIMINATORY WITH OPTIONAL ROYALTIES
SUBCOMMITTEE INTELLECTUAL PROPERTY RIGHTS
POLICY
SUPPLEMENTAL TERMS AND CONDITIONS**

1. CONTRIBUTIONS

A Member may make Contributions subject to the terms and conditions of the Agreement and this Subcommittee Intellectual Property Rights Policy.

2. INTELLECTUAL PROPERTY

2.1 Patents. Each Member on a Subcommittee to which the Subcommittee Intellectual Property Rights Policy in this Attachment 1 applies shall grant to each Member of the Water Innovations Alliance Foundation (the “Foundation”), a worldwide, patent license under the Necessary Claims of such grantor Member that are infringed by grantee Member’s Fully Compliant implementation of the Subcommittee Specification, under reasonable and nondiscriminatory terms and conditions (which may include defensive suspension), in accordance with grantor Member’s standard licensing practices, if any. Such licenses shall be sufficient to allow grantee Members to make, have made, use, import, offer to sell, lease and sell and otherwise distribute such Fully Compliant implementation of the Specification, and to sublicense the foregoing rights to their Affiliates.

2.2 Disclosure of Necessary Claims. Each Member, on behalf of itself and its Affiliates, shall use commercially reasonable efforts to disclose, in writing to the Foundation, the existence of any claims of any of its patents or patent applications that may be Necessary Claims that are personally known to the individuals acting on behalf of such Member on the Subcommittee to which the Subcommittee Intellectual Property Rights Policy in this Attachment 1 applies. With respect to unpublished patent applications, such individuals shall be obligated to disclose the existence of the unpublished application and identify the area of the Draft Specification where the patent may apply, if issued. When such application is published, such individuals shall update the Member’s disclosure with additional specific information concerning the potential Necessary Claim. Each Member shall use commercially reasonable efforts to declare Necessary Claims(s) pursuant to the terms of this Attachment as soon as possible after discovering it has or is likely to have such Necessary Claims(s). Members (collectively or individually) are not obligated to perform or conduct patent searches.

Attachment 2

REASONABLE AND NON-DISCRIMINATORY WITHOUT ROYALTIES SUBCOMMITTEE INTELLECTUAL PROPERTY RIGHTS POLICY SUPPLEMENTAL TERMS AND CONDITIONS

1. CONTRIBUTIONS

A Member may make Contributions subject to the terms and conditions of the Agreement and this Subcommittee Intellectual Property Rights Policy.

2. INTELLECTUAL PROPERTY

2.1 Patents. Each Member on a Subcommittee to which the Subcommittee Intellectual Property Rights Policy in this [Attachment 2](#) applies shall grant to each Member of the Water Innovations Alliance Foundation (the "Foundation"), a worldwide, royalty free patent license under the Necessary Claims of such grantor Member that are infringed by grantee Member's Fully Compliant implementation of the Subcommittee Specification, under reasonable and nondiscriminatory terms and conditions (which may include defensive suspension), in accordance with grantor Member's standard licensing practices, if any. Such licenses shall be sufficient to allow grantee Members to make, have made, use, import, offer to sell, lease and sell and otherwise distribute such Fully Compliant implementation of the Specification, and to sublicense the foregoing rights to their Affiliates. The terms of this section 2.1 will apply whether or not the grantor Member has disclosed the Necessary Claims pursuant to section 2.2 below.

2.2 Disclosure of Necessary Claims. Each Member, on behalf of itself and its Affiliates, shall use commercially reasonable efforts to disclose, in writing to the Foundation, the existence of any claims of any of its patents or patent applications that may be Necessary Claims that are personally known to the individuals acting on behalf of such Member on the Subcommittee to which the Subcommittee Intellectual Property Rights Policy in this Attachment 1 applies. With respect to unpublished patent applications, such individuals shall be obligated to disclose the existence of the unpublished application and identify the area of the Draft Specification where the patent may apply, if issued. When such application is published, such individuals shall update the Member's disclosure with additional specific information concerning the potential Necessary Claim. Each Member shall use commercially reasonable efforts to declare

Necessary Claims(s) pursuant to the terms of this Attachment as soon as possible after discovering it has or is likely to have such Necessary Claims(s). Members (collectively or individually) are not obligated to perform or conduct patent searches.

2.3 Information. Pursuant to section 3 of the Agreement, all Contributions and Subcommittee minutes and other materials shall be deemed non-confidential.

2.5 No Other License. Unless expressly set forth herein, no patent license, immunity or other right is granted under this Agreement by any Member to any other Member or its Affiliates, either directly or by implication, estoppel or otherwise. This Section 2 shall not relieve any Member of any obligation or liability accrued to another Member hereunder prior to the signing of the Agreement

3. SURVIVAL

3.1 Survival. In the event the Agreement is terminated or Member's participation on a Subcommittee ceases for any reason, Sections 2 and 3 of this Attachment shall survive.