

# SOURCE Installation and Ambassador Agreement

**INVOICE: SANTA TERESITA COMMUNITY CTR**

**1.7.2019**

BILL TO	DELIVER TO	INSTRUCTIONS
ATTN: John Galo, Commissioner Precinct 3 Webb County, Texas 1000 Houston St. 1st Floor Laredo, Texas 78040	ATTN: Dina Garcia, Director La Santa Teresita Community Center 15014 US Highway 59 Laredo, Texas 78040	La Santa Teresita Community Center has identified themselves as excited about the Zero Mass Water (ZMW) vision of perfect water for every person, every place and will participate in the efforts to provide drinking water to the Community Center using SOURCE Hydropanels. As an Ambassador, La Santa Teresita Community Center has been selected to receive 6 SOURCE Hydropanels installed onsite the week of January 14th.

Quantity	Description	Unit Price
6	SOURCE Hydropanels	\$12,000
1	Custom Dispenser	Included
1	SOURCE delivery, installation and connection	Included
1	Shipping	Included
	ZMW Ambassador Donation	-\$12,000
	<b>TOTAL COST OF AMBASSADOR SOURCE ARRAY</b>	<b>\$0</b>

WEBB COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF TEXAS, ("AMBASSADOR") ACCEPTANCE OF THIS ORDER IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS STATED HEREIN ATTACHED HERETO AS EXHIBIT "A" AND "B" AND INCORPORATED HEREIN BY REFERENCE AS IF SET OUT IN FULL AS CONSIDERATION FOR THE PANELS AND INSTALLATION PROVIDED FREE OF CHARGE BY ZMW, THE AMBASSADOR AGREES TO THE FOLLOWING FOR A PERIOD OF TWO (2) YEARS FROM THE DATE OF THIS AGREEMENT:

- 1) AT THE REASONABLE REQUEST OF ZMW, TO ACTIVELY PARTICIPATE IN THE PROMOTION OF SOURCE HYDROPANELS AT THE INSTALLATION SITE INCLUDING THE HOSTING OF PROMOTIONAL EVENTS, MEDIA INTERVIEWS, SCHEDULED PHOTO OR VIDEO SHOOTS DURING AND AFTER THE INSTALLATION OF THE SOURCE ARRAY AND ACTIVE PROMOTION OF THE ARRAY BY THE AMBASSADOR ON SOCIAL MEDIA, INTERVIEW AND OTHER PUBLIC APPEARANCES;
- 2) PROMOTION OF THE SOURCE ARRAYS AND TECHNOLOGY ON LA SANTA TERESITA COMMUNITY CENTER WEBSITE, AND SOCIAL MEDIA/BLOGS WHERE APPROPRIATE;
- 3) HOSTING OF A LAUNCH EVENT AT THE LA SANTA TERESITA COMMUNITY CENTER TO INVITE COMMUNITY MEMBERS AND LOCAL STAKEHOLDERS TO COME AND LEARN ABOUT SOURCE TECHNOLOGY;
- 4) ESTABLISHMENT OF A LAS COLONIAS, TEXAS SOURCE WATER WORKING GROUP TO EXPLORE AND PROMOTE THE POTENTIAL FOR SOURCE WATER TO IMPROVE THE LAS COLONIAS CRISIS AND PROVIDE ECONOMIC DEVELOPMENT OPPORTUNITY FOR THE REGION; AND
- 5) THE EXPLICIT APPROVAL FOR ZERO MASS WATER TO USE THE PHOTOS, VIDEO AND ASSOCIATED MATERIAL OF THE INSTALLATION AS A REFERENCE SITE FOR SOURCE PANELS IN MARKETING AND PROMOTIONAL MATERIALS.
- 6) AT THE END OF THE TWO YEAR PERIOD, WEBB COUNTY SHALL SURRENDER THE EQUIPMENT TO ZMW.

THE AMBASSADOR ACKNOWLEDGES THAT ANY ONGOING MAINTENANCE OR REPAIR OF THE SOURCE ARRAY WILL BE PAID FOR AT THE AMBASSADOR'S OWN EXPENSE AFTER THE INITIAL 12 MONTH WARRANTY PERIOD POST INSTALLATION OR THE AMBASSADOR SHALL HAVE THE RIGHT TO SURRENDER THE EQUIPMENT TO ZMW AT THE INSTALLATION SITE.

In parallel with the installation of SOURCE Hydropanels at Santa Teresita & La Presa Community Centers, ZMW will engage the Texas Commission on Environmental Quality (TCEQ) to use the installations as pilots for SOURCE to be qualified as a public water system in Texas. As required by Title 30 of the Texas Administrative Code (30TAC) a pilot study must be reviewed and approved by the TCEQ prior to the use of this technology by a water system in Texas. The pilot study will demonstrate the suitability of the proposed technology for use by a public water system. The collected data should show product water in compliance with minimum drinking water standards and production capacity of the equipment under varying ambient conditions. A professional engineer will work under TCEQ standards to demonstrate that the systems will produce water that meets all drinking water standards in 30 TAC Chapter 290, Subchapter F. During the time of the TCEQ Pilot study, the water dispensers at the Community Centers will be marked as pending approval by TCEQ as a Public Water System. The purpose of the pilot is to not only seek TCEQ approval but also provide clean drinking water to the people of Webb County by planning for larger future installations throughout the Colonias. Upon approval from TCEQ Pilot Study, ZMW will work to identify funding from 3rd party resources for future larger installations throughout Webb County.

ACCEPTED BY AMBASSADOR

By: 

Name: Tano E. Tijerina  
Webb County Judge

Date: \_\_\_\_\_

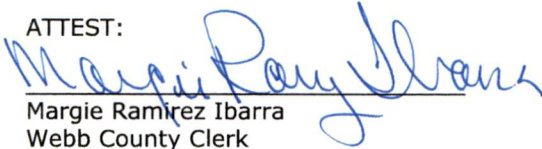
APPROVED BY ZERO MASS WATER, INC.

By: 

Name: Sidnee Peck, Chief of Staff

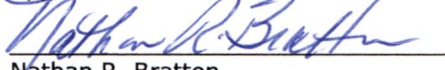
Date: 17 Jan 2019

ATTEST:

  
Margie Ramirez Ibarra  
Webb County Clerk



Approved as to Form:

  
Nathan R. Bratton  
General Counsel  
Civil Legal Division\*

\*The General Counsel, Civil Legal Division's office, may only advise or approve contracts or legal documents on behalf Webb County, its client. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval of their own respective attorney(s).



Recommended SOURCE Hydropanel placement:





## EXHIBIT A

### TERMS AND CONDITIONS

This SOURCE Agreement (this "Agreement") is the agreement between you (Webb County, a political subdivision of the State of Texas), as the customer, and Zero Mass Water, Inc. (together with its successors and assigns, "ZMW" or "we"), covering the SOURCE drinking water solar panels (the "System"). The effective date of the Agreement (the "Effective Date") is your signature date on page 1, the cover page of this Agreement. ZMW agrees to provide to you, and you agree to accept from ZMW, the System. The System will be installed at the address you listed on the cover page (the "Property"). ZMW provides you with a Limited Warranty (the "Limited Warranty"). The Limited Warranty is attached as Exhibit "B". Among other terms and conditions, the Limited Warranty is conditional up the System being installed at the Property by an Authorized Installer. A list of authorized installers is maintained and updated by ZMW, and will be emailed to you ("Authorized Installers"). If you have any questions regarding this Agreement, please contact ZMW at 1(855)-7ZM-WATER or [contact@zeromasswater.com](mailto:contact@zeromasswater.com).

**Intellectual Property.** You acknowledge and agree that the System is subject to patents and/or patents pending and the System, the System design and any literature pertaining thereto (including, without limitation, sales literature and manuals), and any and all intellectual property rights therein, any modifications or additions thereto and all related materials are proprietary to ZMW and/or its licensors. You further acknowledge and agree that as between you and ZMW, ZMW owns all right, title and interest in and to any and all intellectual property rights in and to the System, including any derivative works, modifications, enhancement, or additions thereto, whether made by ZMW or any other person (collectively, the "System IP"). You acknowledge and agree that no rights in any System IP are assigned by ZMW pursuant to this Agreement. Nothing in this Agreement shall be deemed to grant you any right or license to (a) reverse engineer, decompile, disassemble or otherwise copy the System or the System IP or any part thereof, or (b) use the System for purposes of: (i) benchmarking or competitive analysis of the System; (ii) developing, using or providing a competing product or service; or (iii) any other purpose that is to ZMW's detriment or commercial disadvantage. In the event any inventions or improvements are made or contributed to the System by you, you agree that all such inventions, improvements, and all intellectual property rights underlying such inventions and improvements, shall be and are hereby irrevocably assigned to ZMW. You agree to execute and deliver to ZMW all further documents and instruments, and to take any and all further acts as requested by Seller to give full force and effect to this provision, to perfect the foregoing assignment and to further evidence the intentions of the parties with respect thereto.

**Use of Names and Marks.** You represent, warrant, and covenant that you shall not use, make reference to, publish, copy, or otherwise designate, either orally or in writing, any logo, trademark, service mark, or trade name of ZMW ("Marks"). Furthermore, you shall not: (a) use any mark that is confusingly similar to the Marks; (b) engage in any action that tends to disparage, dilute the value of, or reflect negatively on the System or the Marks; (c) misappropriate any of the Marks; or (d) alter, obscure, or remove any Marks, copyright notice, or other proprietary rights notice on the System, documentation or other materials provided by ZMW.

**Data Collection.** You understand and agree that ZMW shall collect data and information regarding the performance of the System, on a continuous basis, through a wireless transmission system within the System, which will include the geo-location of the System in a manner consistent with local laws and

regulations. Such data shall be considered System IP hereunder. ZMW shall be free to utilize such data without restriction, provided that in no event shall ZMW provide to any third party any data specific to your use of the System or maintenance history in accordance with ZMW's privacy policy and terms.

Obligations.

System and Property Maintenance. You agree to:

only have the System repaired pursuant to the Limited Warranty and reasonably cooperate when repairs are being made;

be responsible for any conditions at your Property that affect the installation (e.g., blocking access to the roof, or removing a tree that is in the way, prior work you have done on your home that was not permitted);

not remove any markings or identification tags on the System;

permit ZMW, after we give you reasonable notice, to inspect the System for proper operation as we reasonably determine necessary;

not do anything, permit or allow to exist any condition or circumstance that would cause the System not to operate as intended at the Property; and

notify ZMW if you think the System is damaged or appears unsafe, or if the System is stolen.

System Repair. ZMW agrees to repair, or partner with an Authorized Installer to repair, the System pursuant to the Limited Warranty and reasonably cooperate with you when scheduling repairs.

Home Renovations and Repairs. If you want to make any repairs or improvements to the Property that could interfere with the System (such as repairing the roof where the System is located), you may only remove and replace the System pursuant to the Limited Warranty.

No Alterations. You agree that you will not make any modifications, improvements, revisions or additions to the System or take any other action that could void the Limited Warranty on the System without ZMW's prior written consent.

Installation; Installation Guide & System Instructions. You shall be solely responsible for the security, placement, maintenance, cost, and operation of the System in accordance with the Installation Guide provided to your Authorized Installer, the User Manual provided to you with the System, any System warnings, and other related documentation provided by ZMW (collectively, the "Instructions"), which may be updated from time to time. Without limiting the generality of the foregoing, it is your sole responsibility to (a) engage an Authorized Installer to install the System in accordance with all the Instructions (b) obtain, document and pay for any rights or permits which may be needed to install, operate and/or maintain the System, (c) obtain the equipment or systems necessary to operate the System and (d) operate the System pursuant to the Instructions. Prior to installation, you shall engage an Authorized Installer for the System. If you do not engage an authorized installer to install or repair the system and you do not comply with all Instructions, you waive all warranties and claims under this Agreement, and the Limited Warranty attached as Exhibit A shall be void.



Warranty. You understand that the System is warranted solely under the Limited Warranty attached as Exhibit A, and that there are no other representations or warranties, express or implied, as to the merchantability, fitness for any purpose, condition, design, capacity, suitability or performance of the System or its Installation. Without limiting the foregoing, ZMW makes no warranty with respect to your roof or any roof penetrations undertaken to install the System (including whether such penetrations are watertight). You and your Authorized Installer are exclusively responsible for the installation of the System, including all roof penetrations and whether the roof has the necessary structural integrity to support the weight and installation of the system.

General Disclaimer; No Performance Guarantee for Water Output or Water Quality. Except as expressly provided in this Section 11, ZMW hereby disclaims and you hereby waive all representations and warranties, whether express, implied, statutory or otherwise, including, without limitation, any warranty of merchantability or fitness for a particular purpose for the System. Without limiting the generality of the foregoing, ZMW makes no performance guarantee related to either (i) water output from the System or (ii) water quality from the System including, without limitation, with respect to water hardness, water taste, and water purity. For example, in addition to the minerals that the System adds intentionally to enhance taste (calcium and magnesium), water produced by the System may contain trace amounts of certain contaminants and substances, including chemicals, microbes, dissolved solids and sediments. In addition, the System's proprietary sterilization process that is designed to maintain the safety of the water stored within the System is subject to proper installation, maintenance and the Limited Warranty. Distributor covenants and agrees not to make any representations or warranties to any customer concerning the System or the installation of the System that are inconsistent with this section, this Agreement as a whole, the Sales Agreement or the Limited Warranty. The provisions of this Section shall survive termination or expiration of this Agreement.

Limitation of Liability.

No Consequential Damages. ZMW's liability to you under this Agreement shall be limited to direct, actual damages only. You agree that in no event shall either party be liable to the other for consequential, incidental, punitive, exemplary, special or indirect damages.

Actual Damages. Neither party's liability to the other will exceed an amount equal to the purchase price as set forth in this Agreement for the System. Without limiting the foregoing, damages to your home, belongings or property resulting from the installation of the System are not the responsibility of ZMW.

Privacy/Publicity. You grant ZMW the right to publicly use, display, share, and advertise the photographic images, project details related to the System, price and any other non-personally identifying information of your project related to the System. ZMW shall not knowingly release any personally identifiable information about you or any data associating you with the project location. You may opt-out of these publicity rights by giving us written notice and mailing it to: [Kaitlyn@zeromasswater.com and contact@zeromasswater.com], Attention: [Kaitlyn Fitzgerald].

Notices. All notices under this Agreement shall be in writing and shall be by personal delivery, facsimile transmission, electronic mail, overnight courier, or certified or registered mail, return receipt requested.

Miscellaneous. This Agreement (a) shall be binding upon and shall inure to the benefit of the parties and their heirs, personal representatives and permitted successors and assigns, (b) together contains

the entire agreement of the parties regarding the subject matter hereof, and (c) shall be governed by, and construed and enforced in accordance with the laws of the State of Texas and venue shall be in Webb County, Texas, without regard to any conflicts of laws principles. If any portion of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, such provision shall be construed to have been adjusted to the minimum extent necessary to cure such invalidity or unenforceability. You shall not assign your rights or delegate your obligations under this Agreement without the prior written consent of ZMW. This Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement. No amendment to this Agreement shall be valid unless such amendment is made in writing and is signed by the authorized representative of the parties. Each party agrees not to export, directly or indirectly, any data acquired from the other party or any System utilizing such data to countries outside of the United States of America, which export may be in violation of the United States export laws or regulations or the laws and regulations of any other applicable jurisdiction.



## EXHIBIT "B"

### LIMITED WARRANTY

Subject to the limitations set forth herein, ZMW warrants to you that during the Warranty Period (as defined below) the System set forth in this Sales Agreement will be free from defects in material and workmanship under normal and intended use consistent with the Instructions. In the event of a warranty claim hereunder, ZMW will use commercially reasonable efforts to ship the necessary replacement parts for installation by an Authorized Installer at ZMW's expense.

This limited warranty shall automatically expire one (1) year following the date of the completion of the installation of the System by an Authorized Installer (the "Warranty Period").

In addition, the occurrence of any of the following events shall immediately void this limited warranty: (a) your sale, assignment, transfer or other disposition of the System (c) any modification or alteration of the System other than by ZMW or an Authorized Installer, (d) any operation or use of the System not in accordance with the Instructions; (e) any installation, maintenance or repair not performed (i) by ZMW or Authorized Installers or (ii) in accordance with the Instructions; or (f) where the System has been subjected to abuse, misuse, neglect, negligence, accident, improper testing, improper installation, improper storage or handling, abnormal physical stress, abnormal environment conditions, or use contrary to any instructions from ZMW.

ZMW's sole obligation, and your sole remedy, under the warranties set forth above shall be the repair of or, at ZMW's sole option, the replacement of the System or parts thereof that may be determined by ZMW to be defective, provided that you notified ZMW in writing of such defects within the Warranty Period. You shall pay all freight, insurance, taxes, and other costs incurred for the return of the System, or applicable parts of the System, to ZMW's plant for repair or replacement. In the event that ZMW determines, in its reasonable judgment, that the System was not defective when returned or were not otherwise covered by the warranty contained herein, you shall pay all such costs for the return shipment of the System back to you or to the designated shipping point.



MARGIE R. IBARRA  
COUNTY CLERK  
FILED

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WEBB COUNTY, TEXAS

BY V2 DEPUTY