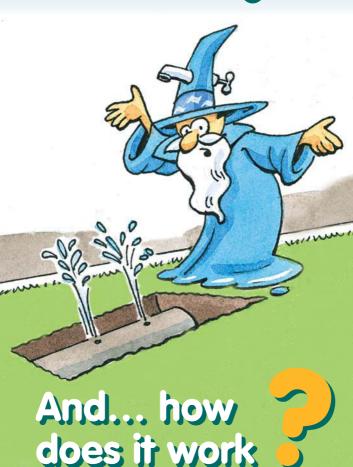
What is the Lateral Maintenance Program



Our Lateral Maintenance Program is not as complicated as it sounds!

It might surprise you to know that the pipe that carries water from your curb to your house is on your property and is actually owned by you. Unfortunately, if something should happen to that line (a leak or break, etc.), it would be your responsibility to repair it.

Under the Lateral Maintenance Program, if anything happens to your service line, we'll take care of it at no additional cost to you. It basically offers protection against the possibility of costly repair bills and covers any service line damages from the curb stop to the outside wall of your home or building.

Don't delay, sign up today!

"This is the best program I have ever participated in. It saved me a great deal of money and is well worth the minimal charge." — Sue McGinnis, Chalfont

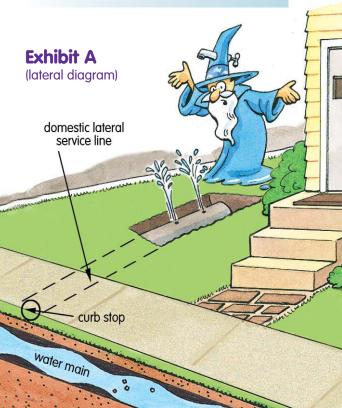
The charge for this program is minimal:	
For Residential	\$10 per year
For Commercial 3/4" and 1" connections	\$18 per year
For Commercial 1-1/2" and 2" connections	\$30 per year

It's easy to sign up!

To sign up for the Lateral Maintenance Program electronically, log on to **www.nwwater.com**, click on "our services", and follow instructions for the Lateral Maintenance application.

Or, simply call our office for an application at **(215) 699–4836** between the hours of 8AM and 5:30PM on Mondays through Thursdays, and 8AM and 4PM on Fridays.

"This program is excellent. It saved me more than \$1800. I highly recommend this program to all of your customers." — Mrs. Grawe, North Wales



NORTH WALES LATERAL MAINTENANCE PROGRAM DESCRIPTION

1. DEFINITIONS -

(a) "Customer" – is a customer of the Authority who is determined to be eligible to participate in this Plan. Such eligibility shall be determined in the sole and absolute discretion of the Authority and evidenced by approval as set forth in paragraph 3 below.

(b) "Lateral" – is that portion of the Authority's water distribution system located between the exterior wall of the building being provided water service (the "Point of Entry") and the Authority main which is usually located in the public street abutting the subject property. The Lateral may be more specifically designated in an Authority drawing attached hereto as Exhibit "A" (the "Lateral Diagram") at the time of Authority approval of this application.

2. SERVICES -

In consideration of Customer's payment of charges, the Authority will provide the following services:

(a) After a customer determines that a water service problem is not being caused by some malfunction within the Customer's building, and the Customer is unable to otherwise determine the source of the trouble, the Customer may report such problem to the Authority.

(b) If the Authority determines that the water service problem reported by the Customer is caused by a defect in the Lateral, the Authority will repair or replace the Lateral and facilitate restoration of water service to the Customer's property; provided, however, that the Authority shall not be responsible for repair of any malfunction not involving the Lateral, occurring inside the Customer's building, occurring beyond the Point of Entry, or otherwise excluded from coverage under the Plan pursuant to paragraph 6.

3. ELIGIBILITY -

The determination of a customer's eligibility to participate in the Plan shall be in the sole and absolute discretion of the Authority.

4. RENEWAL AND TERMINATION -

Coverage pursuant to the Plan will be automatically renewed on a year-to-year basis unless canceled by the Customer or the Authority. The Customer's coverage under the Plan and/or the Plan itself may be terminated at any

time by the Authority in its sole and absolute discretion, with or without cause, by providing written notice of such termination to its Customer(s). The Authority shall also return any pro rata portion of the Annual Fee received by the Authority and applicable to that portion of annual coverage eliminated by the termination.

5. WARRANTY -

The Authority warrants that it will provide services under this Plan in accordance with these terms and conditions. This is the Authority's exclusive warranty, and the Authority disclaims any and all other warranties, whether written or oral or expressed or implied including, without limitation, warranties of merchantability and fitness for a particular purpose and warranties arising by trade custom, trade usage, course of performance of dealing, or otherwise.

6. EXCLUSIONS FROM COVERAGE -

The Authority shall not be responsible pursuant to this Plan or otherwise for the replacement or repair of any damage caused by the intentional, wanton, reckless, or negligent conduct of the Customer. The Authority is also not responsible for repair or replacement of any Lateral located in whole or in part upon property not owned in fee by the Customer, regardless of any prior finding of Customer eliqibility.

7. LIMITATIONS -

The Customer hereby indemnifies and holds harmless the Authority from, of, and against any and all liability arising from the destruction or defacement of, or damage to any landscaping, or other improvements occasioned by necessary or reasonable repair or replacement of the Lateral conducted in a good and workman-like manner. Any restoration of such landscaping, improvements, grass, etc. shall be the sole and exclusive responsibility of the Customer. The Authority shall also not be responsible for any special, indirect, or consequential damage arising from damage to the Lateral, interruption of service or otherwise, or for any delay or failure to perform hereunder due to causes or reasons beyond Authority control. The Authority's obligations hereunder are limited to repair or replacement of the Lateral.

Visit our Web site for...

- Rates and billing information
- Meter reading and backflow details
- NWWA service greas
- Links to other NWWA literature
- Information on water quality and treatment
- Conservation techniques and water-saving tips
- Kid Zone an entire section devoted to kids!
- Scholarship Program

Check out www.nwwater.com today!



Pure water, quality service... naturally

200 W. Walnut Street, PO Box 1339 North Wales, PA 19454-0339 215-699-4836 • Fax 215-699-8037 • www.nwwater.com