

Pulser Agreement

This Pulser Agreement (this "Agreement") is made and entered into as of October 17, 2013 (the "Effective Date") by and between Nicor Gas ("Company") and the Orland Park Public Library ("Customer"), whose premises are located at 14921 S. Ravinia Ave., Orland Park, IL 60462 (hereinafter called the "Premises").

The parties mutually agree to the following terms and conditions:

1. PULSER EQUIPMENT

a. Pulser Equipment: The Pulser equipment (the "Pulser Equipment") model and price, and installation terms are set forth in Exhibit A, attached hereto and incorporated herein.

b. Installation Costs: The price to install the Pulser Equipment shall include Company's costs to acquire the Pulser Equipment, Company's time and materials, handling charges and taxes.

c. Repair and Replacement Costs: Any charge to repair or replace the Pulser Equipment shall include Company's costs to acquire replacement Pulser equipment or replacement parts, if any, Company's time and materials, handling charges and taxes.

d. Disclaimer of Warranty: Customer acknowledges that Company has made no warranties and representations to Customer, whether written, oral or implied, with respect to the performance or use of the Pulser Equipment, any data or information produced by the Pulser Equipment, or Customer's own equipment and facilities as they may be affected by the Pulser Equipment. Customer acknowledges that Company provides the Pulser Equipment "as is", without warranty, to the fullest extent permitted by law and does not pass-thru any manufacturer's warranty or other warranty regarding the Pulser Equipment to Customer.

2. COMPANY'S OBLIGATIONS

a. Installation: Company shall install the Pulser Equipment, on Company's system at the Premises, as further described in Exhibit A. Company's obligation to install the Pulser Equipment is conditioned upon, among other things, Customer paying Company the Initial Payment and providing Company all needed access to the Premises.

a. Ownership of Pulser Equipment: The Pulser Equipment installed by Company shall be the property of the Company. Company shall, as applicable, acquire, install, inspect, test, operate, repair, replace, and own the Pulser Equipment, all in accordance (i) with Company specifications, (ii) with sound and prudent natural gas industry practices, and (iii) with all laws, rules and regulations of any authority having jurisdiction over Company. Company shall require its contractors and subcontractors furnishing labor, material, supplies and/or services for said work to follow the same practices. The Pulsing Equipment shall be subject to Company's sole discretion as to the standards and requirements of engineering, safety and method of use.

c. Repair and Replacement: Company shall repair and replace the Pulser Equipment on an as needed basis as determined by Company. Repair and replacement of the Pulser Equipment, as necessary, shall be completed within 30 business days after notification. Company shall, at its discretion, update or substitute Pulser Equipment (or like equipment) as Company or industry standards recommend. Company shall first provide

a written estimate of the repair or replacement costs to Customer for Customer's approval and payment. If Company is at the Premises, determines the Pulser Equipment needs to be repaired or replaced and is able to make the repair or replacement at that time, Customer may approve the work at that time with its signature, time and date on a written estimate of the costs. Company shall not charge Customer for repairs to the Pulser Equipment to the extent the costs of such repair are actually paid or borne by the manufacturer of the Pulser Equipment under any applicable warranty provided by such manufacturer.

d. Nonuse (zero voltage): A "zero voltage" condition indicates nonuse by Customer. If the Pulser Equipment is found with zero voltage during a visit to the Premises, Company shall, at its discretion, disconnect the Pulser Equipment. Company shall notify Customer of the Pulser Equipment status and provide a written estimate of the repair costs, if any.

e. Unsafe Conditions or Equipment Tampering: Company shall disconnect the Pulser Equipment if unsafe conditions or evidence of tampering are found at the Premises. It shall be the responsibility of Customer to rectify any and all unsafe conditions before Company will reactivate the Pulser Equipment. Company shall notify Customer of the Pulser Equipment status and provide a written estimate of the repair costs, if any.

3. CUSTOMER'S OBLIGATIONS

a. Customer's Facilities: Customer shall install all of the equipment and meet all of the installation terms set forth in Exhibit A prior to Company installing and activating the Pulser Equipment. The equipment installed by Customer on the Premises shall be the property of Customer ("Customer's Facilities"). Customer shall own Customer's Facilities. Customer shall bear all installation and ongoing costs of electricity for the Pulser Equipment and of data lines connecting with the Pulser Equipment. Customer shall, as applicable, design, engineer, install, construct, inspect, test, operate, repair, replace and maintain Customer's Facilities, all in accordance (i) with Customer's specifications, (ii) with sound and prudent practices, and (iii) with all laws, rules and regulations of any authority having jurisdiction over the Customer's Facilities. Customer shall require its contractors and subcontractors furnishing labor, material, supplies and/or services for said work to follow the same practices. Customer's Facilities shall be subject to Customer's sole discretion as to the standards and requirements of engineering, safety and method of use.

b. Indemnity: To the fullest extent permitted by law, Customer ("Indemnifying Party") agrees to protect, defend, indemnify and hold Company and its directors, officers, employees, attorneys-in-fact, agents, partners and affiliated companies ("Indemnified Party"), free and harmless from and against any and all losses, claims, liens, demands, and causes of action of every kind and character, including, but not limited to, the amounts of judgments, penalties, interest, court costs, investigation expenses and costs and reasonable attorney's fees incurred by the Indemnified Party in defense of same arising in favor of any governmental agencies, third parties or contractors, on account of taxes claims, liens, debts, personal injuries, death or damages to property, and all other claims or demands of every character occurring or in any way incident to, in connection with, or arising out of: (a) the use of the Pulser Equipment and/or any data produced by the Pulser Equipment; or (b) the Indemnifying Party's or its contractor's negligence, gross negligence or willful misconduct solely related to activities performed under this Agreement.

4. **TERM AND TERMINATION**

a. Term: This Agreement shall commence as of the Effective Date and remain in effect until terminated by either party, with or without cause and without penalty, upon 30 days prior written notice to the other party.

b. Termination by Company: Company may immediately terminate this Agreement if Customer fails to pay any amounts due under this Agreement and fails to remedy such default within five (5) calendar days after written notice of default. If Customer elects to discontinue use of the Pulser Equipment or opts not to repair or replace malfunctioning Pulser Equipment, Company may terminate this Agreement with five (5) calendar days' written notice. Customer will provide Company with written notice if it elects to discontinue use of the Pulser Equipment. Company may terminate this Agreement immediately if Company finds evidence of tampering or unsafe conditions at the Premises.

c. Termination Payments and Refunds: In the event this Agreement is terminated, any payment obligations of the parties shall survive until fulfilled. Customer shall be obligated to reimburse Company for all expense(s) reasonably incurred hereunder by Company as of the effective date of termination.

d. Equipment Removal: Upon termination, Company may, at Company's discretion, remove the Pulser Equipment. Contractor shall provide Company all needed access to the Premises to remove the Pulser Equipment. Notwithstanding anything to the contrary herein, Company shall have the right to remove the Pulser Equipment immediately in the event Company finds evidence of tampering or unsafe conditions.

5. **BILLING AND PAYMENT**

a. Billing: After the installation, repair or replacement of the Pulser Equipment, Company shall reconcile the actual costs with the estimated costs identified in Exhibit A. Within 30 days of installation, repair or replacement of the Pulser Equipment, Company shall refund any overcharges to Customer, or Company shall issue a final invoice to Customer, as applicable.

b. Payment: Customer shall be responsible for the cost of the Pulser Equipment and Customer's Facilities. In consideration for the construction and installation of the Pulser Equipment, Customer will reimburse Company for the total cost incurred by Company. The payment shall be made in a single up-front payment ("Initial Payment") and a final true-up payment ("Final Payment"). The Initial Payment of the estimated costs shall be set forth in Exhibit A. Customer shall pay the Initial Payment at the execution of this Agreement. The Final Payment, if required, shall be due 15 days from the date of invoice. Customer shall make all payments in a timely manner. All payments to Company shall be made in such manner mutually agreed to by the parties.

c. Failure to Pay, Interest and Disputes: In the event Customer fails to remit full payment of amounts due Company hereunder, within 15 days from date of invoice, the unpaid amount shall be subject to a late interest charge, calculated at an annual percentage rate of the lower of 18% or the highest rate allowed by law, and shall remain due under the terms hereof. Customer retains the right to reasonably challenge costs and obtain reasonable back-up documentation from Company verifying all costs and charges.

If Customer disputes in good faith, part or all of an invoice, then Customer shall provide notice of the disputed portion, including a written explanation of the dispute, and pay any undisputed portion no later than the due date. If an amount disputed is subsequently determined due, then such amount shall be paid within ten (10) calendar days of such determination, along with interest accrued from the original due date through date paid. If an amount disputed is paid and is subsequently determined such amount is not due, then such amount shall be refunded to Customer within thirty (30) calendar days, along with interest accrued from the original due date through date refunded, or shall be credited to Customer's account upon Customer's request.

6. **MISCELLANEOUS**

a. Choice of Law: This Agreement shall be governed and construed according to the laws of the State of Illinois, without regard to its choice of law provisions.

b. Limitation of Liability: Neither party shall be liable for consequential, incidental, punitive, exemplary or indirect damages, lost profits or other business interruption damages, by statute, in tort or contract.

c. Severability: If any of the provisions of this Agreement are held to be invalid, illegal, or unenforceable, the provisions shall remain in effect to the extent allowed by law and the validity, legality, and enforceability of the remaining provisions shall not be affected or impaired.

d. Notices: All written notices required hereunder may be sent by facsimile, a nationally recognized overnight courier service, first class mail or hand delivered. Notices shall be considered given when received on a business day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a business day or is after 5:00 p.m. in the receiving party's time zone on a business day, then such facsimile shall be deemed to have been received on the next business day. Notice by overnight mail or courier shall be deemed to have been received on the next business day after it was sent or such earlier time as is confirmed by the receiving party. Notice via first class mail shall be considered delivered three business days after posting.

If to Company:

Nicor Gas Company
1844 Ferry Road
Naperville, IL 60563
Telephone: 630-388-3146
Contact Person: Michael W. Landreth
Email: mlandre@aglresources.com

With a copy, which shall not constitute notice, to:

AGL Resources Inc.
10 Peachtree Place NE
Atlanta, GA 30309
Attn: Legal Department

If to Customer:

Orland Park Public Library
14921 S. Ravinia Ave.
Orland Park, IL 60462
Telephone: 708-428-5202
Fax: 708-428-5182
Contact Person: Robin O. Wagner
Email: rvagner@orlandparklibrary.org

e. Assignment: This Agreement shall be binding upon and inure to the benefit of the assigns of the parties, however this Agreement shall not be assigned or transferred by Customer without prior written consent of Company, which consent shall not be unreasonably withheld.

f. Force Majeure: Force Majeure shall mean any circumstance that is beyond the reasonable control of the party claiming suspension, including but not limited to: (i) physical events such as acts of God, (ii) acts of others such as strikes, lockouts, riots, terrorism, and (iii) governmental actions. Force Majeure shall not mean economic hardship. Upon written notice of Force Majeure, neither party shall be liable to the other for failure to perform an obligation hereunder to the extent such failure was caused by Force Majeure, except with regard to Customer's obligation to make payments due.

g. Waiver: No waiver by either party of its rights under any provision of this Agreement shall be held to be a waiver or require forbearance in the future.

h. No Third Party Beneficiaries: There are no third party beneficiaries to this Agreement. No agent, consultant or contractor is intended to be a third party beneficiary of this Agreement.

i. Survival: Sections 3(b), 4(c), 4(d) and 6 shall survive the termination or expiration of this Agreement for any reason.

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IN WITNESS WHEREOF, each party represents and warrants that it has full and complete authority to enter into and perform this Agreement and has authorized its representative to execute this Agreement to be effective as of the date first above written.

Nicor Gas

By: Christa Markgraff
Name: [REDACTED]
Title: Director of Customer
Date: 10-29-13

Orland Park Public Library

By: [REDACTED]
Name: Mary K. Weimar
Title: Library Director
Date: 10-29-13

EXHIBIT A
To the Pulser Agreement dated October 17, 2013

Pulser Equipment Description, Charge and Installation Terms

Pulser Type: Diaphragm Meter

Domestic

Commercial

Rotary Meter

Line-Mount Rotary

Foot-Mount Rotary

Turbine Meter

Installation Type: Base

Intrinsic *

Pulser Model No.: 4086863-73-SSP-2013

Location of Installation: ORLAND PARK PUBLIC LIBRARY, 14921 S RAVINIA AVE, ORLAND PARK

Estimated Cost of Installation: \$2,285

Estimated Date of Installation: 12/13/13

Estimated In-Service Date: 12/13/13

Initial Payment: \$2,285

Initial Payment Due Date: 12/06/13

ADDITIONAL INSTALLATION TERMS: ROTARY METER (LINE-MOUNT)

Diaphragm Meters (Domestic and Commercial): The Customer shall provide the following: (a) ground rod or building ground with resistance of 1 Ohm or less; (b) energized conductors from system accepting pulses to meter at a voltage no more than 24V; and, (c) software/counter to accumulate pulses.

Rotary Meters (Line-Mount): The Customer shall provide the following: (a) ground rod or building ground with resistance of 1 Ohm or less; (b) energized conductors from system accepting pulses to meter at a voltage no more than 15V for line-mount meters; and, (c) software/counter to accumulate pulses.

Rotary Meters (Foot-Mount): The Customer shall provide the following: (a) ground rod or building ground with resistance of 1 Ohm or less; (b) energized conductors from system accepting pulses to meter at a voltage no more than 24V for foot-mount meters; and, (c) software/counter to accumulate pulses.

Turbine Meters: The Customer shall provide the following: (a) ground rod or building ground with resistance of 1 Ohm or less; (b) energized conductors from system accepting pulses to meter at a voltage no more than 24V; and, (c) software/counter to accumulate pulses.

** For intrinsic installations, ground or relay power will be discussed at time of installation.*

Turbine Meters: Customer shall provide the following: (a) ground rod or building ground with resistance of 1 Ohm or less; (b) energized conductors from system accepting pulses to meter at a voltage no more than 24V; and, (c) software/ counter to accumulate pulses.

** For intrinsic installations, ground or relay power will be discussed at time of installation.*

END OF EXHIBIT