



Building Peace of Mind, One Community at a Time



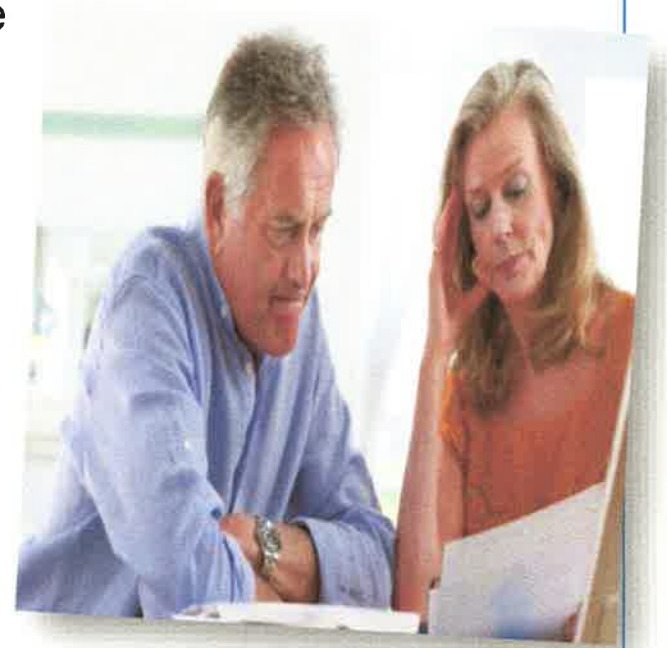
Service Line Warranty Program



Unexpected Expenses



- 50% of individuals surveyed could not afford a hypothetical emergency expense of \$400 without selling belongings or borrowing money.
- Federal Reserve
- 10,000 Americans reach retirement age every day
- Median age of home in the U.S is 40 years (1975)
- Water/sewer line repairs can range from \$1,200 to over \$3,500.
- *"It's alarming," said Gail Cunningham, a spokeswoman for the NFCC, a Washington, DC-based non-profit. "For consumers who live paycheck to paycheck -- having spent tomorrow's money -- an unplanned expense can truly put them in financial distress,"*



You Can be Their Solution



- As their trusted utility company, you can help to offer your valued customers a low cost warranties that cover the costs of repairs and give them a fast, easy process for having their problems solved. No deductibles, no call out fees, no hidden charges, no forms to fill out.

Built to Help – Utility Service Partners



- Founded in 2003, USP was created to assist municipalities and utility companies in protecting their customers from the high cost of unexpected home repairs. Backed by Macquarie Capital.
- Chosen to administer the National League of Cities Service Line Warranty Program
 - ❖ 227 cities in 32 states are participating in the program
 - ❖ Invested more than \$64 million in private infrastructure repairs
 - ❖ Returned nearly \$4 million to cities through revenue sharing component
- A+ BBB rating and Torch Award recipient



KANSAS CITY
MISSOURI



THE CITY OF SAN DIEGO



Tulsa
A New Kind of Energy.



City of Phoenix

CITY OF PALMDALE

Atlanta

ODESSA

Simple Solution for Homeowners



Homeowner can enroll in water line and/or sewer line protection for leaking, clogged or broken water and sewer lines from the point of utility connection to the home exterior

Coverage includes:

- Up to \$4,000 coverage per repair incident.
- Additional allowance for public street and sidewalk cutting.
- No annual or lifetime limits.
- No deductibles, service fees, forms, or paperwork.
- 24/7/365 availability.
- Repairs made only by licensed, local contractors.



Fulfilling our Promises



- **Keep our promise to your homeowners**

- ❖ 97% claim approval rating
- ❖ 95% customer satisfaction rating

- **Saving homeowners from financial difficulty**

- The program has helped more than 100,000 homeowners save more than \$64 million in service line repair costs



USP does the work – Partner gets the Benefit



■ **USP:**

- ❖ Pay for and organizes all the marketing, printing, assembly, postage
- ❖ Handle all sales inquiries
- ❖ Process application forms and payments
- ❖ Issue service agreements
- ❖ Operate the emergency hotline 24 hours a day, 365 days a year
- ❖ Build and manage the contractor network
- ❖ Deploy jobs to contractors

■ **Partner:**

- Approve all marketing materials
- Receive a risk-free revenue share on each contract sold and renewed
- Receive the customer service value this program provides

Testimonials



- *"The Service Line Warranty Program helps Phoenix residents and the city government. Revenue from the program goes to core city services like police, fire, parks, libraries and senior centers. The warranties give residents an affordable option for repairs to their sewer and water lines."*
 - Jon Brodsky, Public Information Officer – Phoenix, AZ
- *"Awesome warranty for this price - why would you NOT get it?"*
 - William P., Phoenix, AZ homeowner
- *"It is nice to have peace of mind about high costs of repairs."*
 - Michael M., Phoenix, AZ homeowner

Closing Comments



- USP has proven that a company committed to providing exceptional service and a valuable product at a fair-market price can successfully partner with local government
- USP's Partnership with NLC + Experience + Reputation = Trust for you and your residents
- USP will keep its promise to our customers
- Next Steps
 - ❖ Internal approvals
 - ❖ Simple agreement
 - ❖ Marketing plan