

**Buy-out Schedule**

<b>Year(s) since date of Agreement</b>	<b>Buy-out Price<sup>1</sup> (% of Cash Value of Water Heater)</b>	<b>Year(s) since date of Agreement</b>	<b>Buy-out Price<sup>1</sup> (% of Cash Value of Water Heater)</b>
0 to less than 1 yr.	100%	8 to less than 9 yrs.	74%
1 to less than 2 yrs.	98%	9 to less than 10 yrs.	68%
2 to less than 3 yrs.	96%	10 to less than 11 yrs.	61%
3 to less than 4 yrs.	92%	11 to less than 12 yrs.	53%
4 to less than 5 yrs.	89%	12 to less than 13 yrs.	43%
5 to less than 6 yrs.	86%	13 to less than 14 yrs.	31%
6 to less than 7 yrs.	83%	14 to less than 15 yrs.	15%
7 to less than 8 yrs.	79%	15+ yrs.	5%

<sup>1</sup> The buy-out price for the Water Heater is based on the percentage of the cash value of Water Heater set forth on page 1 of this Agreement. All applicable taxes will be added to the stated buy-out price.