



July 8, 2016

Santa Clara Water District  
5750 Almaden Expy,  
San Jose, CA  
95118

**Attention:** Tony T. Ndah, P.E., Senior Engineer

**Subject:** Pure Technologies Condition Assessment

Dear Mr. Ndah:

Pure Technologies Ltd. ("**Pure**") has created the SmartBall® condition assessment platform ("**SmartBall**"), a free-swimming technology used for leak and gas pocket detection. Pure has also developed PureEM™, an electromagnetic (EM) inspection technology for evaluating the current condition of prestressed concrete cylinder pipe (PCCP) (among other types of concrete pipe), bar wrapped pipe and metallic pipe. PureEM is deployed on Pure's PipeDiver®, Pure Robotics® and Manned inspection carts. In addition, Pure has developed Pure's SoundPrint® Acoustic Fiber Optic Monitoring system ("**AFO**") that tracks and records PCCP pipeline deterioration.

The SmartBall, PureEM and AFO are protected by various North American and international patents. The applicable U.S. patents are listed below.

**Electromagnetic Analysis of Concrete Tensioning Wires - PureEM**

United States  
Patent No. 6791318  
Issue Date: 1/29/2002

United States  
Patent No. 6781369  
Issue Date: 8/24/2004

**Anomaly Detector for Pipelines - SmartBall**

United States  
Patent No. 8098063  
Issue Date: 1/17/2012

**Fibre Optic Sensor Method and Apparatus – AFO**

United States  
Patent No. 7564540  
Issue Date: 5/24/2005

To the best of our knowledge, Pure is not aware of any other company in the United States or elsewhere offering pipeline inspection platforms with the same capabilities and features of our SmartBall, PureEM and AFO solutions. These technologies and solutions are proprietary and form an integral part of our Intellectual Property Portfolio.

Additionally, as part of our intellectual property portfolio, Pure has a unique, proprietary method of developing risk curves which we protect as a trade secret. The reason for not pursuing a patent for our risk curve method is that the patent process would require us to disclose our method, making it more easily replicable. This is a common approach for the protection of intellectual property of this nature. Our risk curve method is a valuable part of our intellectual property portfolio; we believe the validation and accuracy of our method surpasses any comparable methods in the market.



If you require any further information, please feel free to contact **Logan Fesenmair-Black** at **559.999.9665** or by email at [logan.fesenmair@puretechltd.com](mailto:logan.fesenmair@puretechltd.com)

**Pure Technologies U.S. Inc.**



**John J. Galleher Jr., P.E.**

**Vice President, West Region**