

General Terms and Conditions of Sale

**1. Applicable Terms**

The sale of products, goods, or components the ("**Product(s)**") and/or the provision of services ("**Services**") by De Nora Water Technologies FZE ("**Seller**") to the party from whom Seller is selling the Products or services ("**Purchaser**" and with Seller, each a "**Party**" and collectively the "**Parties**") is limited to and made expressly conditional on Purchaser's acceptance of these General Terms and Conditions of Sale ("**General Conditions**") which, along with any and all associated purchase orders, quotations, proposals, special conditions or other contract documents (including any expressly incorporated specifications or drawing) ("**Seller's Documentation**" and collectively with these General Conditions, the "**Contract**"). These General Conditions shall control over any inconsistent or additional terms or conditions proposed or issued by Purchaser or Seller, including any additional or different terms or conditions in any purchase order, acknowledgement proposal or other communication, written or otherwise, unless specifically agreed to in writing by both Parties. These General Conditions shall not be varied, and no conditions contained in any quotations, letters, advice notes, invoices or other communications issued by Seller or Purchaser shall annul or vary them, unless expressly agreed by both Parties in writing.

Purchaser's acceptance of delivery or the full or partial payment of the purchase price hereunder shall constitute Purchaser's express and unconditional acceptance of all the General Conditions, notwithstanding any other inconsistent terms, documents, prior dealings, or usage of trade.

**2. Prices and Payment Terms**

Purchaser shall pay the full purchase price as set forth in Seller's Documentation without any deduction by way of set off, counterclaim, discount or otherwise in strict accordance with Seller's Documentation. All prices and payments shall be in U.S. Dollars currency unless otherwise expressly noted in Seller's Documentation. Unless specifically noted otherwise in Seller's Documentation, prices are exclusive of any and all sales, use, excise, VAT, ad valorem, property or other taxes, duties and levies of any kind due or applicable to the transaction. Purchaser shall pay directly or reimburse Seller immediately upon demand for any and all such taxes. Payment terms are net thirty (30) calendar days from date of invoice.

Where payment is made by letter of credit (to the extent permitted by Seller's Documentation), the applicable instructions as communicated in writing by Seller to Purchaser shall determine the terms of

payment thereunder. Where payment on credit terms is expressly approved, payment terms are net thirty (30) calendar days from date of invoice. Any payments delayed beyond thirty (30) days from the specified due date shall be subject to interest on the unpaid balance at the rate of [one and one half (1-1/2%) percent] per month or the maximum rate permitted by applicable law. If advances, progress payments, or milestone payments are included in the Seller's Documentation, such payments shall be required to be made in strict accordance with the Seller's Documentation. Seller reserves the right among other remedies, to suspend further deliveries in the event Purchaser fails to pay for any one shipment when payment becomes due. All Contracts are subject to credit approval. Should Purchaser's financial condition become unsatisfactory or insecure, at Seller's discretion, Seller shall have the right, at its option to require from Purchaser payment in advance, cash payment in delivery, or satisfactory security.

If Purchaser is required by applicable law to withhold any amount paid or payable to Seller for tax purposes or governmental fees (a) the amount paid or payable shall be increased by the amount that it would have received had any taxes or tariffs been withheld and (b) Purchaser shall forward proof of such legally required withholding to Seller as soon as reasonably practicable.

Purchaser hereby irrevocably grants Seller a security interest in the Products until such time as Purchaser makes full payment of the purchase price. Purchaser agrees, if requested, to execute a financing statement or such other documentation as may be necessary or advisable to perfect and maintain such security interest.

**3. Delivery and risk of loss**

Delivery dates set forth in Seller's Documentation are approximate and Seller will make commercially reasonable efforts to meet same. Timely delivery is subject to prompt and timely receipt from Purchaser of accurate and complete technical and shipping information. Seller reserves the right to make partial shipments, invoices for which shall be due and payable in accordance with the payment terms specified above. Where payment is due in advance or by letter of credit, timely delivery is further subject to timely receipt of such payment or issuance of such letter of credit. All shipping and handling costs are to be paid by Purchaser. Purchaser is liable for compliance with all laws and regulations governing the unloading, storage, importation, handling and

use of all Products.

Whether or not installation Services are performed by Seller, title and risk of loss shall pass to Purchaser in accordance with the stated shipping terms under Incoterms 2020. Unless otherwise agreed and specified in Seller's Documentation, shipping terms are Ex Works Seller's facility. Seller will notify Purchaser when Products are available for shipment. Purchaser must provide Seller with specific written instructions as to Purchaser's preferred method of shipment or common carrier. If Purchaser does not arrange for a freight carrier or freight forwarder to collect the Products within seven (7) calendar days following notification that the Products are available, Seller may, at its own discretion and at Purchaser's cost, arrange for Products to be collected by a freight carrier or a freight forwarder for shipment to Purchaser. Alternatively, Seller may choose to store the Products and may charge Purchaser all incurred storage and handling expenses and fees.

In the event Purchaser requests a postponement of delivery beyond the date specified in Seller's Documentation, Seller may invoice the Purchaser and title and risk of loss shall pass to Purchaser at such time as Products are made available for shipment but in no event earlier than the delivery date specified in Seller's Documentation. If delivery is postponed by Purchaser, Seller shall endeavor but shall not have the obligation to either store the Products or secure a storage location at Purchaser's expense and based upon General Conditions agreeable to the Parties.

Prior to installation, Products must be stored by Purchaser in accordance with the storage instructions that may be a part of the Seller's instructions or other documentation for Product installation, maintenance, and care. In the absence of specific instructions in the Seller's Documentation, Products must be stored prior to their installation in an enclosed space affording protection from weather, dust and physical damage and providing appropriate temperature, humidity, and ventilation conditions to prevent deterioration. Purchaser's failure to follow Seller's storage instructions may cause damage to the Products and will void any warranties provided hereunder. Seller shall have the right to inspect Products stored by Purchaser prior to installation. If Products are stored by Purchaser for a period of sixty (60) days or more, Purchaser shall reimburse Seller for all reasonable costs of such inspection.

#### **4. Permits, Registrations and laws**

Purchaser is responsible for obtaining and maintain all permits and registrations and for compliance with local law concerning permitting, registration, Installation and use the Products or the provision of Services. Purchaser shall indemnify and hold harmless Seller from any and all costs, damages, fines and penalties resulting from Purchaser's

failure to comply with any and all applicable laws, permits and regulations. Purchaser shall strictly comply with and refrain from exporting or reexporting the Products in violation of all applicable laws, rules, and regulations affecting Seller regarding trade restrictions, import-export compliance, money laundering, anti-bribery protections, and embargos as such laws, rules, and regulations may be amended from time to time. Unless otherwise agreed according to the specified Incoterms governing shipment of the Products, Seller shall have no obligation or liability for export clearance, customs clearance or import duties of any kind. Purchaser shall provide to Seller any and all documentation requested by Seller to evidence Purchaser's compliance with such applicable import export law or regulations.

Seller may provide reimbursement to Purchaser or Purchaser's representative, either directly indirectly through intermediaries, for their reasonable and bona fide travel and lodging expenses in connection with Purchaser's purchase of Products or services hereunder. Any such reimbursements is NOT a payment, gift, offer promise of anything of value, but rather provided to Purchaser for the sole purpose of reimbursing Purchaser's reasonable travel and lodging expenses related to the promotion demonstration or explanation of the Product or Services being offered by Seller to Purchaser. Should Seller discover that a violation of the bribery and corruption crimes specified in the UAE Federal Penal Code as amended and Federal Decree Law No. 11 for 2008 on Human Resources in the Federal Government as amended or other applicable law, rule or regulation has occurred or is likely to occur, Seller shall have the right to unilaterally terminate the contract.

#### **5. Product acceptance**

Except for Products that are not assembled at Seller's facility, Purchaser has the right to inspect Products at Seller's facility prior to shipment provided that advanced written arrangements are made by Purchaser and are confirmed in writing by Seller. Any and all costs associated with inspection and testing requested by Purchaser at Seller's facility will be paid solely by Purchaser. Purchaser shall inspect the Products within a reasonable period of time following receipt at the point of destination and prior to conducting any Acceptance Test (as defined below) to determine if the Products are damaged, incomplete or do not otherwise confirm to Purchaser's express specifications. If Purchaser receives Products with visible or suspected damage or loss, inducing damages to the packaging, or with discrepancies in specification, Purchaser shall make relevant notes in receiving documents and notify Seller in writing immediately. Such notice shall be reasonably detailed and shall specify the damages or discrepancy. Purchaser's failure to inspect the Products and/or give written notice to Seller of any alleged defects or non-conformity within reasonable period of time after receipt at the point of destination shall waive Purchaser's right to reject the Products and return them to Seller for credit and Purchaser's

sole remedy for non-conforming or defective Products shall be warranty claims made in accordance with Article 8 herein.

For purposes of this Article 5, "reasonable period of time" means a period of time that is not immoderate or excessive, in accordance with prevailing industry standards at the time of delay.

If Seller's Documentation expressly provides that the Products are subject to specific acceptance testing ("**Acceptance Test**") in order to verify Product performance in accordance with specifications set forth in Seller's Documentation, the Products shall be deemed fully accepted when they have satisfied the requirements of the Acceptance Test. Purchaser's remedy for Products that have failed an Acceptance Test or are within the warranty period shall be limited, at Seller's sole discretion, to the repair or replacement of such Products.

Notwithstanding any right conferred upon the Purchaser to inspect or test the Product prior to acceptance, any use, repair, modification, or alteration of the Product by Purchaser, its agents, employees or licensees, for any purpose after delivery thereof, shall constitute Purchaser's irrevocable and unconditional acceptance of the Products. Accordingly, in the event of any discovery by Purchaser of a non-conformity or defect following such acceptance of the Products, Purchaser's sole recourse is a warranty claim pursuant to the warranty provisions stated in Article 8 herein.

#### **6. Installation and/or startup services**

If Seller's Documentation includes the provision of Services (including installation, supervision on-site assembly, or start-up services), Purchaser will confirm to Seller at least two (2) weeks (or such shorter term set forth in Seller's Documentation) prior to the date Seller's personnel will be required on site to perform such Services that Purchaser has fully completed all work necessary for such Services in accordance with Seller's Documentation. In the event that the completion of such Services is delayed for any reason not the fault of Seller, Purchaser shall pay for any additional costs resulting from the delay. Seller shall not be responsible for the means and method selected for such Services, or for the manner in which such Services are performed, including the efficiency adequacy and safety of same. Seller makes no warranty, express or implied with respect to such Services, except that the Seller shall be responsible for any claims or damages resulting from its own negligence.

#### **7. Suspension and Cancellation**

Unless otherwise provided in Seller's Documentation, if Purchaser suspends, cancels or partially cancels a Contract, Purchaser shall promptly pay Seller for all Products delivered to date, work performed on account of the Products, and all Services completed or in process prior to such suspension and/or cancellation, plus any other reasonable costs incurred by Seller as a result of such suspension and/or cancellation including, if applicable, an appropriate restacking fee.

#### **8. Warranty**

Subject to the conditions stated below, Seller warrants

the Products (excluding spare parts and Services) against defects in materials and workmanship for a period of [eighteen (18)] months from the date in which time has passed to Purchaser or [twelve (12)] months from the date of installation of the Products, whichever occurs first. Seller shall, at its option, repair or replace any Products or components thereof that prove upon examination to the satisfaction of Seller to be defective. In addition, any part or component that has been repaired or replaced shall be warranted for a period equal to the lesser of (i) the remaining warranty period hereunder, or (ii) one year from the date of such repair or replacement. Spare parts are warranted against defects in material and workmanship for a period of [ninety (90)] days from the delivery of the spare parts, unless otherwise specified. This warranty expressly excludes and does not apply to the appearance of the Products, as variations in color and appearance may occur.

In the event that Seller fails to initiate a corrective action plan to repair or replace the defective Products within thirty (30) days following Purchaser's notification, Purchaser may, at its reasonable discretion, take action to repair or replace such defective product and Seller shall bear the direct and commercially reasonable cost for parts and labor thereof. In such circumstances, Seller has no warranty obligation with regard to the repair or replacement performed by Purchaser. Further, if Purchaser improperly repairs or replaces the defective Products and/or uses incompatible components, Seller is not responsible for any costs, damages or malfunctions resulting therefrom.

Any alteration, disassembly, storage or use of the Products not in accordance with Seller's documentation shall void all warranty obligations of Seller related to such Products. Purchaser assumes full responsibility in the event Purchase uses the Products in combination with other goods or in any manner not stated in Purchaser's written specifications provided prior to sale.

All costs associated with removing the Products from service and re-installing same following examination, repair or replacement are to be borne by Purchaser. Seller may, in its sole discretion, require that the Products be shipped to Seller's facility for examination, repair or replacement. All transportation costs to and from Seller's facility if required, are to be prepaid by Purchaser.

THE WARRANTIES SET FORTH HEREIN, IF ANY, ARE MADE EXPRESSLY IN LIEU OF OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AND ANY IMPLIED WARRANTY OF MERCHANTABILITY OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, EVEN IF THAT PURPOSE IS KNOWN TO SELLER, IS HEREBY EXPRESSLY EXCLUDED; PROVIDED, HOWEVER, THAT THE PRODUCTS ARE WARRANTED TO CONFORM IN ALL MATERIAL RESPECTS TO THE RELEVANT AND KNOWN SPECIFICATIONS, AND PERFORMANCE STANDARDS, INCLUDING ANY MUTUALLY AGREED MODIFICATIONS THERETO.

SELLER'S LIABILITY AND PURCHASER'S EXCLUSIVE REMEDY FOR ANY FAILURE BY

SELLER TO SUPPLY PRODUCTS THAT MEET THE FOREGOING WARRANTY IS EXPRESSLY LIMITED TO, AT SELLER'S OPTION, THE REPAIR OR REPLACEMENT OF THE NON-CONFORMING PRODUCTS.

## 9. Indemnification

Purchaser and Seller shall each defend, indemnify and hold the other harmless from and on account of all bodily injury and property damage claims asserted by third parties as a result of the other's negligent acts or omissions. To the extent that both Purchase and Seller are determined by a finder of fact to be negligent and the negligence of both is a proximate cause of a claim by a third party against either Purchaser or Seller, then in such event, Purchaser and Seller shall each be responsible for a portion of the liability including costs and expenses, attributable to its comparative share of the total negligence.

Seller agrees to indemnify and hold harmless Purchaser against any third party claim alleging that the Products infringe upon a valid and enforceable United Arab Emirates patent, provided Purchaser gives Seller written notice immediately when such claim is asserted directly or indirectly. Notwithstanding the foregoing, Seller shall have no liability to Purchaser in any patent infringement or claim thereof is based upon or arises out of:

- (a) compliance with designs, plans or specifications furnished by or on behalf of Purchaser;
- (b) use of the Products in a manner for which the Products were neither designed nor contemplated; or
- (c) the claimed infringement of any patent in which the Purchaser or any affiliate or subsidiary of Purchaser has any direct or indirect interest by license or otherwise.

## 10. Limitation of Liability

Seller's total aggregate liability to Purchaser with respect to any cause of action or claim hereunder shall not exceed the purchase price payable pursuant to the Contract. In no event shall Seller be liable, either directly or as indemnitor of Purchaser for any damages for loss of use, loss of income or loss of profit (whether direct or indirect) or for any special, punitive, indirect or consequential damages, including but not limited to damages for loss of use, loss of income or loss of profit. Notwithstanding the above, this limitation of liability shall not apply to claims arising from Seller's gross negligence or willful misconduct. All of Purchaser's claims or actions of any description whatsoever against the Seller shall be brought not later than one (1) year after the occurrence of the event upon which each such claim bar action is based.

## 11. Force Majeure; delay events

Force Majeure shall mean any act, event or condition that is beyond Seller's reasonable control, that materially and adversely affects Seller's ability to perform its obligations hereunder, and that is not the result of Seller's willful neglect, error, omission

or failure to exercise reasonable due diligence.

Seller shall not be liable for any delay in performance or failure to perform any obligation hereunder if, and to the extent, that such failure or delay is caused by an event of Force Majeure. If Seller is unable to perform any of its obligations hereunder as a result of a Force Majeure event Seller shall be required to resume performance upon termination of the event and shall have reasonable additional time for performance.

In addition, to the extent that a Force Majeure event materially increases Seller's cost of performance hereunder, Seller shall be entitled to an equitable contribution from Purchaser towards such additional costs of performance, excluding any costs that are covered by Seller's insurance.

In the event that the performance of a contractual obligation hereunder by either party hereto is prevented, restricted, hindered, delayed or interfered with directly or indirectly in connection with the COVID-19 ("**Coronavirus**") pandemic or similar pandemic or a epidemic and/or any measures introduced by any government authority to address such pandemics/epidemics, the party so affected shall be excused from such performance to the extent and for the duration of such prevention, restriction, hindrance, delay or Interference, and shall not be able for any costs or damages.

Each party shall exercise reasonable efforts to resolve any impediment, however, neither Party shall be obligated to incur additional costs of more than five percent (5%) of the order value. The party affected should give notice to the other party as soon as practicable of the prevention, restriction hindrance, delay, or interference with its performance.

## 12. Default and Termination

The substantial failure of either Party to comply with the terms herein shall constitute default hereunder. Upon default by one Party, the other non-defaulting Party shall provide written notice clearly specifying the nature of the default. The defaulting Party shall have thirty (30) calendar days to cure the default. If the default is capable of being cured and within thirty (30) calendar days and is not cured within thirty (30) calendar days, this Contract may be terminated in the case of default that cannot be cured within thirty (30) calendar days, this Contract shall not be terminated so long as the defaulting Party has given written notice of extension to the other Party and the defaulting Party has commenced and is diligently pursuing a cure.

For purposes of this Contract, the failure of Purchaser to pay Seller in accordance with the payment terms hereunder shall be considered a substantial default for which no cure period beyond thirty (30) calendar days shall be allowed. In the event of the Purchaser's default, Seller may, in addition to the right to terminate set forth in this paragraph, elect to suspend work until the default has been cured.

In the event of any termination, Seller shall be paid

for Products delivered and Services rendered (including Products specifically manufactured/assembled or special ordered for the Purchaser that have yet to be supplied) through the date of termination.

No delay or omission on the part of the Seller in exercising any right or remedy hereunder shall constitute a waiver of any such right or remedy on any future occasion.

### **13. Intellectual Property**

All devices, equipment, designs (including drawings, plans and specifications), estimates, prices, notes, electronic data and other documents or information prepared or disclosed by Seller in connection with the Products sold hereunder shall remain Seller's exclusive property. Purchaser shall not disclose any such material to third parties without Seller's prior written consent. Purchaser will not undertake any analyses or "reverse engineering" of the products for the purpose of designing, developing or manufacturing by the Purchaser or by any third party of products that compete with the Product(s).

Seller will retain sole ownership of all discoveries, improvements, inventions, patents, trademarks, copyrights, know-how, trade secrets, or other intellectual property right associated in any way with the Products. The Parties specifically agree that all improvements, inventions, discoveries and copyright in works of authorship, including those in formative stages, made by either Party hereto (either alone or jointly with others) improving upon or related to the Products shall from the time of conception or, in the case of works of authorship, from the time of creation, be the property of Seller.

Except for the marking of Products as required by applicable law or as requested by Seller, Purchaser shall not use Seller's name, logo trademarks, trade names, or other intellectual property in any manner, including product literature, advertisements, or marketing materials without the express written permission of Seller.

### **14. Reliance on information**

Purchaser acknowledges that Seller has used and expressly relied upon information provided by the Purchaser, if any, regarding site conditions, specifications and other technical requirements in the design, installation and start-up of its Product(s) and the provision of Services. Seller shall not be obligated to establish or verify the accuracy of the information furnished by the Purchaser nor shall Seller be responsible for the impact or effect on its Products(s) and any Services provided by Seller hereunder of the information furnished by the Purchaser in the event that such information is in error.

### **15. Dispute Resolution**

The Contract, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in

accordance with the law of Dubai International Financial Centre ("DIFC").

Each party irrevocably agrees that the courts of the DIFC shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with the Contract or its subject matter or formation.

### **16. Miscellaneous provisions**

The Contract constitutes the entire agreement of sale and purchase between Purchaser and Seller and supersedes all prior or contemporaneous communications, representations understandings or agreements, whether written or oral, unless such document states that it intends to modify this Contract and is signed by both Parties. No modification of this Contract (including changes in scope, specifications, price or delivery schedule) shall be of any force or effect unless made pursuant to a writing signed by both Parties. No course of dealing or performance or usage of trade may be used to modify this Contract. Any contract clauses required to be expressly incorporated into this Contract are expressly incorporated herein by reference as if originally included herein. The English language shall be the official text of this Contract.

The failure on the part of either Party to enforce its rights as to any provisions herein shall not be construed as a waiver of its rights to enforce such provisions in the future. Should any provision of this Contract for any reason be declared invalid or void, such declaration will not affect the remaining provisions of this contract, which shall remain in full force and effect.

Purchaser may not assign or permit any other transfer of this Contract without Seller's prior written consent. Purchaser acknowledges that Seller shall be entitled to manufacture the Products at any of its and its affiliates' facilities worldwide, and the Contract may be assigned to such affiliates without the consent of Purchaser. This Contract is entered into solely between, and may be enforced only by, the Purchaser and Seller; and this Contract shall not be deemed to create any rights in third parties, including customers, subcontractors or affiliates of the Purchaser, or to create any obligations to any such third parties.

Any translation, summary, or description of the terms herein are provided solely as a courtesy and the terms set forth herein, and the English version thereof, shall govern and have full force and effect and be precedent above any such translation, summary or description.