

10 September 2020



**DE NORA WATER
TECHNOLOGIES ITALY SRL
GENERAL TERMS AND CONDITIONS OF SALE OF
PARTS AND SERVICES**

1. APPLICABLE TERMS

- 1.1. The sale hereunder of Parts, Spare Parts, Replacement Parts, Refurbished Parts, Repaired Parts, other Parts (collectively, the "Parts") to any customer ("Buyer") and/or the supply of after sales services and/or maintenance and/or any other services as may be requested by the Buyer through individual purchase orders to the Seller (collectively "Services") is limited to and made expressly conditional on Buyer's acceptance of these terms and conditions of sale. These terms and conditions shall control over any inconsistent or additional terms or conditions proposed or issued by Buyer, including any additional or different terms contained in any purchase order, acknowledgement, proposal or other communication, written or otherwise, unless specifically agreed to in writing by both parties.
- 1.2. Buyer's acceptance of delivery or the full or partial payment of the purchase price hereunder, shall constitute Buyer's acceptance of all the terms and conditions stated herein, notwithstanding any other inconsistent terms and conditions, prior dealings or usage of trade.

2. PRICES AND PAYMENT TERMS

- 2.1. Buyer shall pay the full purchase price as set forth in the applicable purchase order or on the face of that certain document to which these terms are attached ("Seller's Documentation"), (collectively with these terms and conditions, the "Contract") without any deduction by way of set-off, counterclaim, discount or otherwise. All prices and payments shall be in Euro. Unless specifically noted otherwise in Seller's Documentation, prices are exclusive of any and all sales, use, excise, ad valorem, property or other taxes, duties or levies of any kind due or applicable to this transaction. Buyer shall pay directly or reimburse Seller immediately upon demand for any and all such taxes.
- 2.2. Payment terms are cash in advance unless Buyer has applied for and Seller has granted credit terms. Where payment on credit terms is approved, and in the absence of any provisions to the contrary in the purchase order, payment terms are Net Thirty (30) Days from date of invoice. No discounts shall apply. 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, whichever is less. Seller reserves the right, among other remedies, to suspend further deliveries in the event Buyer fails to pay for any one shipment when payment becomes due. All Contracts are subject to credit approval. Should Buyer's financial condition become unsatisfactory to Seller, Seller shall have the right, at its option, to payment in advance, to cash payment upon delivery or to satisfactory security.

3. DELIVERY AND RISK OF LOSS

- 3.1. Delivery dates set forth in Seller's Documentation are approximate and Seller will make all reasonable efforts to meet the same. Timely delivery is subject to prompt receipt from Buyer 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 Buyer. Buyer is liable for compliance with all laws and regulations governing the unloading, storage, handling and use of all Parts.
- 3.2. Whether or not installation services are performed by Seller, title and risk of loss shall pass to Buyer in accordance with the stated shipping terms under Incoterms 2010. Unless otherwise agreed and specified on the purchase order or Seller's Documentation, shipping terms are EXW Seller's Facility. Seller will notify Buyer when Parts are available for shipment. Buyer must provide Seller with specific written instructions as to Buyer's preferred method of shipment or common carrier. If Buyer does not arrange for a freight carrier or freight forwarder to collect the Parts within seven (7) calendar days following notification that the Parts are available, Seller may, at its own discretion and at Buyer's cost, arrange for Parts to be collected by a freight carrier or freight forwarder for shipment to Buyer. Alternatively, Seller may choose to store the Parts and may charge Buyer a storage fee.
- 3.3. In the event Buyer requests a postponement of delivery beyond the date specified in Seller's Documentation, Seller may invoice the Buyer and title and risk of loss shall pass to Buyer at such time as Parts are made available for shipment, but in no event earlier than the delivery date specified in Seller's Documentation. If delivery is postponed by Buyer, Seller shall endeavor but shall not have the obligation to either store the Parts or secure a storage location at Buyer's expense and based upon terms and conditions agreeable to the parties.
- 3.4. Prior to installation, Parts must be stored by Buyer in accordance with the storage instructions that may be a part of Seller's instructions for Parts installation, maintenance and care. In the absence of specific instructions, Parts must be stored prior to their installation in an enclosed space affording protection from weather, dust and physical

10 September 2020

damage and providing appropriate temperature, humidity and ventilation conditions to prevent deterioration. Buyer's failure to follow Seller's storage instructions may cause damage to the Parts and will void the warranties provided hereunder. Seller shall have the right to inspect Parts stored by Buyer prior to installation. If Parts are stored by Buyer for a period of 90 days or more, Buyer shall reimburse Seller for all reasonable costs of inspection.

4. PERMITS, REGISTRATIONS AND LAWS

- 4.1. Buyer is responsible for all permits and registrations and for compliance with local laws concerning permitting, registration, installation and use of the Parts. Buyer shall indemnify and hold harmless Seller from any and all costs, damages, fines and penalties resulting from Buyer's failure to comply with local laws, permits and regulations. Buyer shall strictly comply with and refrain from exporting or re-exporting the Parts in violation of United States' laws regarding trade restrictions and embargoes, as such laws may be amended from time to time. Unless otherwise agreed according to the specified Incoterms governing shipment of the Parts, Seller shall have no obligation or liability for export clearance, customs clearance or import duties of any kind.
- 4.2. Seller may provide reimbursement to Buyer or Buyer's representative, either directly or indirectly through intermediaries, for their reasonable and bona fide travel and lodging expenses in connection with Buyer's purchase of Parts hereunder. Any such reimbursement is NOT a payment, gift, offer or promise of anything of value, but is rather provided to Buyer for the sole purpose of reimbursing Buyer's reasonable travel and lodging expenses related to the promotion, demonstration or explanation of the Parts being offered by Seller to Buyer. Should Seller discover that a violation of applicable anti-bribery laws (including but not limited to the Italian Legislative Decree 231/2001 and / or the UK Bribery Act 2010 and anti-money laundering laws, regulations, rules decreed and / or official government orders has occurred or is likely to occur, Seller shall have the right to unilaterally terminate the Contract.

5. INSPECTION AND ACCEPTANCE

- 5.1 Buyer has the right to inspect Parts at Seller's facility prior to shipment provided that advance written arrangements are made by Buyer and are confirmed in writing by Seller. Any and all costs associated with inspection and testing requested by Buyer at Seller's facility will be paid by Buyer. Buyer shall inspect and examine all Parts immediately upon receipt and shall notify Seller in writing of all discrepancies and damages within ten (10) calendar days after receipt. If Buyer receives Parts with visible or suspected damage or loss, including damages to the packaging, or with discrepancies in specification, Buyer shall make relevant notes in receiving documents and notify Seller immediately. Such notice shall be reasonably detailed and shall specify the damage or discrepancy. Buyer's failure to inspect the Parts and give written notice to Seller of any alleged defects or non-conformity within a reasonable period of time after receipt at the point of destination shall waive Buyer's right to reject the Parts and return them to Seller for credit and Buyer's sole remedy for non-conforming or defective Parts shall be warranty claims made in accordance with Article 8 herein.
- 5.2. Notwithstanding any right conferred upon the Buyer to inspect or test the Parts prior to acceptance, any use or alteration of the Parts by Buyer, its agents, employees or licensees, for any purpose after delivery thereof, shall constitute Buyer's irrevocable acceptance of the Parts. Accordingly, in the event of any discovery by Buyer of a non-conformity or defect following such acceptance of the Parts, Buyer's sole recourse is a warranty claim pursuant to the warranty provisions stated in Article 8 herein.

6. INSTALLATION, SUPERVISION OR MAINTENANCE SERVICES

6.1 If Seller's scope of supply includes Services (including, but not limited to, installation, supervision or maintenance services), Buyer will provide notice to Seller four to six weeks prior to the date Seller's personnel will be required on site to perform such Services together with confirmation that Buyer has fully completed all work necessary for such Services in accordance with Seller's instructions. In the event that the completion of such Services is delayed by Buyer for any reason not the fault of Seller following Seller's arrival on site, Buyer shall pay for any additional costs resulting from the delay. Seller shall not be responsible for the means and methods selected for such installation, nor for the manner in which such installation services are performed, including the efficiency, adequacy and safety of same. Seller makes no warranty, express or implied, with respect to Services performed without the prior written authorization of the Seller from third parties, except that the Seller shall be responsible for any claims or damages resulting from its own gross negligence.

7. CANCELLATION

- 7.1. Unless otherwise provided in Seller's Documentation, if Buyer cancels or partially cancels a Contract or scheduled maintenance visit without a minimum of 2 weeks' notice, Buyer shall promptly pay Seller for all work whether or not performed on account of the Parts prior to 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 restocking fee.

8. WARRANTY

- 8.1. Subject to the conditions stated below, Seller warrants the Parts against defects in materials and / or workmanship



10 September 2020

in accordance with the following table. Seller shall, at its sole option, repair or replace any Parts that prove upon examination to the satisfaction of Seller to be defective, only if Buyer notifies Seller in writing immediately upon the defect becoming apparent and the defect is due to the faulty design, materials or workmanship of Seller.

8.2. In the event that Seller fails to initiate a corrective action plan to repair or replace the defective components within ten (10) days following Buyer's notification, Buyer may, at their option, take action to repair or replace such defective Part. In such circumstances, Seller has no warranty obligation with regard to the repair or replacement performed by Buyer. Further, if Buyer improperly repairs or replaces the defective Parts and/or uses incompatible components, Seller is not responsible for any costs, damages or malfunctions resulting therefrom.

Product	Condition	Warranty
Spare part	For part previously supplied by	30 days
Replacement part	Original part still in warranty	Balance of the original DNWT warranty
Replacement part	Original part not in warranty	30 days
Repaired part	Original part still in warranty	Balance of the original DNWT warranty
Repaired part	Original part not in warranty	30 days
Electrolytic cell casing	Original part still in warranty	Balance of the original DNWT warranty
Electrolytic cell casing	Original part not in warranty	1 year
Refurbished electrolytic	Original part not in warranty	6 months
New electrolytic cell	Original not in full or prorated	2 years full warranty plus 5 years of prorated
New electrode assembly	Replaces cell in prorated	Balance of the original prorated warranty period
New electrode assembly	Replaces cell in full warranty	Balance of the original DNWT warranty
All others (including	Only as quoted	Only as quoted

DE NORA WATER
TECHNOLOGIES ITALY SRL
WARRANTY RIDER – DOMESTIC
AND INTERNATIONAL



8.3. This Rider supplements and modifies the duration of the warranty period as set forth in the Article 8 of Seller's General Terms and Conditions of Sale. The following warranty periods shall apply specifically and only to Products listed below. Seller warrants the specific products listed below against defects in materials and workmanship for the time period specified below. 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. Any alteration, disassembly, storage or use of the Products not in accordance with Seller's instructions shall void the warranty. Buyer assumes full responsibility in the event Buyer uses the Products in combination with other goods or in any manner not stated in Buyer's 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 Buyer. 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 Buyer.

PRODUCT DESCRIPTION	WARRANTY	
	WARRANTY PERIOD FROM DATE OF INSTALLATION	WARRANTY PERIOD FROM DATE OF DELIVERY
Field Service	120 days from the date of service or until the end of the original warranty period if the service is performed during the warranty period.	
Repair		120 days from the date of shipment or until the end of the product's original warranty period, whichever



10 September 2020

Consumables or spare parts used for maintenance maintain the official guarantee of the supplier on a "pass through" basis		90 days

8.4. If so stated in Seller's Documentation, the Products or designated components thereof are covered only by the warranty extended by the original manufacturer and not by the terms of Seller's warranty as specified above. In the event of a warranty issue regarding such Products or components thereof, Buyer should contact the original manufacturer directly. Seller, at Buyer's request, will act as an agent between Buyer and the original manufacturer to resolve warranty issues. If Seller acts as an agent for such purpose, Buyer must return the Products, or the appropriate components, to the designated manufacturer's facility, shipping charges prepaid. Buyer's sole remedy is the original manufacturer's warranty.

9. MAINTENANCE SERVICES

9.1. Unless otherwise provided for in the Seller's Documents, if Seller's scope of supply consists of and/or includes maintenance services, such maintenance services shall be limited to the normal state of functionality of the machinery/equipment in question as more particularly set out in Supplier's Commercial and Technical Offer and/or in the Purchase Order

10. WARRANTY ON SERVICES

10.1 Seller shall carry out Services using ordinary standards of diligence that would reasonably be expected of an appropriately skilled professional. Buyer shall notify Seller of any defects in the Services within 10 calendar days of discovery of the same. The limitation period for any claim by Buyer alleging any non-conformity, default and/or other failure of the Services under this Contract, Services shall be six months from the date of completion of the Services.

10.2. Any alteration, disassembly, storage or use of the Parts not in accordance with Seller's instructions shall void the warranty. Buyer assumes full responsibility in the event Buyer uses the Parts in combination with other goods or in any manner not stated in Buyer's specifications provided prior to sale.

10.3. All costs associated with removing the Parts from service and re-installing same following examination, repair or replacement are to be borne by Buyer. Seller may, in its sole discretion, require that the Parts 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 Buyer.

10.4. 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 PARTS AND/OR THE SERVICES ARE WARRANTED TO CONFORM IN ALL MATERIAL RESPECTS TO THE RELEVANT AND KNOWN SPECIFICATIONS, AND PERFORMANCE STANDARDS, INCLUDING ANY MUTUALLY AGREED MODIFICATIONS THERETO.

10.5. SELLER'S LIABILITY AND BUYER'S EXCLUSIVE REMEDY FOR ANY FAILURE BY SELLER TO SUPPLY PARTS AND/OR SERVICES THAT MEET THE FOREGOING WARRANTY IS EXPRESSLY LIMITED TO, AT SELLER'S OPTION, THE REPAIR OR REPLACEMENT OF THE NON-CONFORMING PARTS AND/OR MAKE GOOD OF THE NON-CONFORMING SERVICES.

11. INDEMNIFICATION

11.1. Buyer 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 Buyer and Seller are determined by a finder of fact to be negligent and the negligence of



10 September 2020.

Both is a proximate cause of a claim by a third party against either Buyer or Seller, then in such event, Buyer 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.

11.2. Seller agrees to indemnify and hold harmless Buyer against any third party claim alleging that the Parts infringe upon a valid and enforceable patent, provided Buyer gives Seller written notice immediately when such claim is asserted, directly or indirectly. Notwithstanding the foregoing, Seller shall have no liability to Buyer if 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 Buyer;

(b) use of the Parts in a manner for which the Parts were neither designed nor contemplated; or

(c) the claimed infringement of any patent in which the Buyer or any affiliate or subsidiary of Buyer has any direct or indirect interest by license or otherwise.

12. LIMITATION OF LIABILITY

12.1. Seller's total aggregate liability to Buyer with respect to any cause of action or claim hereunder shall not exceed the purchase price payable hereunder for the Parts and/or for the Services.

12.2. In no event shall Seller be liable, either directly or as indemnitor of Buyer, 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.

12.3. Notwithstanding the above, this limitation of liability shall not apply to claims arising from Seller's gross negligence or willful misconduct.

12.4. All of Buyer'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 or action is based.

13. FORCE MAJEURE

13.1. 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.

13.2. 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.

13.3 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 Buyer towards such additional costs of performance, excluding any costs that are covered by Seller's insurance.

14. DEFAULT AND TERMINATION

14.1 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) days to cure the default. If the default is capable of being cured within thirty (30) days and is not cured within thirty (30) days, this Contract may be terminated. In the case of default that cannot be cured within thirty (30) 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.

14.2 For purposes of this Contract, the failure of Buyer to pay Seller in accordance with the payment terms hereunder shall be considered a substantial default for which no cure period beyond thirty (30) days shall be allowed. In the event of the Buyer'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.

14.3 In the event of any termination, Seller shall be paid for Parts delivered and services rendered (including Parts specifically manufactured/assembled or special ordered for the Buyer that have yet to be supplied) through the date of termination.

14.4. 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.

15. INTELLECTUAL PROPERTY

15.1 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 Parts and/or the Services hereunder shall remain Seller's exclusive property. Buyer shall not disclose any such material to third

10 September 2020
parties without Seller's prior written consent.

15.2 Buyer will not undertake any analyses or "reverse engineering" of the Parts for the purpose of designing, developing or manufacturing by the Buyer or by any third party of Parts that compete with the Part(s).

15.3. Seller will retain sole ownership of all discoveries, improvements, inventions, patents, trademarks, copyrights, know-how, trade secrets, or other intellectual property rights associated in any way with the Parts and/or the Services. 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 Parts and/or the Services shall from the time of conception or, in the case of works of authorship, from the time of creation, be the property of Seller.

16. RELIANCE ON INFORMATION

16.1 Buyer acknowledges that Seller has used and relied upon information provided by the Buyer, if any, regarding site conditions, specifications and other technical requirements. Seller shall not be obligated to establish or verify the accuracy of the information furnished by the Buyer nor shall Seller be responsible for the impact or effect on its Parts(s) and any Services provided by Seller hereunder of the information furnished by the Buyer in the event that such information is in error.

17. DISPUTE RESOLUTION

17.1. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be referred to the exclusive jurisdiction of the Courts of Milan, Italy.

18. MISCELLANEOUS PROVISIONS

18.1. These terms and conditions constitute the entire Contract of sale and purchase between Buyer and Seller and supersede 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.

18.2. The English language shall be the official text of this Contract.

18.3 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.

18.4. 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.

18.5. Buyer may not assign or permit any other transfer of this Contract without Seller's prior written consent. Buyer acknowledges that Seller shall be entitled to manufacture or have manufactured the Parts at any of its or its partners' facilities worldwide. The Seller shall inform the Buyer of any change to the manufacturing location of any of the Parts and the parties shall sign any further documents required to give effect to the intent of this provision.

18.6 This Contract is entered into solely between, and may be enforced only by, the Buyer and Seller; and this Contract shall not be deemed to create any rights in third parties, including customers of the Buyer, or to create any obligations to any such third parties.

18.7 These terms and conditions shall be governed by and construed in accordance with the laws of Italy. The United Nations Convention on Contracts for the International Sale of Goods ("CISG") shall not apply to this Contract.

The Buyer

Pursuant to Articles 1341 and 1342 of the Italian Civil Code, the Buyer hereby specifically accepts and approves the following sections of this Contract: 1.2 (Acceptance of the Contract); 2.1 and 2.2 (Prices and interest on delayed payments); 3.2 and 3.3 (Transfer of title); 4.1 (Customs clearance); 5.1 (Rejection of products); 5.2 (Acceptance of products); 6.1 (Seller's liability on services); 8.2, 8.3 and 8.4 (Warranty on Parts); 9.1 (Maintenance); 10.1, 10.2, 10.4 and 10.5 (Warranty and Seller's limitation of liability); 11.2 (Indemnification on patents); 12 (Limitation of liability); 13.2 (Force Majeure); 14.2 (Suspension of performance); 15.1 (Intellectual Property); 16.1 (Reliance on Information); 17.1 (Dispute resolution); 18.1 (Written form for changes); 18.5 (Assignment).

For specific approval
The Buyer

10 September 2020

