

ZYRAMIC

MEMBRANE BIOREACTOR & ULTRAFILTRATION SYSTEMS

Terms and Conditions of Sale

Effective August 2026 — supersedes all prior versions

THESE TERMS AND CONDITIONS GOVERN ALL SALES BY ZYRAMIC, INC. AND APPLY TO THE EXCLUSION OF ANY OTHER TERMS. QUOTATIONS ARE NOT OFFERS CAPABLE OF ACCEPTANCE. NO ORDER IS BINDING ON ZYRAMIC UNTIL CONFIRMED IN WRITING BY AN AUTHORIZED REPRESENTATIVE.

1. Definitions and Precedence

- 1.1** "Seller" means Zyramic, Inc. "Purchaser" means the party to whom the quotation is addressed. "Owner" means the end user of the facility. "Equipment" means the goods, services, drawings, and data described in the quotation.
- 1.2** Terms stated on the face of the quotation take precedence over these Terms and Conditions where they conflict. Terms proposed by Purchaser that are additional to or inconsistent with these Terms and Conditions are not binding on Seller unless expressly accepted in writing. Seller's performance does not constitute acceptance of any differing terms.
- 1.3** Warranty is governed by the separate Zyramic Membrane Module Warranty, which forms part of this agreement. Where that document and these Terms address the same subject, that document controls.

2. Quotations, Orders and Scope

- 2.1** Quotations are valid for thirty (30) days unless otherwise stated and are subject to change or withdrawal before order acknowledgment.
- 2.2** Seller's scope is limited to the Equipment and services expressly listed in the quotation. Items not listed are excluded, including without limitation: site preparation and foundations; unloading, storage, and installation; tankage and civil works; interconnecting piping and valves outside Seller's supply; electrical supply, wiring, and site power; blowers, permeate pumps, and screening equipment unless expressly listed; chemical supply; sludge seeding; seismic bracing; and permits.
- 2.3** Equipment sizing and performance predictions are based on the influent characterization and design conditions supplied by Purchaser. Seller reserves the right to revise design, selection, and price if that information changes.

3. Prices, Taxes, Duties and Tariffs

- 3.1** Prices are EX WORKS (Incoterms 2020) Seller's facility unless otherwise stated, and exclude taxes and duties.
- 3.2** Seller will collect and remit applicable state and local sales and use taxes unless Purchaser provides a valid resale certificate, exemption certificate, or direct pay permit accepted by the taxing jurisdiction prior to shipment. Purchaser is responsible for taxes, interest, and penalties arising from invalid or expired documentation.
- 3.3** Purchaser is responsible for all import duties, tariffs, customs charges, and brokerage fees. If duties, tariffs, freight surcharges, or other governmental charges applicable to the Equipment change after the date of quotation, the price shall be equitably adjusted.

4. Payment

- 4.1** Unless otherwise agreed, payment terms are: ten percent (10%) with purchase order; ten percent (10%) on delivery of approved submittals; fifty percent (50%) on delivery of

equipment other than membrane modules; twenty-five percent (25%) on delivery of membrane modules; and five percent (5%) on completion of startup.

- 4.2** Invoices are due net thirty (30) days. Overdue amounts accrue interest at the lesser of eighteen percent (18%) per annum or the maximum rate permitted by law. Purchaser shall reimburse Seller's costs of collection, including reasonable attorneys' fees.
- 4.3** Payment is not contingent on Purchaser's receipt of payment from any third party. Pay-when-paid and pay-if-paid provisions do not apply to this agreement.
- 4.4** Shipments are subject to credit approval. Seller may require advance payment or security, and may suspend performance or withhold shipment on any failure of payment or on Purchaser's insolvency.

5. Delivery, Title and Risk of Loss

- 5.1** Risk of loss passes to Purchaser in accordance with the applicable Incoterm. Title passes on the later of delivery or receipt by Seller of payment in full; Seller retains a purchase money security interest in the Equipment until paid, and Purchaser authorizes Seller to file financing statements to perfect it.
- 5.2** Shipping dates are estimates based on receipt of an approved submittal and are not guaranteed. Seller is not liable for delay, and delay does not entitle Purchaser to cancel or to damages.
- 5.3** Purchaser shall inspect the Equipment on delivery and notify Seller in writing of shortage or visible damage within ten (10) days. Damage in transit is the responsibility of the carrier or of the party bearing risk of loss.
- 5.4** If shipment is delayed at Purchaser's request, Seller may invoice as of the date the Equipment is ready for shipment and store it at Purchaser's risk and expense.

6. Storage and Handling

Membrane modules may be stored wet or dry and require no wetting agent. Purchaser shall store, protect, and handle the Equipment in accordance with Seller's written instructions. Failure to do so is at Purchaser's risk and may affect warranty coverage.

7. Field Service, Startup and Training

- 7.1** Field service days included in the quotation are for the purposes stated and do not include installation labor. Additional days are billable at Seller's published rates plus travel and living expenses.
- 7.2** If a return trip is required because the site was not ready for a scheduled inspection, startup, or training visit, Purchaser shall reimburse Seller for travel expenses and additional labor at published rates.
- 7.3** Cancellation of a scheduled visit on less than seventy-two (72) hours' notice makes the cancelling party liable for unrecoverable travel costs and unused labor at published rates.

8. Changes and Change Orders

Equipment or services required beyond the scope of the quotation, including those arising from changes to design conditions, specifications, or site requirements after order acknowledgment, shall be the subject of a written change order and an equitable adjustment to price and schedule.

9. Warranty

Warranty is provided exclusively under the Zyramic Membrane Module Warranty in effect on the date of order acknowledgment. That document sets out the full extent of Seller's warranty obligations and Purchaser's exclusive remedies. Except as stated therein, Seller disclaims all warranties, express or implied, including the implied warranties of merchantability and fitness for a particular purpose.

10. Performance Guarantees

Seller does not guarantee effluent quality, permit compliance, membrane service life, or process performance except where a written performance guarantee is expressly issued by Seller and separately priced. Any such guarantee is conditioned on operation within the design basis and the operating envelope stated in the warranty document.

11. Limitation of Liability

11.1 SELLER'S AGGREGATE AND CUMULATIVE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STATUTE, OR OTHERWISE, SHALL BE LIMITED TO DIRECT DAMAGES AND SHALL NOT EXCEED THE PURCHASE PRICE OF THE EQUIPMENT GIVING RISE TO THE CLAIM.

11.2 SELLER SHALL HAVE NO LIABILITY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOSS OF USE, LOSS OF PROFIT OR REVENUE, LOSS OF PRODUCTION, COST OF CAPITAL, COST OF SUBSTITUTE TREATMENT OR HAULING, REGULATORY FINES OR PENALTIES, OR CLAIMS OF THIRD PARTIES.

11.3 These limitations apply notwithstanding the failure of essential purpose of any limited remedy, and survive termination.

12. Indemnification

12.1 Purchaser shall indemnify, defend, and hold harmless Seller against claims, losses, and expenses arising from Purchaser's or Owner's negligence, misuse of the Equipment, operation outside the design basis, or failure to comply with applicable law.

12.2 Seller shall indemnify, defend, and hold harmless Purchaser against claims of bodily injury or property damage to the extent caused by Seller's negligence or willful misconduct, subject to the limitations of Section 11.

13. Intellectual Property

13.1 Seller shall defend Purchaser against any claim that Equipment of Seller's design infringes a United States patent or other intellectual property right, and shall pay damages finally awarded, provided Purchaser gives prompt written notice and sole control of the defense. Seller may, at its option, procure the right to continue use, modify the Equipment, or refund the purchase price less reasonable depreciation. This obligation does not extend to Equipment modified by Purchaser, combined with items not supplied by Seller, or built to Purchaser's design.

13.2 Purchaser shall indemnify Seller against claims arising from designs, specifications, or processes furnished by Purchaser.

13.3 All drawings, designs, technical data, and know-how furnished by Seller remain the exclusive property of Seller. Nothing in this agreement transfers any license or right in Seller's patents, patent applications, trade secrets, or proprietary air scour technology.

14. Confidentiality

Seller's drawings, specifications, pricing, and technical information are confidential and shall not be disclosed to third parties, and specifically not to competing suppliers, without Seller's prior written consent. This obligation survives completion or termination of the order.

15. Domestic Preference and Certification

Where the project is subject to domestic preference requirements, Seller will furnish a certification consistent with the manufacturing origin of the Equipment upon written request identifying the project and the applicable requirement. Seller makes no representation as to whether the project as a whole satisfies any such requirement, which is the responsibility of the assistance recipient.

16. Force Majeure

Seller is not liable for failure or delay in performance caused by events beyond its reasonable control, including acts of God, fire, flood, severe weather, epidemic, war, terrorism, civil unrest, labor disputes, supplier or subcontractor delay, shortage or unavailability of materials, transportation disruption, cyber incident, or action of government including export restriction, tariff, or embargo. Seller may extend the time for performance or, if the event continues for more than one hundred eighty (180) days, terminate the affected portion of the order without liability.

17. Cancellation and Suspension

- 17.1 Orders may not be cancelled by Purchaser without Seller's written consent. Where consent is given, Purchaser shall pay cancellation charges covering work performed, materials committed, restocking, and a reasonable allowance for profit on the cancelled portion.
- 17.2 Custom-manufactured items, including molded components and membrane modules, are non-cancellable and non-returnable once production has commenced.
- 17.3 If Purchaser suspends the order for more than sixty (60) days, Seller may invoice for work completed and store the Equipment at Purchaser's risk and expense.

18. Compliance with Law

Each party shall comply with applicable law. Purchaser shall not export, re-export, or transfer the Equipment or related technical data in violation of United States export control or sanctions laws, and shall obtain any required licenses.

19. Governing Law and Disputes

- 19.1 This agreement is governed by the laws of the State of New York, without regard to its conflict of laws principles. The United Nations Convention on Contracts for the International Sale of Goods does not apply.
- 19.2 The parties shall attempt in good faith to resolve any dispute by negotiation. Disputes not resolved within thirty (30) days may be brought in any court of competent jurisdiction. If Purchaser's contract with the Owner (or the project's prime contract) requires a different governing law or venue for this supply, that requirement will be stated on the order acknowledgment and will control.
- 19.3 Any claim arising out of this agreement must be brought within one (1) year after the cause of action accrues.

20. General

- 20.1 Purchaser may not assign this agreement without Seller's written consent. Seller may assign to an affiliate or in connection with a sale of its business.
- 20.2 If any provision is held unenforceable, the remainder shall remain in effect and the provision shall be modified to the minimum extent necessary to be enforceable.
- 20.3 No waiver of any breach operates as a waiver of any other breach. No modification is effective unless in writing and signed by an authorized representative of Seller.
- 20.4 These Terms and Conditions, the quotation, and the Zyramic Membrane Module Warranty constitute the entire agreement and supersede all prior communications.
- 20.5 There are no third-party beneficiaries to this agreement.