

WATERLINE RENEWAL TECHNOLOGIES, INC. AND ITS SUBSIDIARIES
Terms and Conditions of Sale

1. **Applicability.** These terms and conditions of Seller are incorporated into the accompanying confirmation of sale or order acknowledgement (the “**Sales Confirmation**,” together with these Terms and Conditions of Sale, the “**Contract**”) to which the seller named under the Sales Confirmation (such applicable entity, “**Seller**”) sells goods or products (collectively, the “**Products**”) and/or provides services or training (collectively, “**Services**”) to the buyer named in the Sales Confirmation (“**Buyer**”). Seller objects to, and is not bound by any term or condition in Buyer’s order, regardless of whether or when Buyer has submitted its order or such terms or conditions, and Seller agrees to sell to Buyer, the Products or Services described or referred to in the Sales Confirmation, only on the express condition that Buyer assents to these terms and conditions. Buyer’s acceptance is limited to the exact terms and conditions set forth herein, and any additional or different terms or conditions proposed by Buyer are hereby expressly rejected.

2. **Delivery of Products.** Unless other shipment terms are specified by Seller in a Sales Confirmation, all Products shipped are Ex Works Seller’s location (INCOTERMS 2020). Title to all Products sold under this Contract will pass to Buyer when the Products are made available to Buyer at Seller’s location. Carrier routing instructions shall be provided to Seller by Buyer at least 48 hours prior to shipment. Products on which manufacture or delivery is delayed due to any cause within Buyer’s control may be placed in storage by Seller, for Buyer’s account and risk, and regular charges and expenses in connection therewith shall be paid by Buyer; provided, if, in Seller’s sole discretion, it is unable to obtain or continue such storage, Buyer will, on request, provide or arrange for suitable storage facilities and assume all costs and risks in connection therewith. Each shipment or delivery of Product shall stand as a separate sale.

3. **Performance of Services.** Seller shall use reasonable efforts to provide the Services specified in the Sales Confirmation. Any dates regarding completion of the Services are estimates only. Buyer shall (a) cooperate with Seller in all matters relating to the Services and provide such access to Buyer’s premises, and such office accommodation and other facilities, as may reasonably be requested by Seller, (b) respond promptly to any Seller request to provide information or decisions that are reasonably necessary for Seller to perform Services, and (c) obtain all necessary consents, and comply with all applicable laws, relating to the Services.

4. **Buyer’s Acts.** If Seller’s performance of its obligations under this Contract is prevented or delayed by any act or omission of Buyer or its employees or agents, Seller will not be deemed in breach of its obligations under this Contract to the extent arising from such prevention or delay.

5. **Acceptance.** Buyer shall immediately and irrevocably accept Products and Services when tendered. If Buyer refuses to receive or take possession of such Products and Services when tendered, Seller may exercise any or all of the remedies afforded to sellers by section 2-703 et seq. of the Uniform Commercial Code, in addition to any or all remedies provided by law. Seller shall have no obligation to hold or resell such Products for Buyer’s account.

6. **Inspection and Rejection of Nonconforming Products; Returns.**

(a) Buyer shall inspect the Products within ten days of receipt (“**Inspection Period**”). Buyer will be deemed to have accepted the Products unless it notifies Seller in writing of any Products that do not materially conform to Seller’s specifications in effect as of the date of manufacture (“**Nonconforming Products**”).

(b) If Buyer timely notifies Seller of any Nonconforming Products, Seller shall, in its sole discretion, (i) replace such Nonconforming Products with conforming Products, or (ii) credit or refund the Price for such Nonconforming Products, together with any reasonable shipping expenses incurred by Buyer in connection with such Nonconforming Products. Buyer shall ship, at Seller’s expense and risk of loss, the Nonconforming Products to the facility designated by Seller. If Seller exercises its option to replace the Nonconforming Products, Seller shall, after receiving Buyer’s shipment of Nonconforming Products, deliver the replaced Products to Buyer’s location. Buyer acknowledges and agrees that the remedies set forth in this Section are Buyer’s exclusive remedies for the delivery of Nonconforming Products.

(c) Subject to this Section 6(c), Buyer shall have the right to return to Seller, at Buyer’s expense and risk of loss, such Products as Seller identifies as stock product (which, without limitation, excludes all special order and third-party Products) if Seller receives delivery thereof at its specified address within thirty (30) days after the

date of original shipment from Seller's location and such Products are in new, unopened condition. Buyer must notify Seller in writing of its desire to return specified Products, confirm with Seller that the applicable Products are identified as stock product by Seller, and confirm Seller's desired location of delivery by Buyer of such Products. In the event of Buyer's compliance with this Section 6(c), including Seller's receipt of applicable Products in new, unopened condition at Seller's specified address within thirty (30) days after the date of original shipment from Seller's location, Seller shall issue to Buyer a refund in the amount of eighty-five percent (85%) of the initial purchase price actually paid by Buyer to Seller with respect to such Products (i.e., reduced by a fifteen percent (15%) restocking fee). Refunds in accordance with this Section 6(c) shall be issued in the same form as original payment was made, subject to Seller's agreement to the contrary; provided, however, in the event Buyer has not paid in full the applicable purchase price for the returned Products, then refund shall be issued by setoff against amounts owed by Seller to Buyer. For purposes of clarity and not limitation, special order and third-party Products are not capable of return pursuant to this Section 6(c).

(d) Except as provided under this Section, all sales of Products to Buyer are made on a one-way basis and Buyer has no right to return Products purchased under this Contract to Seller.

7. **Representation of Solvency.** Buyer represents and warrants that it is not insolvent as that term is defined in section 1-201(23) of the Uniform Commercial Code. In the event that Buyer becomes insolvent as defined in section 1-201(23) prior to delivery of Products, it will immediately notify Seller. Failure to so notify Seller shall constitute a written reaffirmation of Buyer's solvency at the time of delivery.

8. **Warranty.**

(a) **CIPP Warranty.** Subject to Section 8(c), Seller warrants, for a period of ten years from the date of delivery to Buyer, that all cured-in-place pipe Products which are consumable materials (the "**CIPP Products**") will be (a) if installed within 180 days of manufacture, free from material defects in material and workmanship, and (b) manufactured to the requirements of ASTM F1216 (*Standard Practice for Rehabilitation of Existing Pipelines and Conduits by the Inversion and Curing of a Resin-Impregnated Tube*) in effect as of the date of this Contract.

(b) **Non-CIPP Warranty.** Subject to Section 8(c), Seller warrants, for a period of one year from the date of delivery to Buyer, that the Products other than the CIPP Products (including, without limitation, installation equipment and accessories) will be free from material defects in material and workmanship. For purposes of clarity, a Product other than CIPP Products which is manufactured or compiled by Seller but which includes a component manufactured by a third-party are Products within the scope of the warranty of this Section 8(b).

(c) **Third-Party Products.** Products not manufactured by Seller (each a "**Third-Party Product**") are not covered by the warranties in this Section 8. ***Seller makes no representations or warranties with respect to any Third-Party Products.*** However, Seller hereby passes through any warranties that the manufacturer of any such Third-Party Product provides Seller and authorizes Sellers to pass-through to Buyer. In the event Seller is an authorized warranty provider, Seller may assist Buyer with respect to the administration of the warranty with respect to Third-Party Products.

(d) **Services.** With respect to any Services that include education, training, instruction, or other feedback with respect to use or installation of Products (collectively, "**Training Services**"), and without limiting the provisions of Section 15, Buyer understands and agrees that: (i) all Training Services are provided without representation or warranty of any kind, and any representation or warranty, including any implied representation or warranty, is hereby disclaimed; (ii) Buyer is in full control of and responsible for its use of Products or other equipment, materials, or other products and any related installation (collectively, "**Project Installation**") and neither Seller nor any of its affiliates will, or will be deemed to, advise on, perform, or oversee Project Installation; (iii) Buyer is required to and, by purchasing Products and obtaining Services, is representing that it is knowledgeable and experienced with respect to the use of Products and Project Installation; (iv) while Seller may seek to provide certain tips and recommendations with respect to the use of Products or Project Installation, such Training Services are necessarily superficial in nature and limited in scope; and (v) neither Seller nor any of its affiliates is under any obligation to supplement any Training Services.

(e) **Warranty Limitations.** The warranties set forth in this Section do not apply to (i) any non-conformity to the warranties in this Section 8 (each a “**Defect**” or, as a descriptor for a Product or part, “**Defective**”) that could have been detected by an inspection by Buyer under Section 6(a), (ii) any Defect due to a force majeure event, misuse, accident, abuse, neglect, damage, normal wear and tear, corrosion, abrasion, use of unsuitable lubricants, negligence (other than Seller’s), modification or alteration not performed by Seller, improper installation, improper type of pipe for installation, improper repair, improper handling, improper application, improper operation or use, improper or insufficient maintenance, storage outside of the recommended temperature range, Seller’s reliance on the drawings, specifications, samples, descriptions and/or other requirements provided by Buyer or on Buyer’s behalf, or any other cause not the fault of Seller, or (iii) with respect to CIPP Products, any CIPP Products (A) installed in gravity fed pipes deeper than the depth approved by a certified engineer licensed to make such determinations (or deeper than the depth approved in advance by Seller), (B) installed in pipes that do not consist of normal, standard sanitary sewer flows, or (C) not installed or operating in accordance with the techniques mandated by Seller and, when not in conflict, consistent with industry practice. Without limiting the foregoing, Buyer acknowledges and agrees that certain of the Products contain hazardous materials requiring proper storage, handling, and use (including, without limitation, with respect to ventilation in connection with Products containing styrene or similar chemicals) to prevent injury or other harm. By purchasing the Products, Buyer represents and warrants that it has familiarized itself with the warning labels, safety data sheets, and instructions and manuals with respect to the storage, handling, and use of the Products, and Buyer acknowledges that it has been advised to alert its customers and any third-parties potentially impacted by Buyer’s or its customer’s storage, handling, or use of the Products of such storage, handling, and use requirements and directives and the risk of noncompliance.

(f) **Exclusive Remedy.** During the applicable warranty period, with respect to any Defective Products, Buyer shall notify Seller, in writing, of any alleged Defect within five days from the date Buyer discovers, or upon reasonable inspection should have discovered, such alleged Defect (in any event before the expiration of the applicable warranty period), and ship, at Buyer’s sole expense and risk of loss, such allegedly Defective Products to the facility designated by Seller for inspection and testing by Seller. If Seller’s inspection and testing reveals, to Seller’s reasonable satisfaction, that such Products are Defective and any such Defect has not been caused by or subject to any of the factors described under Section 8(e), Seller shall, in its sole discretion, either (i) repair or replace such Defective Products (or the Defective part) or (ii) credit or refund the price of such Defective Product. If Seller exercises its option to repair or replace, Seller shall, after receiving Buyer’s shipment of such Defective Products, deliver the repaired or replaced Products to Buyer’s location. *This Section 8(f) sets forth Buyer’s sole and exclusive remedy and Seller’s entire liability for any breach of the warranty set forth in this Section 8.*

(g) **Disclaimer.** *Except for the warranties set forth in this Section 8 (and without limiting Section 8(d)), Seller makes no warranty with respect to the Products or Services, including any (i) warranty of merchantability, (ii) warranty of fitness for a particular purpose, (iii) warranty of title, or (iv) warranty against infringement of intellectual property rights of a third party, whether express or implied by law, course of dealing, course of performance, usage of trade, or otherwise. Buyer waives any and all claims and causes of action arising out of or related in any way to the provision of, or failure to provide, Training Services. Buyer agrees to indemnify and defend Seller and its affiliates and their respective directors, managers, officers, employees, and agents (collectively, the “Seller Parties”), and hold the Seller Parties harmless from and against any and all claims arising out of or related in any way to Project Installation or Training Services.*

9. **Limitations of Liability.** *The aggregate liability of Seller arising out of this Contract, whether arising from breach of warranty, breach of contract, tort (including negligence), or otherwise, shall not in any case exceed the total of the amounts paid to Seller under this Contract. Under no circumstances shall Seller be liable to Buyer or any third party for any indirect, special, consequential, exemplary, punitive, or incidental damages, including, but not limited to, any type of intangible loss, lost goodwill or business reputation, lost profits, loss of use, loss of data, work stoppage, liability of Buyer to its customers or others, impairment of other goods, or cost of substitute goods or services, whether arising out of any express or implied warranty, breach of contract, tort (including negligence), or any other theory of liability. Buyer assumes sole responsibility and liability for any loss, damage, or injury to persons or property arising out of, connected with, or resulting from the use of the Products or Services, either alone or in combination with other products/components. Seller neither assumes nor authorizes any person to assume for it any other liability in connection with the sale or use of the Products or Services.*

10. **Payment.** Buyer shall purchase the Products and Services at the prices (the “**Prices**”) set forth in the Sales Confirmation. If there are no payment terms in the Sales Confirmation, then payment terms are net thirty (30) days. Buyer has no right of set-off. Any freight or shipping, and any tax, tariff, duties, or other charge (collectively,

“Charges”) now or thereafter levied upon the production, sale, use or shipment of Products or Services will be charged to and paid for by Buyer. Such Charges are not included in Seller’s price(s) unless expressly so stated in the Sales Confirmation. Payment shall not be deemed to have been effected until Seller’s account has been fully and irrevocably credited. If Buyer fails to pay the required amount on the due date thereof, Seller shall be entitled to interest from the day on which payment was due at the rate of 1.5% per month until the payment is made in full or the highest rate allowed by applicable law, whichever is less. In case of late payment, Seller may suspend its performance of the Contract until it receives payment in full or may terminate the Contract. Seller’s claim for compensation for the losses and damages it has incurred shall survive any such termination. The existence of a claim or dispute between Buyer and Seller does not relieve Buyer of the obligation to remit payment in full to Seller. Seller’s prices are subject to change upon fifteen (15) days’ notice. Each delivery of Product and performance of Services is subject to credit arrangements to the satisfaction of Seller, or to payment in cash. If payments are not made in accordance with such arrangement, or if at any time Seller in its judgment determines that Buyer’s credit standing has been impaired, Seller may cancel the Contract and/or withhold delivery of any Products and resell same and/or withhold performance of Services, unless payment arrangements satisfactory to Seller have been established.

11. **Seller’s Remedies.** Should Buyer fail to comply with the terms and conditions set forth herein, or if any writ or execution be levied on any of Buyer’s property, or a receiver be appointed, or if a petition in bankruptcy be filed by or against Buyer, Seller may, upon election, take one or more of the following actions: (a) terminate this Contract; and (b) demand the entire purchase price stated in any then-pending or open orders or purchases for Products or Services not yet paid in full by Buyer or may, without notice or demand by process of law or otherwise, take possession of all or any of the Products, wherever located, and retain all monies theretofore paid as compensation for the reasonable use of such Products. Buyer hereby waives any and all claims, damages and demands against Seller arising out of the repossession, retention and repair as aforesaid. Additionally, if the Contract is breached or Seller is required to expend costs and expenses in collecting any amounts owing or enforcement of Seller’s remedies, Buyer shall reimburse Seller for all reasonable attorneys’ fees and other fees and expenses. All rights and remedies contained herein are cumulative and not alternative. Seller reserves all other rights and remedies at law or equity available to it in the event of Buyer’s breach.

12. **Plans, Drawings and Illustrations.** Any pages, catalogue illustrations, and preliminary drawings contained in a proposal provided by Seller are submitted only to show the general style, arrangement, approximate dimensions and weight of the Products. Seller reserves the right to make such changes of design, specification, construction or arrangement as it deems necessary or appropriate without prior notice to Buyer. Seller shall have no obligation to install or make such change in any Products manufactured prior to the date of such change.

13. **Confidential Information Disclosed by Seller.** All proposals and all drawings, notebooks, operating data, specifications, installation information and protocols, and other information, knowledge, data and material (whether orally disclosed, printed, handwritten, typed, numerically or computer generated, computer stored, or otherwise) furnished to Buyer by either Seller or any of its subcontractors or sub-suppliers (including with respect to any Training Services) shall remain the proprietary and confidential property of Seller or the subcontractor or sub-supplier, respectively, and shall be used by Buyer only to exercise its rights or perform its obligations under this Contract. Such proprietary and confidential information and data shall not be disclosed or otherwise made available to any third party at any time without Seller’s prior written consent. Neither Buyer itself shall, nor shall Buyer permit any third party to, reverse engineer, measure or otherwise technically examine or test Products without Seller’s prior written consent. Any such proprietary and confidential information which Buyer determines must be disclosed to its employees shall only be disclosed to them on a need-to-know basis for the operation, maintenance, and repair of Seller Products provided under the Contract and on condition that such employees agree to confidentiality obligations no less restrictive than those contained in this Section. Buyer will be liable for breach of its obligations under this Section by its employees and agents. Buyer shall return or destroy (with certification of such action by an authorized representative) Seller’s proprietary and confidential information upon the earlier of Seller’s request and termination of this Contract.

14. **Intellectual Property.** Intellectual property rights (including, without limitation, patent rights) which may be obtained on the basis of the information given or made available to Buyer with respect to Seller or the Products shall remain the exclusive property of Seller or its subcontractor and/or sub-supplier, respectively. Seller retains all intellectual property rights in the Products and all rights, title, and interest in all materials (tangible and intangible) developed by Seller in connection with this Contract. Buyer hereby grants Seller a license to use Buyer’s intellectual

property provided to Seller under this Contract for the purpose of performing its obligations under this Contract. Buyer shall defend, indemnify, and hold harmless Seller from and against all claims and liabilities resulting from allegations that, because of Buyer-supplied designs, specifications, processes, information, or documentation, any Products or portion thereof infringe or misappropriate any third party intellectual property right or result in unfair competition, and also from allegations that product liability has resulted from any Buyer-supplied designs, specifications, processes, information, or documentation.

15. **Procedures.** Buyer shall comply with all applicable laws, rules, regulations, codes, and standards. Buyer shall use, and shall train and require its employees to use and shall cause any end user to use, all safety devices, guards, and proper safe operating and maintenance procedures as prescribed by all applicable laws, rules, regulations, codes and standards and as set forth in operating and maintenance manuals and instruction sheets furnished by Seller with respect to the Products; provided, however, Seller shall have no obligation to so provide such procedures. Buyer shall not, and shall cause any end user not to, (a) remove or modify any safety device, guard or warning sign; (b) use Products for any use or application not provided by the operating and maintenance manuals and instruction sheets furnished by Seller; or (c) utilize any non-original replacement parts not specifically authorized in writing by Seller or make other changes in Products without Seller's specific written authorization. Buyer acknowledges that any modification of the Products may present a serious risk of personal and property damage. Any technical advice or recommendation made by Seller concerning the Products is intended for use by persons having appropriate skill, know-how, and judgment in the selection, uses, and applications of such Products.

16. **Standards and Tolerances.** All Product dimensions and published information are subject to change without notice. All Products are subject to standard trade tolerances and variations concerning dimensions, composition and mechanical properties, and normal variations in performance characteristics and quality.

17. **Force Majeure.** Seller shall not be liable for any loss or damage from delay in completion or delivery of any Products as a result of causes beyond its reasonable control, including without limitation: (a) acts of God, unforeseeable circumstances, acts (including delay or failure to act) of any governmental authority (de jure or de facto), government regulation, changes in laws, war (declared or undeclared), riot, revolution, civil disobedience, unrest, acts of terrorism, priorities, strikes or other labor difficulties, explosions, fires, floods, inclement weather, quarantine restrictions, sabotage, pandemics or epidemics; (b) inability to timely obtain, at normal prevailing market prices, necessary or suitable labor, material, components, energy, manufacturing facilities, or transportation; and (c) any other cause beyond Seller's reasonable control if by reason thereof Seller is unable to supply the total quantity of Products to be delivered under the Contract. Seller may make partial delivery of Buyer's order, or may distribute the available supply of Products among any or all of Seller's customers on such basis as it may deem appropriate without liability for any failure of performance which may result therefrom. In the event of any delay, Seller will notify Buyer within a reasonable time, and the date of delivery shall be extended for a period at least equal to the time lost by reason thereof.

18. **Assignment.** Buyer shall not assign any interest herein or any rights or obligations hereunder, and any attempt to do so shall be void, without the written consent of Seller's authorized representative, which consent may be withheld or delayed for any reason or no reason. These terms and conditions shall inure to the benefit of Seller and its successors and assigns.

19. **Waiver of Terms and Conditions.** The failure of Seller in any one or more instances to insist upon performance of any term or condition set forth herein or to exercise any right or privilege hereunder, or the waiver by Seller of any breach by Buyer of any of these terms or conditions, shall not be construed as generally waiving any term, condition, right, or privilege, and these terms and conditions shall continue and remain in full force and effect as if no failure or waiver had occurred.

20. **Dispute Resolution.** Any controversy, dispute or difference (the "**Dispute**") that cannot be resolved within fourteen (14) days or such longer time as mutually agreed shall be submitted for resolution to the appropriate executive officers of Buyer and Seller. If those officers cannot resolve the matter within twenty-one (21) days, then the parties' sole recourse is to submit the Dispute (i) to the exclusive jurisdiction of the state courts located in Cook County, Illinois if the amount in controversy is \$10,000 or less and (ii) to final and binding arbitration before the American Arbitration Association pursuant to its Commercial Arbitration Rules if the amount in controversy exceeds \$10,000. Judgment on the award rendered by an arbitrator may be entered in any court having jurisdiction thereof. The place of any arbitration will be Chicago, Illinois or such location as the parties mutually agree. The prevailing party in connection with any Dispute shall be entitled to its costs and reasonable attorneys' fees, including arbitrator's fees and

administrative fees. No Dispute, nor arbitration or action arising out of any Dispute, may be brought by either party more than two (2) years after the cause of action has accrued.

21. **Governing Law.** These terms and conditions and referencing documents (collectively, the “**Contract**”) and any dispute related thereto shall be construed under and governed by the laws of the State of Illinois without regard to its conflicts of laws principles. NEITHER THE PROVISIONS OF THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS NOR THE PROVISIONS OF THE UNITED NATIONS CONVENTION ON THE LIMITATION PERIOD IN THE INTERNATIONAL SALE OF GOODS SHALL APPLY TO THIS CONTRACT.

22. **Severability.** Whenever possible, each provision of this Contract shall be interpreted in such manner as to be effective and valid under applicable law. If any of the provisions in this Contract are determined to be unenforceable by reason of extent, scope, duration or otherwise, then the parties agree that the tribunal hearing the matter shall reduce such provision only to the extent necessary for enforcement. If the choice of law provision set forth herein is not enforced, then the parties agree that the tribunal hearing the matter shall enforce the provisions of this Contract to the fullest extent possible under applicable law. If any provision of this Contract shall be deemed prohibited or invalid under applicable law, said provision shall be ineffective only to the extent of said prohibition or invalidity, and said prohibition or invalidity shall not invalidate the remainder of said provision or any other provision of this Contract.

23. **Amendments.** No amendment of this Contract will be effective unless it is in writing and signed by the parties.

24. **Entire Agreement.** This Contract can only be modified, terminated, or rescinded in writing by Seller’s authorized representative. This Contract constitutes the entire agreement between Seller and Buyer with respect to the Products and Services covered hereby and supersedes any prior or other agreements, written or oral, between Buyer and Seller, concerning the subject matter hereof. All typographical or clerical errors made by Seller in any Seller proposal, acknowledgment or publication are subject to correction. The provisions of this Contract that by their nature are intended to survive the cancellation, expiration or termination of this Contract shall so survive.

25. **Notices.** All notices and other communications under this Contract (each, a “**Notice**”) shall be in writing and addressed to the parties at the addresses set forth on the face of the Sales Confirmation or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Contract, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.