
TERMS OF SALE · FORM 40-C0030-EN

General terms and conditions of sale

For all sales by Second Life RO Manufacturing FZ-LLC.

Replaces the version of 12 August 2024.

1 Scope

- 1.1 These General Terms and Conditions of Sale ("Terms") apply to every sale of Products by Second Life RO to Buyer, unless the Parties agree otherwise in writing.
- 1.2 Any change to these Terms, or any exception from them, for a specific Contract is valid only if both Parties agree to it in writing.

2 Definitions

- 2.1 In these Terms:

"Second Life RO" means the Second Life RO Manufacturing FZ-LLC entity named in the Contract.

"Buyer" means the buyer named in the Contract.

"Parties" means Second Life RO and Buyer, and "Party" means either of them.

"Products" means the products listed in the Contract.

"Contract" means any of the following, together with its appendices: (i) a contract signed by both Parties for the sale of Products; (ii) a written purchase order from Buyer that Second Life RO has accepted in writing; or (iii) a written quotation from Second Life RO that Buyer has accepted in writing.

"Warranty" means Second Life RO's Three-Year Prorated Limited Warranty for regenerated elements, as described in section 11.

"Gross Negligence" means acting, or failing to act, in clear disregard of serious consequences that a careful supplier would have expected.

- 2.2 Some other terms are defined where they first appear.
- 2.3 "In writing" means a document signed by both Parties, a letter, an email, or any other form the Parties agree on.

3 Quotations and order documents

- 3.1 Terms printed on or attached to Buyer's purchase order, acceptance or other documents do not become part of the Contract just because the Contract mentions those documents.
- 3.2 A quotation from Second Life RO is valid for 30 calendar days from its date, unless Second Life RO states otherwise in writing. Until Buyer accepts it, Second Life RO may withdraw or cancel the quotation at any

time, with or without notice and without giving a reason. Second Life RO may still choose to accept an order or acceptance that reaches it after the 30 days.

4 Product information

Information and data in brochures, datasheets, price lists and other general product documents, in any format, are binding only where the Contract expressly refers to them.

5 Drawings and technical documents

- 5.1** Drawings and technical documents about the Products or their manufacture stay the property of the Party that provided them, whether they were provided before or after the Contract was made.
- 5.2** The Party that receives drawings, technical documents or other technical information may use them only for the purpose for which they were provided. Without the consent of the Party that provided them, it may not copy, reproduce, pass on or disclose them to any third party.
- 5.3** By the time of Delivery at the latest, Second Life RO will provide Buyer, free of charge and in electronic form, the information and drawings Buyer needs to operate and maintain the Products. Second Life RO does not have to provide manufacturing drawings for the Products or for spare parts.

6 Inspection and testing

- 6.1** Inspection
 - 6.1.1** Where the Contract expressly allows it, Buyer's authorised representatives may inspect and check the quality of the finished Products. The inspection takes place at the place of manufacture, during normal working hours, on a date and at a time agreed with Second Life RO, and at Buyer's cost.
- 6.2** Testing
 - 6.2.1** Second Life RO carries out a factory quality acceptance test at its place of manufacture, during normal working hours, on every standard Product it manufactures itself.
 - 6.2.2** Second Life RO runs these tests according to its own standard practice.
 - 6.2.3** For standard Products, as Second Life RO defines them from time to time, each Product is delivered with a production label confirming that it passed the test procedure and is approved. If Buyer asks in writing before the test is run, Second Life RO will send a test report at an extra cost that Second Life RO sets on a reasonable basis.
 - 6.2.4** If an acceptance test shows that a Product does not comply with the Contract, Second Life RO will correct the deficiency without delay so that the Product complies. At Buyer's request the test is then repeated, unless Second Life RO considers the deficiency insignificant.
 - 6.2.5** Second Life RO pays the costs of acceptance tests at its place of manufacture. Buyer pays all costs and expenses of its own representatives at those tests, and all costs of any optional tests Buyer requests.

7 Delivery and risk

- 7.1** Any trade term agreed in the Contract is interpreted according to the latest version of INCOTERMS. If no trade term is agreed, delivery ("Delivery") is EXW (Ex Works) Second Life RO's plant, WFZ03-06, Shed No. 03, Al Hamra Industrial Zone, Ras Al Khaimah, UAE.
- 7.2** Second Life RO may deliver in partial shipments unless the Contract says otherwise.

8 Delivery time and delay

8.1 When the delivery period starts

If the Contract sets a period for Delivery instead of a date, that period starts once all of the following are in place: the Contract has been made, all official formalities are complete, all payments due on signing have been made, any agreed securities have been given, and every other agreed precondition has been met.

8.2 Delay by Second Life RO

8.2.1 Delivery times given by Second Life RO are estimates. Second Life RO will make reasonable efforts to deliver on time. If Second Life RO expects that it will not deliver at the agreed time ("Delay"), it will tell Buyer and, where possible, give the date when Delivery can be expected.

8.2.2 The time for Delivery is extended by a reasonable period, taking account of all the circumstances, if Delay is caused by Force Majeure under section 14, or by anything Buyer does or fails to do, including a suspension under section 10.4 or section 15. This applies whether the cause arises before or after the agreed Delivery time.

8.2.3 If there is Delay, Buyer may demand Delivery in writing within a final reasonable period of at least 90 days from the date Second Life RO receives the demand. If Second Life RO does not deliver within that final period, and the reason is neither something Buyer is responsible for nor a Delay covered by section 8.3 or section 14, Buyer may terminate the Contract by written notice for the part of the Products that, because of the failure to deliver, cannot be used as the Parties intended. BUYER IS NOT ENTITLED TO LIQUIDATED DAMAGES FOR DELAY IN ANY CASE.

8.2.4 If Buyer terminates the Contract because of Delay, Buyer is entitled to compensation for the loss the Delay has caused it. The total compensation will not exceed 10% of the part of the purchase price that relates to the Products for which the Contract is terminated.

8.2.5 Termination with the limited compensation in section 8.2.4 is Buyer's only remedy for Delay by Second Life RO. Buyer has no other claim against Second Life RO based on Delay.

8.3 Delay by Buyer

8.3.1 If Buyer expects that it will not be able to accept Delivery at the agreed time, it will tell Second Life RO in writing straight away, giving the reason and, where possible, the date when it will be able to accept Delivery.

8.3.2 If Buyer does not accept Delivery at the agreed time, for whatever reason, Buyer still pays any part of the purchase price that falls due on Delivery, as if Delivery had taken place. Second Life RO will arrange storage of the Products at Buyer's risk and cost. Buyer also pays any other direct or financial costs that its failure to accept Delivery causes. If Buyer asks in writing, Second Life RO will insure the Products on Buyer's behalf and at Buyer's cost.

8.3.3 Unless Buyer's failure to accept Delivery is caused by Force Majeure under section 14, Second Life RO may require Buyer by written notice to accept Delivery within a final reasonable period.

8.3.4 If Buyer does not accept Delivery within that final period, for a reason Second Life RO is not responsible for, Second Life RO may terminate the Contract in whole or in part by written notice. Second Life RO is then entitled to compensation for the loss Buyer's default has caused it. The compensation will not exceed the part of the purchase price that relates to the Products for which the Contract is terminated.

9 Changes and cancellation

9.1 If Buyer asks to change the Contract and Second Life RO agrees, which it will not refuse without good reason, the change is treated as a new Contract. The Delivery time then starts again from the date on which Second Life RO approves the change in writing.

9.2 Buyer pays all extra costs caused by the change, on top of the purchase price.

- 9.3** If Buyer cancels all or part of the Contract without cause, Buyer will pay Second Life RO, unless agreed otherwise in writing:

(i) all costs and expenses Second Life RO has incurred under the Contract up to and including the date of cancellation; (ii) any extra costs and expenses caused by the cancellation; and (iii) Second Life RO's profit margin on the work already done, plus a reasonable cancellation charge.

10 Prices and payment

- 10.1** Where the Contract does not state a price, the price is the one in Second Life RO's price list on the date of Delivery. Unless Second Life RO agrees otherwise in writing, Buyer pays the full price in advance by bank transfer, in the currency stated in the Contract.
- 10.2** Whatever payment method is used, payment counts as made only when the full amount has been credited to Second Life RO's account and can no longer be reversed.
- 10.3** If Buyer pays late, Second Life RO is entitled to interest at 12% from the date the payment was due.
- 10.4** If Buyer pays late, Second Life RO may suspend its work under the Contract until it receives the payment.
- 10.5** In addition to its other rights of termination under these Terms, Second Life RO may terminate the Contract by written notice if Buyer has not paid an amount due within 3 months, and may claim compensation for its loss. The compensation will not exceed the agreed purchase price under the Contract.
- 10.6** Unless Second Life RO agrees otherwise in writing, all prices are EXW (Ex Works) Second Life RO's plant and do not include transport, insurance or any other cost or charge related to transport. If Second Life RO arranges transport at Buyer's request, Buyer will repay all transport costs and charges shown on Second Life RO's invoice. Prices do not include special packing unless Second Life RO agrees otherwise in writing. Buyer pays all packing costs and related taxes as an extra charge. Prices may change without notice.
- 10.7** Prices do not include sales, use or excise tax, GST, VAT, import duties or similar taxes. Where these apply, Buyer is responsible for paying them.
- 10.8** Second Life RO may act as set out below in any of these cases: Second Life RO, acting in good faith, has reason to doubt Buyer's financial standing while the Contract is being performed; Buyer becomes insolvent; the ownership of Buyer changes materially; or Buyer does not make a payment under the Contract when due. Second Life RO may then:
- a)** stop performing the Contract, stop goods in transit, and delay or refuse Delivery until it receives security it considers satisfactory or payment in advance; or
 - b)** terminate the Contract by written notice, with no further obligation to Buyer.

If Buyer does not pay or does not provide satisfactory security, Second Life RO may also require payment of the full Contract price for the work completed and in progress. If Buyer fails to pay an amount when due, all unpaid amounts for every shipment made to Buyer, under this Contract or any other sales contract between Buyer and Second Life RO or its affiliates, become due at once, whatever the payment terms of those shipments, and Second Life RO may hold back all further shipments until the full amount is paid. If Second Life RO accepts a partial payment, it does not give up any of its rights under these Terms.

11 Defects and warranty

- 11.1** Subject to this section 11, Second Life RO will remedy any defect or non-conformity caused by faulty design, materials or workmanship ("Defect").
- 11.2** The Products are covered by the Warranty in the version in force on the date of the Contract. The Warranty is part of the Contract. It sets out the warranty periods, the conditions Buyer must meet and Buyer's remedies. If this section 11 and the Warranty conflict or differ, the Warranty prevails.

- 11.3** When a Defect in part of a Product has been remedied, Second Life RO is liable for Defects in the repaired or replaced part for the rest of the warranty period, on the same terms as for the original Product. For the other parts of the Product, the warranty period under section 11.2 is extended only by the time the Product was out of operation because of the Defect.
- 11.4** Buyer will notify Second Life RO of any Defect in writing without undue delay, and no later than 2 weeks after discovering it. In no case may the notice be given later than 2 weeks after the applicable warranty period under the Warranty has expired. The notice must describe the Defect.
- 11.5** If Buyer does not notify a Defect in writing within the time limits in section 11.4, Buyer loses the right to have that Defect remedied.
- 11.6** If the Defect could cause damage, Buyer will inform Second Life RO in writing immediately. Buyer bears the risk of any damage that results from not doing so.
- 11.7** After receiving a notice under section 11.4, Second Life RO will repair or replace the defective part or Product without undue delay and at its own cost, as set out in this section 11:
- a) Repair or replacement takes place where the Product was manufactured. Buyer returns the defective part or Product to Second Life RO and pays the transport and related charges.**
 - b) Second Life RO does not have to remove or re-install the part or Product. Second Life RO has met its obligations for the Defect when it delivers a properly repaired or replaced part or Product to Buyer.**
- 11.8** If Buyer notifies a Defect under section 11.4 and no Defect is found for which Second Life RO is liable, Second Life RO is entitled to be repaid the costs the notice caused it.
- 11.9** Buyer arranges and pays for any removal and re-assembly of equipment other than the Products that is needed to remedy the Defect.
- 11.10** Unless agreed otherwise, Buyer bears the risk and cost of transporting the Products or their parts to and from Second Life RO to remedy Defects for which Second Life RO is liable. Buyer follows Second Life RO's instructions for this transport.
- 11.11** Unless agreed otherwise, Buyer pays any extra costs of repair, removal, installation and transport that Second Life RO incurs because the Products are located somewhere other than the destination stated in the Contract or, if no destination is stated, the place of Delivery. Buyer also pays all costs and expenses of its own representatives in connection with remedying Defects.
- 11.12** Replaced defective parts will be made available to Second Life RO and become its property. This is done at Second Life RO's cost and according to its instructions.

Limitations

- 11.13** Second Life RO is not liable for Defects caused by materials supplied by Buyer or by a third party, or by a design that Buyer or a third party specified.
- 11.14** Second Life RO is liable only for Defects that appear under the operating conditions set out in the Contract and with proper use of the Products.
- 11.15** Second Life RO is liable for Defects only if parts of the original brand designated by Second Life RO have been used (i) to repair or replace defective parts under these Terms, and (ii) for maintenance and routine care of the Products.
- 11.16** Second Life RO is not liable for Defects caused by faulty maintenance, incorrect installation or faulty repair by Buyer, or by changes made without Second Life RO's prior written consent.
- 11.17** Second Life RO is not liable for normal wear and tear or deterioration.
- 11.18** Despite sections 11.1 to 11.17, Second Life RO is not liable for Defects that appear after the applicable warranty period under the Warranty has expired.
- 11.19** Other than as set out in this section 11 and in the Warranty, Second Life RO is not liable for Defects unless it has acted with Gross Negligence. SECOND LIFE RO'S LIABILITY FOR DEFECTS UNDER THIS SECTION 11 IS

EXCLUSIVE AND REPLACES ALL OTHER WARRANTIES, GUARANTEES, CONDITIONS AND TERMS OF ANY KIND ABOUT THE PRODUCTS, WHETHER EXPRESS OR IMPLIED. ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE ARE EXCLUDED.

12 Damage caused by the Products

- 12.1** Once the Products have been delivered to Buyer, Second Life RO is not liable for any damage they cause to property or to the environment. Second Life RO is also not liable for damage to products made by Buyer, or to products that include Buyer's products.
- 12.2** If Second Life RO becomes liable to a third party for loss or damage for which it is not liable under section 12.1, Buyer will indemnify and defend Second Life RO and hold it harmless.
- 12.3** If a third party brings a claim for damage of the kind described in this section 12 against either Party, that Party will tell the other Party in writing straight away.
- 12.4** If a claim for damage allegedly caused by the Products is brought against either Party before a court or arbitral tribunal, both Parties agree to be joined to those proceedings.

13 Confidentiality

Each Party will keep confidential any information it receives from the other Party in connection with the Contract that is clearly confidential, or that a reasonable person would understand to be confidential by its nature. It will not disclose that information to any third party without the prior written approval of the Party that provided it. This does not apply to information that:

(i) must be disclosed so that the receiving Party can exercise its rights and perform its obligations under the Contract; (ii) is or becomes public, other than through a breach of the Contract; (iii) the receiving Party already knew when it received it, as shown by written records that existed before that date; (iv) the receiving Party later obtains lawfully from a third party; or (v) the receiving Party developed independently before the disclosure.

14 Force majeure

- 14.1** Either Party may suspend its obligations under the Contract to the extent that circumstances beyond the Parties' control prevent performance or make it unreasonably burdensome ("Force Majeure"). Examples are industrial disputes, pandemic, fire, earthquake, natural disaster, acts of God, war, large-scale military mobilisation, insurrection, requisition, seizure, embargo, acts of government, strikes, lockouts, restrictions on the use of power, and defects in or delays of deliveries by subcontractors.
- 14.2** The Party affected by Force Majeure will notify the other Party in writing without delay when the circumstance begins and when it ends.
- 14.3** If Force Majeure prevents Buyer from meeting its obligations, Buyer will repay Second Life RO's costs of securing and protecting the Products.
- 14.4** Whatever else these Terms say, either Party may terminate the Contract by written notice if performance is suspended under this section 14 for more than 6 months. If Buyer terminates because of Force Majeure, Buyer will pay Second Life RO, unless agreed otherwise in writing, (i) all costs and expenses Second Life RO has incurred under the Contract up to and including the date of termination, and (ii) any extra costs and expenses caused by the termination.

15 Expected non-performance

In addition to the other rights of suspension in these Terms, Second Life RO may suspend its obligations under the Contract where the circumstances make it clear that Buyer will not meet its obligations. If Second Life RO suspends performance, it will notify Buyer in writing straight away.

16 Limitation of liability

- 16.1 WHATEVER ELSE THESE TERMS SAY, SECOND LIFE RO'S TOTAL LIABILITY FOR ALL CLAIMS ARISING FROM THE PERFORMANCE OR NON-PERFORMANCE OF ITS OBLIGATIONS UNDER THE CONTRACT WILL NOT EXCEED THE CONTRACT PRICE BUYER HAS PAID. IT WILL NEVER INCLUDE LOSS OF PROFIT, LOSS OF REVENUE, LOSS OF POWER, LOSS OF USE, COST OF CAPITAL, DOWNTIME COSTS, CLAIMS BY BUYER'S CUSTOMERS, COST OF REPLACEMENT POWER, LOSS OF EXPECTED SAVINGS, INCREASED OPERATING COSTS, OR ANY SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND.
- 16.2 Buyer may bring a claim against Second Life RO only if the injury, loss or damage behind it occurred before the warranty period under the Contract expired. Any claim, suit or action must be filed before the courts named in section 20.1 within 1 year after the cause of action arises.
- 16.3 This limitation of liability prevails over any conflicting or different provision in any of the documents that make up the Contract.

17 Assignment

Neither Party may assign or transfer the Contract, any interest in it, or any money payable under it, without the other Party's prior written consent. An assignment made without that consent is void.

18 Export controls

Each Product, and any related software, technology and technical information that Second Life RO supplies or includes in documents (together "Items"), may be subject to export controls. Buyer will comply with all laws, regulations, treaties and agreements that apply to the export, re-export and import of any Item. Without first obtaining any licence required from the relevant government authority, Buyer will not (i) export or re-export any Item, or (ii) export, re-export, distribute or supply any Item to a restricted or embargoed country, or to a person or entity whose right to take part in exports has been denied or restricted by a competent authority. Buyer will cooperate fully with Second Life RO in any audit or inspection, formal or informal, related to export or import control laws, and will indemnify Second Life RO and hold it harmless against any breach of this section by Buyer or its employees, consultants, agents or customers.

19 Personal data and customer data

- 19.1 Second Life RO may collect and process personal data for the purposes described in the Contract. Its privacy policy is available at <https://www.2ndLifeRO.com/privacy/>. Buyer confirms that it has read and understood that policy and agrees to the use of personal data described in it. Buyer is responsible for its own collection and use of personal data.
- 19.2 Buyer authorises Second Life RO to store any data collected from Second Life RO equipment ("Customer Data") on its hardware, software, network, storage and related technology, without time limit. Buyer grants Second Life RO a royalty-free, non-exclusive, irrevocable licence to access, store and use Customer Data, and any other data or information Buyer provides, in order to: (1) provide services; (2) analyse and improve

services; (3) analyse and improve Second Life RO equipment or software; (4) use it for any other internal purpose; and (5) create anonymised data and use that anonymised data for any purpose.

20

Disputes and governing law

- 20.1 The courts of Ras Al Khaimah, United Arab Emirates, have exclusive jurisdiction over any dispute, disagreement or claim arising out of or in connection with the Contract. This includes any question about its existence, validity, interpretation, performance, termination and remedies.
- 20.2 The Contract is governed by the laws of the UAE as applied in Ras Al Khaimah. The United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply.