

Basin Water Resources, LLC DBA EXPANSA Standard Terms of Purchase

1. **DEFINITIONS AND ACCEPTANCE:** These Standard Terms of Purchase apply to each purchase order issued by Basin Water Resources, LLC doing business as Expansa. Capitalized terms have the meanings stated below or on the applicable Order. "Expansa" means Basin Water Resources, LLC doing business as Expansa. "Seller" means the person or entity to whom the purchase order is issued. "Order" means the applicable purchase order, together with documents incorporated under Section 2. "Goods" means equipment, products, materials, software, components, and other items supplied under the Order. "Services" means labor, engineering, fabrication, installation, startup, testing, repair, or other services supplied under the Order. The Order is Expansa's offer to purchase and acceptance is expressly limited to its terms. Seller accepts the Order by signing or acknowledging it, beginning performance, shipping Goods, providing Services, or accepting payment. Expansa rejects any additional or different terms in Seller's quotation, acknowledgment, invoice, website, or other document unless an authorized representative of Expansa expressly accepts them in a written amendment that specifically identifies the change.
2. **ORDER OF PRECEDENCE AND ENTIRE AGREEMENT:** The following order of precedence applies only to the extent of a direct conflict: (a) a master agreement signed by both parties; (b) a written amendment or special commercial terms signed by both parties; (c) the face of the Order; (d) attachments containing specifications, drawings, or scope; and (e) these Standard Terms of Purchase. Seller shall promptly request clarification of any inconsistency before proceeding. The Order and incorporated documents constitute the entire agreement for the applicable purchase. Prior proposals, negotiations, representations, and course of dealing do not modify the Order. Amendments must be in writing and signed by authorized representatives of both parties.
3. **PRICE, TAXES, PAYMENT, AND INVOICING:** Prices are firm and include all costs necessary to perform the Order, including packaging, ordinary testing, documentation, overhead, and profit, except items expressly stated separately on the Order. Seller shall not increase price or impose surcharges without Expansa's prior written approval. The Order is nonexclusive. Unless the Order states otherwise, payment terms are net forty-five (45) days from Expansa's receipt of a correct invoice and all required supporting documentation. Seller shall submit invoices within ninety (90) days after delivery of the applicable Goods or completion of the applicable Services. Expansa may reject untimely invoices to the extent permitted by law. Expansa may withhold disputed amounts in good faith without waiving any rights, but shall pay undisputed amounts when due. Payment does not constitute acceptance or waive warranty, inspection, setoff, or other rights. Seller shall separately state applicable sales, use, excise, value-added, or similar transaction taxes. Expansa is not responsible for taxes based on Seller's income, payroll, property, or employment. Seller shall honor valid exemption certificates supplied by Expansa.
4. **CHANGES:** Expansa may direct reasonable changes to drawings, specifications, quantity, packaging, shipment method, delivery location, sequence, or schedule by written notice. Seller shall continue unaffected work and shall not implement a change that increases price or extends schedule without prior written authorization from Expansa. Seller shall submit any request for an equitable adjustment, with complete supporting detail, within ten (10) business days after receiving the change notice or becoming aware of the event giving rise to the request. Failure to provide timely notice waives the adjustment to the extent Expansa is prejudiced. No oral direction or field instruction changes the Order price or schedule.
5. **DELIVERY AND SCHEDULE:** Time is of the essence. Seller shall deliver Goods and perform Services on or before the dates stated in the Order. Seller shall promptly notify Expansa of any actual or anticipated delay, its cause, expected duration, and recovery plan. Notice does not excuse delay. Seller shall not deliver materially early, split shipments, or substitute products without Expansa's prior written consent. When delay is attributable to Seller, Seller shall use commercially reasonable acceleration measures, including premium freight or additional shifts, at Seller's cost. Project-specific liquidated damages apply only when expressly stated in the Order or a signed attachment, and when stated shall be Expansa's exclusive monetary remedy solely for the covered delay, without limiting remedies for other breaches.
6. **SHIPPING, PACKAGING, DELIVERY TERMS, AND RISK OF LOSS:** Delivery terms shall be as stated on the Order. If the Order is silent, delivery is DDP Expansa's designated delivery location, Incoterms 2020, for international shipments, and FOB destination for domestic shipments. Seller shall comply with Expansa's routing instructions and is responsible for costs caused by unauthorized routing, early shipment, improper documentation, or inadequate packaging. Seller shall package, load, brace, and protect Goods to prevent damage and comply with applicable carrier, hazardous-material, export, and customs requirements. Each shipment shall include a packing list identifying the Order number, line items, quantities, serial or lot numbers when applicable, country of origin, and required certificates. Risk of loss remains with Seller until delivery and acceptance at the stated destination, except to the extent loss is caused by Expansa after physical receipt.
7. **TITLE AND PROGRESS-PAYMENT PROTECTION:** Title to conforming Goods passes to Expansa upon the earlier of acceptance or payment. To the extent Expansa makes progress payments, title passes proportionately to work in process, materials, and components acquired or produced for the Order. Seller shall clearly identify and, where practicable, segregate Expansa-owned property, keep it free of liens, and not use it for any other customer. Passage of title does not shift risk of loss, constitute acceptance, or relieve Seller of responsibility for custody, protection, completion, or delivery. Upon request for a material capital-equipment Order, Seller shall provide inventory reports, permit inspection, provide evidence of payment to subcontractors, and execute reasonable documents, including UCC filings, necessary to protect Expansa's ownership or security interest.
8. **INSPECTION, TESTING, AND ACCEPTANCE:** Seller shall perform inspections and tests necessary to ensure conformity before shipment. Expansa and its customer may inspect or witness testing at reasonable times, but inspection, source approval, payment, or failure to inspect does not constitute acceptance or waive Seller's obligations. Expansa shall have a reasonable period after delivery, installation, startup, or discovery of a latent defect to inspect and accept or reject Goods and Services. Acceptance occurs only by express written acceptance or by use after a reasonable inspection period without notice of nonconformity, excluding temporary use for testing, mitigation, or emergency operations.
9. **NONCONFORMING GOODS AND SERVICES:** If Goods or Services do not conform to the Order, Expansa may, at its option: (a) reject and return them at Seller's risk and expense; (b) require prompt repair, replacement, re-performance, or correction; (c) accept them with an equitable price reduction; or (d) correct the nonconformity itself or through others and charge Seller the reasonable resulting costs. Seller is responsible for reasonable inspection, sorting, removal, reinstallation, testing, expedited freight, disposal, field service, and other direct costs caused by the nonconformity. Seller is not responsible to the extent a defect is caused solely by Expansa's unauthorized modification, misuse, or failure to follow Seller's written operating requirements.
10. **WARRANTY:** Seller warrants that Goods and Services will: (a) be new, unless otherwise approved; (b) conform to the Order, drawings, specifications, samples, and approved submittals; (c) be free from defects in design, materials, manufacture, and workmanship to the extent Seller is responsible for design; (d) be performed

professionally and in a good and workmanlike manner; (e) comply with applicable laws, codes, and standards; (f) be merchantable; and (g) be fit for the intended purpose disclosed to and accepted by Seller. For Goods designed by Expansa, Seller's design warranty is limited to faithful conformance with Expansa's design documents, except Seller shall promptly identify known conflicts, errors, unsafe conditions, or manufacturability concerns. For standard catalog products, Seller warrants conformance to the manufacturer's published specifications and passes through all transferable manufacturer warranties. Unless the Order provides a longer period, the warranty period is the earlier of twelve (12) months after startup or eighteen (18) months after delivery, except repaired or replaced items are warranted for the longer of the remaining original period or twelve (12) months after correction. Warranty remedies are in addition to rights for latent defects, fraud, title, infringement, and indemnified claims.

11. SELLER PERFORMANCE, PERSONNEL, AND SUBCONTRACTORS:

Seller is an independent contractor and is responsible for its personnel, subcontractors, methods, supervision, compensation, taxes, permits, safety, and compliance. Seller shall use qualified personnel and maintain sufficient resources to meet the Order. Seller shall not assign the Order or subcontract material design, fabrication, or Services without Expansa's prior written consent. Consent does not relieve Seller of responsibility. Seller shall flow down applicable Order requirements to approved subcontractors and remains fully liable for their acts and omissions.

12. COMPLIANCE WITH LAWS AND ETHICS:

Seller shall comply with all laws, regulations, permits, codes, and industry standards applicable to the Goods, Services, manufacturing location, delivery, and Seller's performance, including workplace safety, environmental, anti-corruption, anti-bribery, labor, nondiscrimination, and supply-chain laws. Federal contractor clauses apply only to the extent legally applicable to the Order. Seller shall not offer or provide improper gifts, payments, or benefits to Expansa personnel. Seller shall promptly disclose actual conflicts of interest, legal violations affecting performance, safety incidents, regulatory notices, or debarment. Seller shall provide certificates of compliance and country-of-origin information upon request and shall not change an approved country of origin without Expansa's written consent.

13. EXPORT, IMPORT, AND TRADE COMPLIANCE:

To the extent applicable, Seller shall comply with the Export Control Reform Act of 2018, Export Administration Regulations, International Traffic in Arms Regulations, U.S. sanctions administered by the Office of Foreign Assets Control, anti-boycott laws, customs laws, and other applicable export, import, re-export, sanctions, and trade-control requirements. Seller shall obtain required licenses and classifications, screen parties and destinations, maintain records, and provide Expansa with export-control classification numbers, Harmonized Tariff Schedule codes, country of origin, and license information upon request. Seller shall not transfer controlled goods, software, technology, or technical data contrary to law or Expansa's written instructions. Seller shall indemnify Expansa for losses, penalties, and reasonable costs arising from Seller's violation of this Section.

14. CONFIDENTIALITY AND PUBLICITY:

Seller shall protect Expansa's nonpublic technical, commercial, pricing, customer, operational, and business information using at least reasonable care and use it only to perform the Order. Seller may disclose such information only to personnel and approved subcontractors who need it and are bound by equivalent confidentiality obligations. Confidentiality obligations do not apply to information Seller can document was lawfully known without restriction, independently developed, received lawfully from a third party, or publicly available without breach. Required legal disclosure is permitted after prompt notice, when legally allowed, and reasonable cooperation to seek protection. Seller shall not use Expansa's name, trademarks, photographs, project information, or relationship in publicity without prior written consent.

15. INTELLECTUAL PROPERTY:

Expansa retains all rights in its drawings, specifications, data, processes, trademarks, confidential information,

and other materials. Seller retains ownership of its preexisting technology, standard designs, software, tools, methods, manufacturing know-how, and other background intellectual property. Upon full payment, Expansa owns project-specific deliverables created exclusively for Expansa under the Order, excluding Seller background intellectual property and third-party materials. To the extent Seller background intellectual property is embedded in or necessary to use the Goods or deliverables, Seller grants Expansa and its customers a perpetual, worldwide, irrevocable, royalty-free, transferable license to use, operate, maintain, repair, modify, reproduce for maintenance purposes, and support the purchased Goods and deliverables. Seller warrants that the Goods, Services, and Expansa's authorized use will not infringe third-party intellectual property rights. Seller shall defend and indemnify Expansa against infringement claims and, at its expense, obtain continued use rights, replace or modify the affected item without material loss of function, or refund the purchase price and related reasonable replacement costs.

16. INDEMNIFICATION:

Seller shall defend, indemnify, and hold harmless Expansa, its affiliates, customers, and their officers, directors, employees, and agents from third-party claims, damages, fines, penalties, liabilities, and reasonable attorneys' fees arising from: (a) bodily injury, death, or property damage caused by Seller or a defect in the Goods; (b) Seller's negligence, willful misconduct, or violation of law; (c) breach of confidentiality; (d) intellectual property infringement; or (e) acts or omissions of Seller's personnel or subcontractors on an Expansa or customer site. Expansa shall promptly notify Seller of a covered claim and reasonably cooperate at Seller's expense. Seller shall not settle a claim in a manner that admits fault by, imposes nonmonetary obligations on, or fails to fully release an indemnified party without that party's written consent. Expansa may participate with counsel at its own expense, or assume the defense at Seller's expense if Seller fails to defend diligently or a material conflict exists.

17. INSURANCE:

Before beginning work and throughout performance, Seller shall maintain insurance with reputable insurers appropriate to the scope and at least: (a) workers' compensation as required by law; (b) employers' liability of \$1,000,000; (c) commercial general liability of \$1,000,000 per occurrence and \$2,000,000 aggregate; and (d) automobile liability of \$1,000,000 combined single limit when vehicles are used in performance. When applicable to the scope, Seller shall also maintain professional liability, pollution liability, cyber liability, marine, cargo, or umbrella coverage in limits stated in the Order or commercially appropriate to the risk. Expansa and its customer shall be additional insureds on liability policies, excluding workers' compensation and professional liability, to the extent of Seller's operations. Coverage shall be primary and noncontributory, with waiver of subrogation where commercially available. Certificates shall be provided upon request. Insurance does not limit Seller's liability.

18. FORCE MAJEURE:

Neither party is liable for delay caused by an event beyond its reasonable control that could not have been avoided through commercially reasonable planning and mitigation, including natural disaster, war, terrorism, epidemic, government action, widespread utility failure, or extraordinary transportation disruption. Force majeure does not include lack of funds, ordinary price increases, labor or material shortages reasonably avoidable through alternate sources, or a subcontractor failure unless caused by a qualifying event. The affected party shall promptly notify the other, describe the impact, use diligent mitigation, and resume performance as soon as practicable. Payment obligations for completed conforming work are not excused. If a force majeure event materially prevents performance for thirty (30) consecutive days, Expansa may terminate the affected portion of the Order without further liability except payment due under Section 19.

19. SUSPENSION AND TERMINATION:

Expansa may suspend all or part of the Order by written notice. Seller shall protect work, minimize costs, and promptly provide the schedule and cost impact. Expansa may terminate all or part of the Order for convenience upon ten (10)

days' written notice. For a convenience termination, Expansa shall pay only for conforming completed work accepted by Expansa and reasonable, documented, noncancelable commitments properly incurred specifically for the terminated portion, less prior payments, return credits, salvage, reuse, mitigation, and amounts Seller can avoid. Seller is not entitled to anticipated profit, unabsorbed overhead, consequential damages, or payment for work performed after the termination date without authorization. Expansa may terminate for default if Seller fails to timely perform, delivers nonconforming Goods or Services, fails to provide adequate assurance within ten (10) days after written demand, becomes insolvent, violates law, or otherwise materially breaches and fails to cure within ten (10) days after notice, or such shorter period reasonably required for safety, schedule, or customer obligations. Upon default, Expansa may obtain substitute performance and recover reasonable excess direct costs. Seller shall continue any portion not terminated.

20. **REMEDIES, DAMAGES, AND SETOFF:** Except where the Order expressly provides an exclusive remedy, Expansa's rights and remedies are cumulative. Seller is liable for direct damages reasonably resulting from breach, including repair, replacement, rework, removal, reinstallation, inspection, testing, expedited freight, cover, and reasonable customer chargebacks to the extent foreseeable and supported. Neither party is liable to the other for special, incidental, indirect, exemplary, or consequential damages, including lost profit or revenue, except this exclusion does not apply to: (a) indemnified third-party claims; (b) bodily injury, death, or property damage; (c) gross negligence or willful misconduct; (d) fraud; (e) confidentiality or data-security breach; (f) intellectual property infringement; (g) violation of law; or (h) damages expressly stated as liquidated damages in the Order. Expansa may set off amounts owed by Seller or its affiliates against amounts payable under the Order, after providing reasonable supporting detail. Seller shall not assert liens against Expansa, its customer, the project site, or the Goods and shall promptly discharge any lien arising through Seller.
21. **ASSIGNMENT AND EXPANSA TRANSFER RIGHTS:** Seller shall not assign, delegate, transfer, factor, or grant a security interest in the Order or amounts due without Expansa's prior written consent, except Seller may assign receivables to a financing institution after written notice if the assignment does not alter Expansa's defenses, setoff rights, or payment process. Expansa may assign the Order, in whole or in part, to an affiliate, project entity, customer, lender, purchaser of applicable assets, or successor in connection with a merger, reorganization, or sale of business, upon written notice. Any permitted assignee takes the Order subject to its existing terms.
22. **GOVERNING LAW, ARBITRATION, AND GENERAL PROVISIONS:** The Order is governed by Texas law, including the Texas Uniform Commercial Code, without regard to conflict-of-law principles. The United Nations Convention on Contracts for the International Sale of Goods does not apply. The parties shall first attempt in good faith to resolve disputes through executives with authority to settle. Any dispute not resolved within thirty (30) days after written notice shall be finally resolved by binding arbitration administered by JAMS under its Comprehensive Arbitration Rules. The arbitration shall take place in Harris County, Texas, before one arbitrator experienced in commercial equipment, manufacturing, engineering, or construction disputes. The arbitrator may award any remedy available under the Order or applicable law and shall issue a reasoned written decision. Judgment may be entered in any court of competent jurisdiction. Either party may seek temporary or emergency injunctive relief in state or federal court in Harris County without waiving arbitration. The substantially prevailing party is entitled to reasonable attorneys' fees and costs. If an Order is shipped outside the United States and Expansa elects in the Order to use international arbitration, the dispute shall be administered by the International Centre for Dispute Resolution under its International Arbitration Rules, seated in Harris County, Texas, in English, and enforceable under the New York Convention. Failure to enforce a provision is not a waiver. Invalid

provisions shall be modified to the minimum extent necessary and the remainder remains effective. Provisions concerning payment, title, warranty, confidentiality, intellectual property, indemnification, remedies, dispute resolution, and other provisions intended by their nature to survive shall survive completion or termination. Electronic signatures and records are effective. Notices shall be sent to the addresses stated on the Order and are effective upon confirmed delivery.

END OF STANDARD TERMS OF PURCHASE