



## Membrane Expansion Proposal

<b>To:</b>	City of Santaquin, referred to here as Santaquin or Buyer	<b>Date:</b>	June 11, 2024	
		<b>No. of Pages:</b>	44 including cover	
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<b>Subject:</b>	Membrane expansion – 5 <sup>th</sup> train	<b>Proposal No.:</b>	595017-1	
		<b>Original Project No.:</b>	200446	
<b>Plant Data:</b>	Please provide corrections if inaccurate Santaquin Water Reclamation Facility: municipal sanitary wastewater treatment. 4 trains in service with space for 2 additional trains, 2 x 48M cassettes per train, 48 x ZW500D 370 ft <sup>2</sup> modules installed per cassette. Initial plant commissioned March 2012. 4 <sup>th</sup> train expansion commissioned April 2019.			



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# 1 Introduction

Veolia Water Technologies & Solutions is pleased to present this proposal at the request of the City of Santaquin to provide wastewater membrane modules, cassettes and ancillary equipment to add a 5<sup>th</sup> train, expanding the plant capacity at the Santaquin Water Reclamation Facility (WRF).

Veolia is a proven leader in delivering tangible value to our clients over the life of the plant. Our measure of success is how well we deliver **solutions** that help our clients meet their critical business objectives.

Through long-acquired technical experience, Veolia has clearly distinguished itself from other membrane manufacturers. A mature service culture and deep technical expertise are ready to serve and support Santaquin through this next membrane expansion.

*Veolia would like to note that under the current exceptional circumstances across global supply chains and logistics networks, Veolia may not be in a position to guarantee and comply with the planned schedule for product / project delivery or performance. Veolia reserves the right to modify the schedule / contract accordingly. Veolia will promptly inform you of any changes which may impact the contract or the project.*



## 2 Veolia Scope & Price

Veolia’s scope includes the material and services outlined in the table below. The sections that follow provide additional detail regarding each scope item.

Item Description	Part #	Quantity	Price
ZW500D 430ft <sup>2</sup> membrane modules @ GMRP price of USD \$2,028/membrane module, section 2.1 and 5.1	3168300	96	\$544,850
ZW500D 52M LEAP cassette frames @ USD \$23,730/cassette frame, section 5.1	3157510	2	
2-year full replacement membrane warranty, section 12		incl.	
Spools, section 5.2		lot	
Membrane tank beams & brackets, section 5.3		lot	
Cassette installation equipment, section 5.4		lot	
D-002 equipment, section 5.5		lot	
D-004 equipment, section 5.5		lot	
D-005 equipment, section 5.5		lot	
D-012 Air compressors, section 5.5		lot	
Miscellaneous equipment, section 5.5		lot	
Spares & consumables, section 5.6		lot	
Off-site support, controls/programming, process support, drawing updates, project management, section 7.1		incl.	\$27,815
International shipment and fees, section 6		incl.	
Freight, DDP Santaquin WRF, section 6	3095534	incl.	
<b>Material, off-site labor, delivery</b>		<b>Sub-total</b>	<b>\$572,665</b>
On-site support, 25 x10-hr days on-site plus travel & living, section 7.2	135491	1 FSR 3 visits	\$65,560
<b>On-site support</b>		<b>Sub-total</b>	<b>\$65,560</b>
<b>All figures are in USD and exclude taxes, which will be applied at the time of invoicing. Please make purchase order to ZENON Environmental Corporation.</b>		<b>Total Price</b>	<b>\$638,225</b>

### 2.1 Contractual Basis for Membrane Replacement Price

The base price of replacement ZW500D 340ft<sup>2</sup> membrane modules for this project is USD \$1,084 per module.



The base price for an empty, non-LEAP 48M cassette frame is USD \$19,993 per cassette.

Veolia has guaranteed this price for 20 years subject to adjustment for inflation (PPI – Producer Price Index or a maximum equivalent price per gallon of treatment capacity in the event that the module area/permeability etc. changes such that the same amount of feed water can be treated with fewer modules of the next generation design.

GMRP price escalation - calculation of inflation begins on August 20, 2009 (bid submittal) and GMRP validity will expire at the end of business on August 19, 2029.

To benefit from guaranteed membrane replacement pricing (GMRP) within the contracted time limits, Buyer must submit an acceptable purchase order based on a valid proposal or quote prior to the GMRP expiry date, with the expectation of taking membrane delivery within Veolia’s standard lead time (provided in section 6).

Membrane replacement prices are quoted EXW manufacturing facility in Oroszlány, Hungary, with packaging, freight, and taxes extra as the cost of shipping and packaging the membranes to site will depend on the quantity per shipment. Membrane replacement prices are quoted without taxes.

Non-Warranty Adjusted Membrane Replacement Price to April 2024	Membranes	Cassettes
Contractually guaranteed membrane replacement price–USD	\$1,084	\$19,933
LEAP adjustment factor – USD	---	\$5,900
Inflation index value from August 2009	169.40	169.40
Forecasted inflation index value – April 2024	250.60	250.60
Inflation index factor	47.93%	47.93%
Surface area adjustment factor (340ft <sup>2</sup> vs. 430ft <sup>2</sup> )	26.47%	---
Adjusted membrane replacement price for this proposal–USD	\$2,028.05	\$38,215 <sup>1</sup>
Note 1: current commercial price for a 52M LEAP cassette frame is USD \$23,730 and offered in this agreement as it is less than the contractually guaranteed price		
Significant time delays between the date of this proposal and the submission of customer PO may lead to further adjustment to the membrane price.		

**Proposal Notes:**

- **Shipment/Collection Delays:** *The membrane sale will be subject to price adjustment if not collected within 1 month of Readiness for Shipment. After the one month of Readiness for Shipment if Purchaser does not send his agreement to receive or collect the membranes (depending on Incoterms), Seller is entitled to reallocate the membranes to another customer.*



Invoicing Schedule	Approximate % of Sub-Total	Invoice Value, Excluding Tax
An invoice will be issued upon acceptance by Veolia of customer purchase order. Approximate percent calculation based on the <b>material, off-site labor, delivery sub-total</b> of the purchase order. Shipment of membranes is contingent on receipt of this initial milestone payment.	30%	171,800
An invoice for the balance of the <b>material, off-site labor, delivery sub-total</b> will be issued when membrane module shipping documents are supplied to the carrier.	70%	400,865
A final invoice for the <b>on-site support sub-total</b> will be issued upon completion of installation.	100%	65,560
		<b>638,225</b>

### 3 Warranties

#### 3.1 Membrane Warranty

2-year full replacement plus a 3-year pro-rated replacement, see Section 12.

#### 3.2 Train Performance Warranty

1-year from equipment commissioning or 18 months from shipment, whichever occurs first, see Section 13.

#### 3.3 Equipment Mechanical Warranty

1-year from equipment commissioning or 18 months from shipment, whichever occurs first, see Section 14.



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## 4 Preliminary Schedule

On receipt of purchase order from Santaquin the preliminary schedule would be:

- membrane manufacturing: 1 week after receipt of PO a release will be sent to the production facility to begin membrane manufacturing;
- submittal of equipment specifications to Santaquin: 3 – 4 weeks after receipt of PO;
- Santaquin review period: 2 weeks following receipt of equipment specifications;
- delivery of non-membrane equipment to Santaquin: **20 - 24** weeks following equipment approval release from Santaquin;
- delivery of membrane modules is currently estimated at **76 - 80** weeks after receipt of order. Delivery of membranes will be timed to arrive at Santaquin no sooner than approximately 3 – 4 weeks following receipt of non-membrane equipment to allow for installation and verification of equipment prior to installation of the membrane modules. Veolia will endeavor to minimize the delivery time of the membranes and cassettes.

Equipment supplied will be the equivalent of existing equipment, unless obsolete. If obsolete, equipment submitted will be closest replacement available with differences highlighted for review by Santaquin.

The preliminary schedule is subject to change based on continuing discussions and mutual agreement between Veolia and Santaquin

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## 5 Material Description

The following materials are provided within Veolia's scope of supply.

### 5.1 Membrane Modules & Cassettes

- 96 x ZeeWeed 500D 430ft<sup>2</sup> wastewater membrane modules;
- 2 x ZeeWeed 500D 52M LEAP cassettes;

Membranes will be factory installed in the LEAP cassettes prior to shipment.

### 5.2 Spools

- 1 x 6" stainless steel aeration header spool at the membrane tank. Isolation valves are included in D004 (HV-205A-5 and 20-HV-205B-5);
- 1 x 6" stainless steel permeate header spool at the membrane tank. Isolation valves are included in D004 (HV-204A-5 and 20-HV-204B-5);
- 2 x 3" stainless steel aeration cassette spools, complete with Straub couplings;



- 2 x 6” stainless steel permeate cassette spools, complete with Straub couplings.

### 5.3 Beams and Brackets

- 2 x stainless steel single-sided beams for the membrane tanks;
- 1 x double-sided beam for the membrane tank;
- 6 x beam brackets for affixing the beams to the membrane tank walls.

### 5.4 Cassette Installation Equipment

- 2 sets x hanger arms (4 per cassette) and hardware to install the membrane cassettes in the tank;
- 1 x lifting bracket for the 52M cassette;
- 1 x set of safety hoist rings (4 total).

### 5.5 Train Equipment

D-002 Blower Appurtenances		
Quantity	Item Description	Tag
2	Flow Switch	20-FLS-206/207
2	8" Butterfly Valve with high temp seat	20-HV-206, 20-HV-207

Note: Two existing GM15L blowers on site from the solids handling system will be repurposed as membrane scour blowers. This will provide all membrane scour air requirements for both the Train 5 and Train 6 expansions.

D-004 Instruments, Valves & Ejector Assembly		
Quantity	Item Description	Tag
2	Pressure Switch	20-PSH-301/302-5
1	Pressure Transmitter	20-PIT-301-5
3	Level Switch	20-LSL-201-5 20-LSLL-201-5 20-LSHH-201-5
1	Level Transmitter	20-LIT-201-5
2	6" Butterfly Valve	20-FV-210/211-5
2	6" Butterfly Valve	20-HV-205A/B-5
4	3" Butterfly Valve with high temp seat	20-HV-203A/B-5 20-HV-204A/B-5
1	Air Ejector Assembly	
1	Spare 1" Angle Seat Solenoid Valve for Ejector Assembly	



D-005 Permeate Pump & Appurtenances		
Quantity	Item Description	Tag
1	15Hp Permeate Pump, includes VFD	20-P-301-5
1	Flow Transmitter	20-FIT-301-5
2	Pressure Switch	20-PSH-301/302-5
2	Pressure Gauge	20-PI-301/302-5
1	6" Butterfly Valve	20-FV-301-5
1	6" Butterfly Valve	20-HV-306-5
1	1" Actuated Diaphragm Valve	23-FV-130-5
1	½" Actuated Diaphragm Valve	23-FV-330-5
1	1" Hand Valve	20-HV-304-5
1	1" Hand Valve	20-HV-303-5
2	½" Hand Valve	20-HV-301/302-5

D-012 Air Compressor		
Quantity	Item Description	Tag
1	10Hp, 2 stage, duplex piston compressor with 200 gallon air tank	90-AC-001-1/2

Miscellaneous		
Quantity	Item Description	Tag
1	Turbidimeter	20- AIT-320-5
1	Remote IO Panel	

Vendor data will be supplied with materials as available.

## 5.6 Spares & Consumables

- 40 x spare #118 EPDM permeate spigot o-rings;
- 5 x spare ZW500D element end cap keys;
- 1 x o-ring lubricant (food grade);
- 2 x anti-seize lubricant (food grade).

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## 6 Delivery

- **Freight**

- **DDP** - Delivery will be by standard ocean/ground on the basis of DDP Santaquin WRF, 1215 North Center Street, Santaquin, UT, USA or other named place of destination; Incoterms 2020. DDP = delivery duty paid. Partial shipments will be acceptable unless otherwise specified. Where delivery cannot be accepted at this destination, Santaquin shall specify an alternate, equivalent destination without delay.

Due to varying origins and availability, non-membrane items included in this proposal may be shipped separately from the membranes. Should separate shipments be required, where possible, Veolia will strive to provide these items on or before the delivery of the membranes.

- **Title & Risk** - Title and risk of loss or damage to membrane modules, cassette frames, ancillary equipment and crating shall pass to Santaquin upon delivery at the named place of destination.

- **International Shipment, Fees, and Duties**

- **Origin** - Delivery of ZeeWeed membranes originates from the Veolia Water Hungary Kft, Bláthy Ottó u 4, Oroszlány, 2840 Hungary facility. Costs to transport membranes and cassettes into North America are included in Veolia's quoted price.

- **Export Documents** - All ZeeWeed membrane module shipments into the USA require clearance documentation from the EPA. Veolia will prepare and provide the required EPA documentation to the Carrier.

- **MPF** - Merchandise processing fee is a fee assessed for formal custom entries based on 0.35% of the invoice value, with a minimum of USD \$25 per formal entry and a maximum of USD \$485. On the basis of DDP terms, this fee will be paid by Veolia within the quoted price.

- **Duty** - Any new duty imposed after the date of this proposal is the responsibility of Santaquin.

- **Taxes** - All applicable local, state, or federal taxes are the responsibility of Santaquin.

- **Temperature** - UF membranes cannot be allowed to freeze or overheat and may require temperature-controlled freight and handling according to the season and the planned routing. If required, the price of temperature control will be included within the firm quote on freight by Veolia.

- **Packaging** – Membranes will be factory-installed in operational cassettes.



- **Unloading** - may require one of or a combination of a loading dock, extended forks and an experienced forklift driver at delivery destination. Please consult with Veolia at the time of purchase order (PO) preparation on this.

shipping crate information (estimated)

Qty	Description	Dimensions (in) (LxWxH)	Weight (lb.)
2	ZW500D 52M cassette frame	110 X 89 X 82	3,580

Notes:

- Only crates for membrane/cassette transport have been shown above to identify the largest and heaviest items that will need to be unloaded;
- Smaller crates/skids will be used for all other equipment.
- **Handling** –ZW500D 52M membrane cassette frames are shipped and will arrive on-site on their sides. A safety hoist kit, included in this proposal, should be used to safely turn the cassettes upright. Adequate work area and height and equipment will also be needed to be available to safely turn the cassettes upright for installation.
- **Availability** - Definitive availability will be confirmed once a purchase order is received from Santaquin and acknowledgement of a purchase order is issued by Veolia.

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## 7 Veolia Support

### 7.1 Off-Site Support

#### Controls

Provide system controls engineering, programming and testing for the new membrane train.

If there is a requirement for the EEPROM (Electrically Erasable Programmable Read-Only Memory) to be stored, a period of plant shutdown must be arranged by Santaquin.

#### Documentation

The base level of documentation updates will include:

- Controls documents – Update control narrative (CN), controls logic sequence chart (CLSC, also known as CSC) and the operation sequence chart (OSC).
- P&IDs - Update the process (piping) & instrumentation drawings and reissue electronically;
- Electrical drawings – Update the electrical drawings and reissue electronically.

These updates should be filed in the O&M manual as interim documentation.



Due to the very high cost of comprehensive updating of plant documentation with each system upgrade, Veolia recommends planning a complete documentation update every 1-4 years to coincide with a selected system upgrade.

Veolia will be pleased to develop a documentation update price quotation on request for:

- **O&M manual** - Provide a fully updated version of the operation & maintenance manual that indicates the changes made with this membrane expansion upgrade.

### **Project Management**

Provide planning and off-site assistance during the membrane expansion project.

## **7.2 On-Site Technical Services**

The proposal includes a provision for technical services during installation and commissioning process to support Santaquin's staff as outlined in section 2.

The following activities will be completed by plant staff in conjunction with Veolia assistance:

- Install the new membrane modules/cassettes;
- Upload required revisions to the PLC program for the new train;
- Perform bubble test where applicable to test membrane integrity and review trans membrane pressure (TMP) on the installed membranes and compare to expected values for new membranes; complete repairs/adjustments necessary to provide new membrane performance.

**Operating Responsibility** - Santaquin retains control of the work site and retains final responsibility for the installation and commissioning process.

Veolia will perform the services specified in the scope section of this document, but Veolia will not operate the system. For the purposes of this agreement, the term "operate the system" shall mean to run or control the functioning of the equipment or to otherwise conduct or manage the affairs of any aspect of water or wastewater treatment or other functions at Santaquin's site, and shall include functions such as providing operators or laborers to adjust or control water treatment ("WT") equipment, wastewater treatment ("WWT") equipment or sludge management facilities ("SMF"), providing program oversight or directing on-site or contract operators/laborers to adjust or control WWT or SMF, providing personnel responsible for or providing oversight of water treatment residual quality, wastewater effluent quality, sludge quality, waste characterization, or waste disposal activities, or providing personnel with continual or daily operational responsibilities with respect to water or wastewater treatment, influent or effluent compliance monitoring, process monitoring, government reporting or notification, or permit compliance.

**Waiting Time** - Any overtime or waiting times required due to unforeseen site events outside the control of Veolia will be invoiced according to the prevailing Veolia service labor rates sheet, available on request.



**Reporting** - Before leaving site, Veolia will record observations and discuss with operators concerning the condition of the equipment, tasks accomplished during the visit, and key operating and maintenance issues requiring further attention. Veolia will provide a copy of a written report before leaving site and/or provide a service visit report to the plant operator within a reasonable timeframe of the Veolia service representative's return to the office. In any case, Santaquin will be asked to sign a work order that describes the hours on site and tasks accomplished.

**Veolia Duties for On-Site Services**

- Veolia will coordinate its work under this agreement in a reasonable manner with the operating staff of the facility.
- Veolia will maintain public liability and property damage insurance covering all operations undertaken by Veolia and its sub-contractors with a limit of \$5,000,000 inclusive for any one accident or occurrence. If for any reason additional insurance coverage (e.g. general construction/erection all risk, general liability) is required above and beyond Veolia's standard insurance terms for on-site commissioning supervision, Santaquin must inform Veolia in writing 60 days prior to work commencement at site. Santaquin will be billed for all additional insurance costs and processing fees.
- Veolia will maintain workers compensation and employers' liability coverage as per statutory requirements.



## 8 ZeeWeed Configuration

Configuration Data	Units	Existing Plant Configuration	Proposed 5 <sup>th</sup> Train Expansion		5 Train Capacity following MRA Replacements	
Number of trains, plant		6	6		6	
Number of trains populated with membranes		4	5		5	
Number of trains as configured		4	4	1	4	1
Type of ZeeWeed membrane		ZW500D	ZW500D	ZW500D	ZW500D	ZW500D
Module surface area	ft <sup>2</sup>	370	370	430	430	430
Total number of cassette spaces per train		2	2	2	2	2
Maximum number of modules per cassette		48	48	52	48	52
Fully populated cassettes installed per train		2	2	0	2	0
Flex cassettes installed per train		0	0	2	0	2
Installed number of modules per flex cassette		n/a	n/a	48	n/a	48
Total module count, train		96	96	96	96	96
Total surface area in operation, train	ft <sup>2</sup>	35,520	35,520	41,280	41,280	
Total module count, plant		384	384	96	480	
Total surface area in operation, plant	ft <sup>2</sup>	142,080	183,360		206,400	
% surface area change from existing, plant	%	n/a	29.1%		45.3%	
Minimum temperature	°C	14	14		14	
Flow capacity per train, average daily flow ADF	GPM	185.7	185.7	215.9	215.9	
Flow capacity per train, peak hour flow PHF	GPM	421.8	421.8	490.2	490.2	
Flow capacity, average daily flow ADF	MGD	1.07	1.38		1.55	





Configuration Data	Units	Existing Plant Configuration	Proposed 5 <sup>th</sup> Train Expansion	5 Train Capacity following MRA Replacements
Design net flux at ADF at min. temp.	GFD	7.53	7.53	7.53
Flow capacity, peak hour flow PHF	MGD	2.43	3.08	3.53
Design net flux at PHF at min. temp.	GFD	17.10	17.10	17.10

\* Current backpulse tank has been sized and installed to be converted to a future membrane train. At that time, backpulse and cleaning solution permeate will be drawn from the common permeate header.

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## 9 Scope - Santaquin

Veolia's proposal is based on adding membranes to a fully operational plant and assumes the use of existing equipment and infrastructure, including but not limited to:

- Membrane tank.
- Membrane system backpulse tank and lines.
- Membrane cleaning system, including sodium hypochlorite and citric acid.
- Membrane scour blowers (including relocated/repiped from solids handling system to tie into membrane scour air manifold).
- Headworks.
- Biological treatment system.
- Treated water storage tank – as required.
- The following items are for supply by Buyer and will include, but are not limited to:
  - Overall plant design responsibility.
  - Review and approval of design parameters related to the membrane system.
  - Review and approval of Veolia-supplied equipment drawings and specifications.
  - Detail drawings of all termination points where Veolia equipment or materials tie into equipment or materials supplied by others.
  - Equipment foundations, civil work, full floor coverage equipment contact pads, buildings, etc.
  - Receive, off-load, handle and provide temperature-controlled storage of the equipment and materials required for Seller to perform the duties outlined in the Seller's scope of supply. Prior to off-loading, Buyer to confirm temperature indicators have not been tripped.
  - Membranes must be stored in a sheltered area, protected from freezing, direct sunlight or extreme heat, and sealed as shipped until ready for use. Storage should be in a dark, dry, level area at a temperature of 5-30°C (41-86°F). Membranes have a shelf life of 1 year before requiring re-preservation and should not be stored longer than necessary prior to installation. Santaquin is responsible for risk of loss of Seller's parts while in storage at the customer's plant.
  - Installation (mechanical & electrical) of all Veolia-supplied equipment, including:
    - Permeate pump with VFD,
    - Air compressor ,



- Ejector assembly,
- Supplied headers,
- Beams and brackets,
- Instrumentation and valves.
- Supply and installation of all additional equipment required to fully operate the new membrane train, including but not limited to:

Equipment	P&ID	Tag
Membrane tank influent sluice gate & actuator	200446-D-004	20-SG-101
Membrane tank influent deflector plate	200446-D-004	N/A
Membrane tank membrane scour air isolation valve	200446-D-004	20-HV-200
Membrane tank drain valve & actuator	200446-D-004	20-FV-501
Membrane permeate header Citric Acid injection isolation valve	200446-D-005	23-HV-330
Membrane permeate header Citric Acid injection check valve	200446-D-005	23-CV-330
Membrane permeate header Sodium Hypochlorite injection isolation valve	200446-D-005	23-HV-130
Membrane permeate header Sodium Hypochlorite injection check valve	200446-D-005	23-CV-130

- HVAC equipment design, specifications and installation (where applicable).
- UPS, Power Conditioner, Emergency power supply and specification (where applicable).
- Lifting devices including Crane able to lift 5 ton for membrane removal, lifting davit crane and guide rails for submersible mixers and pumps, hoists, etc.
- Process and utilities piping, pipe supports, hangers, valves, etc. including but not limited to:
  - Piping, pipe supports and valves between Veolia-supplied equipment and other plant process equipment
  - Piping between Veolia-supplied equipment.
- Electrical wiring, conduit and other appurtenances required to provide power connections as required from the electrical power source to the Veolia control panel and from the control panel to any electrical equipment, pump motors and instruments external to the Veolia-supplied enclosure.
- All bolts, brackets and fasteners to install Veolia-supplied equipment. Seismic structural analysis and anchor bolt sizing.
- Alignment of rotating equipment.
- Raw materials, chemicals, and utilities during equipment start-up and operation.
- Supply of seed sludge for process start-up purposes, as required.
- Disposal of initial start-up wastewater and associated chemicals, as required.



- All tasks required for the onsite installation of the membranes, including installation of beams, brackets, hanging arms, new cassettes and disposal of all materials.
- Assure availability of a copy of the operating manual, all process and instrumentation drawings, and all electrical drawings on site and accessible for reference.
- Maintain adequate insurance coverage for the risks of fire, theft, vandalism, floods and personal injury to authorized or unauthorized visitors.
- Santaquin will afford Seller's personnel free access and egress of the facility for all authorized work. Santaquin will provide reasonable access to workshop facilities with standard workshop tools and equipment as is necessary to meet any repair and maintenance requirements of the system during installation. Santaquin will provide Seller's personnel reasonable access to the facility amenities, including washrooms and break rooms.
- Provide adequate illumination and emergency lighting for all areas in which the Seller will be executing the scope of supply. Provide all site utilities such as raw water, instrument quality air, potable water and power required for operation of the proposed equipment included in this scope of supply. Assure that adequate quantities of membrane cleaning and neutralizing chemicals are on hand for wash procedures including sodium hypochlorite, sodium bisulphite, citric acid and sodium hydroxide. Supply telephone/fax/modem access while Seller's staff members are on-site.

Santaquin retains control of the work site and retains final responsibility for the installation and commissioning process.

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## 10 Solution Design Notes

### 10.1 Permits

#### Regulatory Requirements

Santaquin is responsible to review and report to the permit granting agency on the impact of any of the proposed changes on the regulatory permit. Veolia will provide the necessary manufacturer's technical support on regulatory issues.

***Please speak with your regional lifecycle manager (RLM) if there are any regulatory requirements or concerns.***

#### Utilization

Veolia understands that these modules are required to complete a 5<sup>th</sup> operational train to expand the capacity of the existing treatment plant.



After the purchase order is acknowledged, Veolia’s project manager for the installation will consult with Santaquin to jointly develop the installation plan and work schedule with due regard for membrane delivery to the plant and plant preparation.

## 10.2 Maintenance Notes for Membranes

### Membrane Slack

Veolia’s membranes are supplied and shipped with an initial factory fiber slack designed to optimize membrane air scouring during operation as well as accommodate a degree of shrinkage. Membranes shrink in length early in their lifecycle when exposed to higher temperature water. The pace of shrinkage slows with age. With the installation of new membranes, the requirements for slack adjustment start a new cycle.

Due to the wide variety of operating environments in which our products can be utilized, it is difficult to generally predict the rate of shrinkage. If membranes operate in a condition of insufficient slack for an extended period of time, irreversible damage to the fiber-urethane bond may occur. Please refer below to the recommended inspection frequencies based on your plant’s membrane tank operating temperature. Visual inspections should begin during the membrane installation and be repeated over time on the same cassette. Digital pictures will allow for comparative analysis of the fiber slack over time.

Maximum Operating Temperature	Recommended Slack Inspection Frequency
0-24 °C / 32-76 °F	every 2 years
25-30 °C / 77-86 °F	once per year
>30 °C / > 86 °F	twice per year

### Bubble Test Pressure

The bubble test pressure for the purchased membranes is 2 psi horizontally and 3 psi vertically.

## 10.3 Technical

### Lifting Weight & Height

The lifting weight ranges for ZW500D cassettes slightly differ from the current ZW500D cassettes and need to be considered to ensure that the site has adequate lifting capacity available to install and later remove the cassettes safely.

Cassette Type	Lifting Weight Range (lb.)	Cassette Height (in.)
ZW500D 48M	4,320 – 8,962	100.2
ZW500D 52M	4,816 – 9,370	100.8



Cassette lifting weight ratings have a range as weights may vary due to the number of modules in the cassette and the degree of solids accumulation in an upset condition.

Santaquin is also responsible to undertake an on-site confirmation that crane lifting heights are adequate in all areas of the plant to accommodate this proposed change.

### **Blowers**

Santaquin will be relocating two existing Aerzen GM15L blowers to support the increased air requirements of the 5<sup>th</sup> train and future 6<sup>th</sup> train, maintaining full system redundancy.

### **MLSS Concentration**

MLSS concentration in the membrane tank during annual average, max month, and max week flows must not exceed 10 g/L and during max day and peak hour flows must not exceed 14 g/L.

### **Biological System**

Biological system expansion design, including equipment, will be completed by Santaquin or their 3rd party designate.

### **Pre-Screen**

Trash and non-biodegradable solids, such as hair, lint, grit and plastics may foul or damage the membranes if allowed to pass into the membrane chamber. Veolia recommends that an internally-fed screen with mesh or punched-hole openings less than or equal to 2 mm with no possibility of bypass or carryover be operated upstream of the new membranes to ensure effective operation and to maximize membrane life.

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## **11 Health & Safety**

### **Santaquin**

- Santaquin will provide orientation to Seller's personnel to ensure site-specific safety protocols are known. Santaquin will identify and inform Seller's personnel of any site-specific hazards present in the workplace that could impact the delivery of Seller's scope of supply and agrees to work with Seller to remove, monitor, and control the hazards to a practical level.
- Santaquin will provide any site-specific or standard company operating procedures and practices for Seller's personnel to perform work on site, if required by Santaquin's policies. Such programs may include, but are not limited to, general environmental health & safety (EHS), HAZOP, fire protection, drug testing, incident notice, site conduct, standard first aid, chemical receiving, electrical safety, etc. Santaquin will provide a certificate of program completion for Seller's personnel. This program will be fully documented, training materials will be provided, and attendance list will be kept.



- If any type of lifting devices will be used on site, Santaquin will provide proof of its maintenance, inspection and certification documentation upon request and will assist the Veolia service representative to complete a safety inspection checklist.
- Where confined space entry may be required, Santaquin will provide early notice and will collaborate with Veolia in planning adequate staffing and in advising the local fire/rescue department as required.
- No time or cost provision has been made for preparations such as safety record clearances, drug testing, insurance confirmations or pre-job-training in excess of 1 hour. Prior to finalizing the Purchase Order and the work schedule, Santaquin will advise Veolia of any pre-job or pre-mobilization requirements. Where these requirements exceed 1 hour, this time will be charged to Santaquin at rates set out in the prevailing Veolia labor rate sheet.
- Where certain short duration activities require two people for safety and the Veolia Service representative is alone at site, Santaquin will cooperate as required to assure that correct safety precautions are taken.
- Santaquin is responsible for the following environmental provisions:
  - Environmental use and discharge permits for all chemicals at Santaquin's facility either listed in this document or proposed for use at a later date;
  - Any special permits required for Seller's or Santaquin's employees to perform work related to the water treatment system at the facility;
  - All site testing, including soil, ground and surface water, air emissions, etc.;
  - Disposal of all solid and liquid waste from the Seller's system including waste materials generated during construction, start up and operation.
- Santaquin is responsible for provision of health and safety facilities to Seller's field service representatives to the same extent that they are provided to Santaquin's own employees, including provision of:
  - Eyewash and safety showers in the water treatment area;
  - Chemical spill response;
  - Security and fire protection systems per local codes.

#### **Veolia**

- All work on site will be performed in accordance with applicable law and will be performed reasonably, in a clean and safe manner. The Veolia service representative will abide by the more stringent of the applicable health, safety and environmental policies and procedures of either Santaquin or Veolia.
- Veolia will provide all applicable safety training required by Veolia policies or by state or national health and safety regulations. The Veolia service representative will have undergone workplace hazardous material information system (WHMIS)



training and will come equipped with necessary personal protective equipment (PPE).

- Emergencies - In emergencies affecting the safety of persons, work or property at the site and adjacent thereto, Veolia will act, without previous instructions from Santaquin, as the situation warrants. Veolia will notify Santaquin immediately thereafter.

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## 12 ZeeWeed Membrane Module Prorated Warranty

This schedule sets out the warranty with respect to ZeeWeed membrane modules (“membrane modules”). No other warranties, expressed or implied are made in connection with the sale of these products, including, without limitation, warranties as to fitness for any purpose or use or merchantability of these products. The warranty provided herein will be the exclusive and sole remedy of Buyer. This warranty is not transferable.

### 1. Definitions

The follow terms shall have the meaning set forth below when used in the warranty document:

- a. “Buyer” means the party purchasing the ZeeWeed Modules from the Seller
- b. “Seller” means a business component of, or legal entity within the Veolia Water Technologies & Solutions business which is selling the ZeeWeed membranes.
- c. “Full replacement” means that in the case of a valid warranty claim for a membrane module failure, Buyer receives a replacement membrane module and does not pay for the value of use of the membrane module prior to failure.
- d. “Prorated replacement” means Buyer pays for actual use of a membrane module from which Buyer has derived value over time. Prorated replacement allows the Seller to pay reasonable compensation under warranty for any product use not enjoyed by Buyer due to premature failure

### 2. Warranty Product

This warranty applies to only the membrane modules supplied under the contract of sale. Membrane module means the hollow fiber ultrafiltration membranes and the potted plastic headers. This warranty does not cover air piping to the membrane module, permeate piping from the membrane module, piping connection fittings, connecting hardware and cassette frames with their associated components including but not limited to spacers, aerator tubes, aerator assemblies, screen, module dummies or module blanks.

### 3. Scope of Warranty

The Seller warrants that its membrane module(s) will be free of defects due to faulty materials or errors in manufacturing workmanship.





Regular membrane module inspection and normal fiber repair shall be the responsibility of Buyer.

All replacement membrane modules will be shipped on the basis of INCOTERMS 2020 FCA Veolia manufacturing facility.

All ancillary costs including but not limited to bagging, boxing, crating, freight, freight insurance, applicable taxes, import duties, certifications, brokerage, receiving, forklift services, storage at site, reattachment hardware, hose/clamp/camlock replacement, crane services, installation, fiber repair materials, glycerin flushing, commissioning and waste disposal are the responsibility of Buyer.

#### 4. Warranty Start Date

Membrane warranty will start on the earlier of:

- a. The date that installation of the original membrane module(s) has been substantially completed, or
- b. Three (3) months from the date of delivery of the original membrane module(s) to Buyer.

#### 5. Warranty Duration

**Total Warranty Duration:** a total of **60** months composed of a full replacement period and an extended prorated replacement period.

**Full Replacement Warranty Duration:** **24** months of full replacement warranty coverage.

**Extended Prorated Replacement Warranty Duration:** **36** months following the full replacement warranty period.

Membrane modules replaced under warranty shall assume the remainder of the warranty for the original membrane modules being replaced, with such warranty to be not less than a **24** month full replacement warranty from the date of replacement with a new membrane module.

Replacement membrane modules are covered by warranty only to the extent of the warranty of the original membrane module which has been replaced. At all events, this warranty shall expire and be of no force or effect **60** months following the warranty start date.

#### 6. Membrane Module Replacement Price – Prorated Replacement

The base Membrane Module Replacement Price (MMRP) used to calculate the prorated amount to be paid by the Buyer to replace defective membrane modules under warranty shall be list price at the time of replacement order. Membrane module prorated replacement price does not include bagging, boxing, crating, taxes and will be shipped on the basis of INCOTERMS 2020 FCA VEOLIA Manufacturing facility.

For membrane modules supplied under valid warranty claims, the prorated share that the Buyer will pay is calculated as follows:

$$\text{Prorated Share} = \frac{\text{Number of Whole Months Elapsed Between the Membrane Modules Claim Date and the Warranty Start Date}}{\text{Total Warranty Duration}} \times \text{MMRP}$$



of Price

Total Warranty Duration in Months

Note that this Membrane Module Replacement Price (MMRP) is not applicable for membrane modules requested for purchase by Buyer for any non-warranty or other purposes, including but not limited to flux reduction, or plant hydraulic capacity increases. Modules purchased under these or other scenario's will be sold to Buyer by Seller at the list price in effect at the time of order.

## 6. Notification Of Claim

All claims filed under this warranty shall be made in writing by Buyer within 30 days of identifying a defect.

Buyer shall provide the following information:

- a. A description of the defect giving rise to the claim;
- b. Photographs showing the manufacturing defect;
- c. The serial number(s) of the membrane module(s) which is (are) the subject of the warranty claim; and
- d. Operating data and repair history for the life of membrane modules which are the subject of a warranty claim.

## 7. Verification of Claim

After receipt of written notification of a defect, the Seller will promptly undertake such investigations as, in the Seller's opinion, are necessary to verify whether a defect exists. The Seller reserves the right to require additional data as necessary to validate claims. Buyer may, in the course of these investigations, be requested to return membrane module(s) to the Seller for examination (see section 11). The Seller may also conduct reasonable tests and inspections at Buyer's plant or premises. If the results of the investigation do not validate the defect claimed, Buyer will reimburse the Seller for all reasonable expenses associated with said investigation, including expenses for all tests, inspections, and associated travel.

## 8. Satisfaction of Claims

The Seller will have the right to satisfy claims under this warranty in a flexible manner. Such flexibility may include the repair of existing membrane modules or changes in operating protocols or membrane module replacement or by upgrading failed membrane modules with newer membrane module(s) that may embody design and efficiency improvements. Buyer consents to the supply of replacement membrane modules which may be of a different design than original membrane modules.

## 9. Operating Information

To maintain the membrane module warranty, membrane system operation records from initial start-up date until claim must be maintained by Buyer and made available to the Seller upon request. Records must be provided in sufficient detail as applicable to verify the subject of a warranty claim and can include but is not limited to, operation data including information on feed water quality, temperatures, flows, trans-membrane pressures, aeration rates, permeate quality, cleaning



intervals, cleaning chemical concentrations, elapsed time since start-up, relevant analytical data and reporting of any screen bypass events.

Buyer shall maintain and share access to a single reference copy in electronic form of a membrane module map containing the history of activity by membrane module and the serial number for each module. Buyer shall log its procedures performed related to a membrane module including relocation of membrane modules, repairs, replacements and any other noteworthy events.

Buyer authorizes the Seller to conduct any reasonable review of operation and maintenance records or to inspect facilities where membrane modules are installed, upon reasonable notice to Buyer. Such reviews and/or inspections are intended to also assist the Seller and Buyer in detection of membrane system faults and to optimize the care and operation of the membrane modules.

## 10. Limitation of Warranties

Occurrence of any of the following as reasonably determined by the Seller will void this warranty:

- a. A material failure to operate the membrane system in accordance with Seller's operations and maintenance manual supplied to Buyer as part of the contract, including material failure to adhere to the Seller's specified membrane module cleaning procedures and the use of anything other than Seller-approved membrane module cleaning agents.
- b. Failure to adhere to the preventive maintenance program as presented in the Seller's operations and maintenance manual, in published product manuals and in specifications.
- c. Failure to adhere to all transportation and storage requirements. ZeeWeed membrane modules may be stored up to 12 months from date of receipt and must be transported and stored in original intact packaging out of direct sunlight in ambient temperatures between 5-35 Degrees Celsius. Storage beyond 12 months from date of receipt requires a written request to Veolia to maintain membrane module warranties.
- d. Introduction of destructive foreign materials and chemical agents into the membrane module.
- e. Failure to maintain and provide system operating data and repair history for the life of membrane modules which are the subject of a warranty claim.
- f. Physical abuse or misuse, incorrect removal or installation of membrane modules by non-Seller personnel including fiber damage caused by operator error in handling of membrane modules or cassettes.
- g. Unauthorized alteration of any components or parts originally supplied by the Seller.
- h. Intentional damage.

## 11. Return Procedure

In the event that the return of a membrane module is required pursuant to this warranty, Buyer will first obtain a Return Goods Authorization (RGA) number from the Seller. Membrane module(s) shipped to the Seller for warranty examination must be shipped freight prepaid in environmentally controlled freight and storage with ambient air temperature between 5-35 degree Celsius. If Buyer



desires temporary replacement membrane module(s) to replace those alleged to be defective and returned to the Seller for warranty examination, Buyer shall be responsible for the cost associated with any such replacements until examination of the returned membrane modules pursuant to this warranty is complete. Any membrane module examined by Seller as part of a warranty claim where the membrane module is subsequently found to be performing as warranted or where a membrane module failure is not covered under the warranty will be returned to Buyer, freight collect or disposed of by Seller and the cost associated with any membrane analysis and diagnostic work will be levied against the Buyer based on Veolia standard labor rates.

## 12. Disclaimer and Limitation of Liability

To the maximum extent permitted by law, in no event shall Seller be liable for any loss of profit or revenues, loss of production, loss of use of equipment or services or any associated equipment, interruption of business, cost of capital, cost of replacement water or power, downtime costs, increased operating costs, claims of Buyer's customers for such damages, or for any special, consequential, incidental, indirect, punitive or exemplary damages arising out of or relating to the performance or actual or alleged breach of the agreement, regardless of whether a claim is based in contract (including warranty or indemnity), extra-contractual liability, tort (including negligence or strict liability), statute, equity or any other legal theory.

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# 13 Train Performance Warranty

A one (1) year performance warranty is offered on the new train delivered under this proposal to provide additional system capacity and membrane permeate quality consistent with the existing membrane system. The train performance warranty period is twelve (12) months from the date of substantial completion. Substantial completion is defined as completion of equipment commissioning. This warranty provides protection and assurance to the owner with respect to the performance of the membrane system.

## 13.1 Warranty Provisions

Veolia warrants, subject to the provisions herein after set forth, that after stable operation of the new train has been attained and operators have acquired reasonable skills, the membrane train supplied under this proposal will be capable of producing the results set forth in Table 2, provided that:

- The Equipment is operated and maintained at all times in accordance with the Veolia Operations and Maintenance manual;
- The Equipment is operated within the mixed liquor characteristics defined in Table 1 of this section;
- Veolia has, until performance of its obligation herein is met, reasonable access to the Equipment and the operational data relating thereto;
- The Buyer/Owner furnishes adequate and competent operating, supervisory and maintenance staff, and necessary laboratory facilities with test equipment and personnel;



- The Buyer/Owner utilizes the services of Veolia until its performance obligations are met;
- The Buyer/Owner supplies all necessary raw materials and services of a quantity and of a quality specified by Veolia;
- An adequate and continuous power supply is available that will enable operation of all required equipment;
- The following pre-treatment guidelines are followed:
  - **Fats, Oil and Grease (FOG)** – FOG concentration shall not exceed 150 mg/L of emulsified FOG in the feed with no free oil and less than 10 mg/L of mineral oil. In the event that the wastewater FOG concentration exceeds any of these values, appropriate removal mechanisms must be included in the headworks design.
  - **Pre-screening** - A punched hole or woven wire mesh screen with a maximum size opening of no greater than 2 mm and without possibility of bypass of any particle larger than 2 mm in all directions must be included in the headworks.
  - **Process Chemical Additives** - The use of any chemicals added to the wastewater treatment process (e.g.: polymers, flocculants, coagulants, antifoams) that may come in contact with the ZeeWeed® membranes must be approved by Veolia prior to use. This includes chemicals used in processes outside of the Veolia system that may be transferred to the Veolia system, such as in solids handling facilities.

## 13.2 Membrane Train Performance

Subject to the terms defined above and the mixed liquor characteristics defined in Table 1, the membrane train offered herein will be capable of meeting the permeate capacity and quality defined in Table 2.

**Table 1: Mixed Liquor Characteristics for Warranty Purposes**

Parameter	Design Value	Accepted Operating Range
Mixed liquor temperature (°C)	14	14 – 30
MLSS concentration in membrane tanks (mg/L) <sup>1</sup>	10,000	8,000 – 14,000
pH of mixed liquor in membrane tanks (SU)	7.0	6.5 – 7.5
NH3-N concentration in mixed liquor entering membrane tanks (mg/L)	0.5	≤ 1.0
Colloidal TOC (cTOC) concentration in mixed liquor entering membrane tanks (mg/L) <sup>2</sup>	7	≤ 10
Soluble alkalinity of mixed liquor entering membrane tanks (mg/L as CaCO3)	100	50 – 150



Parameter	Design Value	Accepted Operating Range
Time to filter (TTF) of mixed liquor in membrane tanks <sup>3</sup>	100	≤ 200
Material greater than 2-mm in size in mixed liquor in membrane tanks (mg/L) <sup>4</sup>	0	≤ 1
Instantaneous air flow rate to independent membrane modules during air scour at diffuser (scfm per module)	10.38	9.8 – 11

1. Membrane tank MLSS concentration of 12,000 mg/L is permissible only during MDF and 14,000 mg/L during PHF. Membrane tank MLSS concentration to be 8,000 to 10,000 mg/L during all other flow conditions.
2. Colloidal TOC (cTOC) is the difference between the TOC measured in the filtrate passing through a 1.5 µm filter paper and the TOC measured in the ZeeWeed membrane permeate.
3. Time to filter (TTF) is the time to filter 100 mL of a 200 mL mixed liquor sample through a 1.5 µm filter paper (9 cm in diameter).
4. Per Veolia standard Sieve Test procedure.
5. Chemicals that are not compatible with the ZeeWeed PVDF membrane are not permitted in the membrane tank.

**Table 2: Guaranteed Train 5 Filtration System Performance**

Parameter	Phase 2	Guaranteed Values for train 5
<b>Membrane Filtration System Hydraulic Capacity for Phase 2</b>		
Average Day Flow, ADF, with all trains in service (MGD) <sup>1</sup>	≤ 1.07	≤ 0.31
Maximum Month Flow, MMF, with all trains in service (MGD) <sup>1</sup>	≤ 1.35	≤ 0.39
Maximum Day Flow, MDF, with all trains in service (MGD) <sup>1</sup>	≤ 1.40	≤ 0.41
Peak Hour Flow, PHF, with all trains in service (MGD) <sup>1</sup>	≤ 2.43	≤ 0.706
<b>Membrane Filtration System Permeate Quality</b>		
TSS (mg/L)	≤ 5	≤ 5
Turbidity (NTU)	≤ 0.2, 95% of the time <sup>2</sup> ≤ 0.5, 100% of the time	≤ 0.2, 95% of the time <sup>2</sup> ≤ 0.5, 100% of the time

1. The flow conditions are defined as follows:  
*Average Day Flow (ADF)* – The average flow rate occurring over a 24-hour period based on annual flow rate data.  
*Maximum Month Flow (MMF)* – The average daily flow rate occurring during the 30-day period with the highest flow based on annual flow rate data.  
*Peak Hour Flow (PHF)* – The maximum flow rate sustained over a 1-hour period based on annual flow rate data.
2. Turbidity ≤ 0.2 NTU 95% of the time within 24 hours, as specified by Title 22.

The Seller’s obligation under this warranty is to repair or replace any device or part provided by Seller that is preventing the production of the quantity and quality of membrane permeate specified when required, which shall prove to have been thus defective. The train



performance warranty period is twelve (12) months from the date of substantial completion or 18 months from shipment, whichever occurs first. Substantial completion is defined as completion of equipment commissioning.

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## 14 Mechanical Warranty Terms

### **Material and Workmanship Warranty**

The mechanical warranty is only applicable to equipment supplied by the Seller. The Seller's obligation under this warranty is to repair or replace, at its factory, any device or part thereof, which shall prove to have been thus defective. The mechanical warranty period is twelve (12) months from the date of substantial completion or 18 months from shipment, whichever occurs first. Substantial completion is defined as completion of equipment commissioning.

The Seller assumes no liability for any damage to the equipment caused by inadequate storage or handling per manufacturer's recommendations in supplied technical literature, or by defective or sub-standard workmanship of materials provided by the Buyer/Owner or any other third party responsible for handling, storing or installing the equipment.

The Buyer/Owner undertakes to give immediate notice to the Seller if goods or performance appear defective and to provide the Seller with reasonable opportunity to make inspections and tests. If the Seller is not at fault, the Buyer/Owner shall pay the Seller the costs and expenses associated with the inspections and tests.

Goods shall not be returned to the Seller without the Seller's permission. The Seller will provide the Buyer/Owner with a "Return Goods Authorization" (RGA) number to use for returned goods. All returns are F.C.A. – Oakville, Ontario, Canada. All costs associated with the removal and shipment of the defective part from the Buyer/Owner's facility to the Seller's factory and all costs related to return shipment to the Buyer/Owner's facility and installation of a repaired or replacement part shall be the Buyer/Owner's responsibility.

Implied warranties, including but not limited to warranties of fitness for particular purpose, use or application, and all other obligations or liabilities on the part of the Seller, unless such warranties, obligations or liabilities are expressly agreed to in writing by the Seller, are null and void



# 15 Terms and Conditions of Sale

## A - Specific Terms and Conditions of Sale

These terms take precedence over the general terms and conditions of sale.

### 1 Legal Entity for Contracting

**ZENON Environmental Corporation** is the name of the Seller, and means a business component of, or legal entity within the Veolia Water Technologies & Solutions business (Veolia).

Please advise us if this Veolia entity is not set up in your purchasing system as a vendor and you do have another Veolia entity set up. We are keen to make the purchase process as convenient as possible for Santaquin.

**short form:** Where a short reference is required in this document, for convenience, we are called simply **Veolia**.

### 2 Payment

Veolia prefers to receive payment by wire transfer and will also accept payment by courier check.

<b>Wire transfer information for ZENON Environmental Corporation</b> send details to: SHD WATS REMIT-NAM <a href="mailto:vtc.vwts.remit-nam.all@veolia.com">vtc.vwts.remit-nam.all@veolia.com</a>	
Bank of America Merrill Lynch C/O ZENON Environmental Corporation 901 Main Street Dallas, TX 75202	ACCT# 4426318136 ABA# 026009593 SWIFT# BOFAUS3N ACH# 111000012

### 3 Payment Terms

**On approved credit**, payment terms are **net 30 days** from customer receipt of invoice. Please see the invoicing schedule in the price section. In the event an invoice is issued on shipment of goods from a Veolia Hungarian production facility, payment terms will be extended by an additional 45 days to account for the additional transit time to the delivery location.

### 4 Proposal Validity

Prices quoted and proposal terms are valid up to **thirty (30) days** after the date of issue of this proposal unless confirmed with a purchase order.

### 5 Bonds

Performance or payment bonds are not included in the price. These bonds can be purchased on request but will be at an additional cost.

### 6 Assignment of Membrane Warranty

The Buyer will be entitled to assign to a subsequent owner of the membranes the warranties of the Seller under this Agreement, provided that a prior written notification is sent to the Seller and the assignment agreement contains terms and conditions which provide the Seller with the protections of the warranties and limitations on liability contained in the Agreement. Subject to Buyer's compliance with the foregoing requirement, such warranty rights are expressly assignable by the Buyer to a subsequent owner of the membranes. Except as provided herein, Buyer is not entitled to extend or transfer this warranty to any other party.

### 7 Flight Booking

Prices quoted for installation which include airfare are either based on timely confirmation of a visit schedule or based on receipt of a purchase order in time to book any flights seven days in advance. Additional airfare charges related to late arrival of a purchase order will be extra and billed through to Santaquin without mark-up.





## 8 Warranty on Programming

Veolia warrants that the PLC program will conform to the specifications in the relevant sections of the CLSC and OSC (revised for the project) and will be free from defects in workmanship when operated at all times in accordance with Veolia's written instructions. If any defects are found and reported by Santaquin within a period not exceeding twelve (12) months beyond the completion of the site acceptance test, Veolia will make modifications to the PLC code as deemed necessary. Any changes requested by Santaquin after this period will be at the customer's expense.

## 9 Purchase Order Guidelines

Please confirm that your purchase order has covered the following points. This will ensure accurate and prompt order entry, product delivery, invoicing and accounts receivables processing and will prevent administrative delays for all parties.

- **Documentation** – Our strong preference is to receive a hard or digital copy of your purchase order (PO) rather than a PO number alone. Your PO can be sent by email to [nam.service.pocentral@veolia.com](mailto:nam.service.pocentral@veolia.com). If you are not able to provide a PO, please contact us for alternatives.
- **Veolia legal entity** – Please be sure your purchase order is issued in the name of the specific Veolia legal entity outlined in the quote. We will be glad to work with your purchasing department to set this entity up as an approved supplier/vendor. Please advise us if this Veolia entity is not set up in your purchasing system as a vendor and you do have another Veolia entity set up.
- **Quotation Number** – Please reference the quotation number in your PO.
- **Product** – Please note which product(s) you wish to purchase along with the quoted price, particularly if quantities or scope differ from the quotation.
- **Taxes** – Please provide any required tax exemption certificates. Please indicate if taxes have been added in your PO.
- **Payment Terms** – Please acknowledge the payment terms included with the quotation.
- **Bill-to Address** – Please include contact information for your accounts payable.
- **Ship-to Address** – Please clearly define the delivery location and the receiver's email & telephone. Please specify receiving hours and any special off-loading requirements.
- **Delivery Date** – Please include your requested delivery date.

## B – General Terms and Conditions of Sale

Veolia's standard terms and conditions apply. See Attachment A.

Note to purchasing agent: The Veolia's standard set of commercial terms & conditions are written for moderate value transactions to allow an efficient and rapid provision of services and parts. Where corporate agreement terms have been previously agreed, these may be brought forward by either party and applied by mutual consent. If either of these terms sets are not immediately acceptable, please expect a typical 6-10 week cycle of mutual review to build agreement on changes.



# 16 Signed Agreement

Through the issue of this proposal, Veolia signals their intent to enter into an agreement with Santaquin. Santaquin and Veolia acknowledge that they have read and understood this agreement and agree to be bound by the terms and conditions specified in it.

**Offered by Legal Entity:** ZENON Environmental Corporation, also known as Veolia or Seller

**Accepted by Legal Entity:** City of Santaquin, also known as Santaquin or Buyer

**Authorized Signature by:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Signature Date:** \_\_\_\_\_

**Signature:** x \_\_\_\_\_

**Purchase Order No:** \_\_\_\_\_

**If options were available, which options selected** \_\_\_\_\_

Upon acceptance of this proposal, please forward the following either

- by email with .pdf attachments or • by postal mail.
- 1) this signature page completed and/or
- 2) a hard copy of your purchase order, and
- 3) any required tax exemption certificates

[nam.service.pocentral@veolia.com](mailto:nam.service.pocentral@veolia.com)  
 or  
 Veolia Water Technologies & Solutions  
 attention: Contracts Administrator  
 Please contact  
[nam.service.pocentral@veolia.com](mailto:nam.service.pocentral@veolia.com)  
 for correct address

This agreement comes into force when Veolia has issued a formal acceptance of Santaquin’s Purchase order or formal acceptance of this Santaquin signed agreement.

Doc. control: Author: RM (rev 0) JP (rev 1) Filename: Santaquin 595017-1 96 x ZW500D 430ft² Jun 11 2024  
Last modified: 6/11/2024 4:45 PM Technical review: GB (rev 0) Commercial review: JD DOA: GMRP



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## Attachment A Veolia Standard Terms and Conditions

- 1. Exclusive Terms and Conditions.** Together with any other terms the Parties agree to in writing, these General Terms and Conditions – together with the last proposal in order of time issued by the Seller – form the exclusive terms (“Agreement”) whereby Buyer agrees to purchase, and Seller agrees to sell products and equipment (jointly “Equipment”) and to provide advice, instruction and other services in connection with the sale of that Equipment (“Services”). If Buyer sends to Seller other terms and conditions to which Seller may not respond, including but not limited to those contained in Buyer’s purchase order, such shall not apply. This Agreement may only be revised by a change order approved in writing by both Parties. All terms not defined herein shall be defined in Seller’s proposal.
- 2. Equipment and Services.** The Equipment to be delivered and the Services to be provided shall be as set out in this Agreement. Unloading, handling, storage, installation, and operation of Buyer’s systems or the Equipment are the responsibility of Buyer. Buyer shall not require or permit Seller’s personnel to operate Buyer’s systems or the Equipment at Buyer’s site.
- 3. Prices and Payment.** Buyer shall pay Seller for the Equipment and Services in accordance with the payment schedule (as set forth in Seller’s proposal or, if applicable, in any special conditions agreed to in writing by the Parties). Unless otherwise specified in writing, payment is due net thirty (30) days from the date of Seller’s invoice. Seller may require a Letter of Credit or other payment guarantee, in which case the stated amount of the guarantee will be adjusted by Buyer in the event of any currency-based adjustment to prices or payment amounts per the Payment Schedule, and Buyer shall deliver the adjusted guarantee within five (5) days of request by Seller. Buyer agrees to reimburse Seller for collection costs, including 2% (two percent) interest per month (not to exceed the maximum amount permitted by applicable law), should Buyer fail to timely pay. Buyer shall have no rights to make any deduction, retention, withholding or setoff relating to any payments due under this Agreement.
- 4. Taxes and Duties.** Seller shall be responsible for all corporate taxes measured by net income due to performance of or payment for work under this Agreement (“Seller Taxes”). Buyer shall be responsible for all taxes, duties, fees, or other charges of any nature (including, but not limited to, consumption, gross receipts, import, property, sales, stamp, turnover, use, or value-added taxes, and all items of withholding, deficiency, penalty, addition to tax, interest, or assessment related thereto, imposed by any governmental authority on Buyer or Seller or its subcontractors) in relation to the Agreement or the performance of or payment for work under the Agreement other than Seller Taxes (“Buyer Taxes”). The Agreement prices do not include the amount of any Buyer Taxes. If Buyer deducts or withholds Buyer Taxes, Buyer shall pay additional amounts so that Seller receives the full Agreement price without reduction for Buyer Taxes. Buyer shall provide to Seller, within one month of payment, official receipts from the applicable governmental authority for deducted or withheld taxes. Buyer shall furnish Seller with evidence of tax exemption acceptable to taxing authorities if applicable, prior to execution of the Agreement by both Parties or issuance by the Seller of the order acceptance. Buyer’s failure to provide evidence of exemption at time of order will relieve Seller of any obligation to refund taxes paid by Seller.
- 5. Delivery, Title, Risk of Loss.** Unless otherwise specified in this Agreement, Seller shall deliver all Equipment to Buyer FCA (Incoterms 2020) Seller’s facility. The time for delivery of the Equipment to Buyer shall be specified in this Agreement. Seller’s sole liability for any delay in delivery of the Equipment shall be as expressly set out in this Agreement. The place of delivery specified herein shall be firm and fixed, provided that Buyer may notify Seller no later than forty-five (45) days prior to the scheduled shipment date of the Equipment of an alternate point of delivery, Buyer shall compensate Seller for any additional cost in implementing the change. If any part of the Equipment cannot be delivered when ready due to any cause not attributable to Seller, Buyer shall designate a climate-controlled storage location, and Seller shall ship such Equipment to storage. Title and risk of loss shall thereupon pass to Buyer and amounts payable to Seller upon delivery or shipment shall be paid by Buyer along with expenses incurred by Seller. Services provided herein shall be charged at the rate prevailing at the time of actual use and Buyer shall pay any increase, and Buyer shall pay directly all costs for storage and subsequent transportation. Failure by Buyer to take delivery of the Equipment shall be a material breach of this Agreement.



Title and risk of loss to the Equipment shall be transferred from Seller to Buyer at the point of delivery upon handover in accordance with this Agreement. Title and risk of loss to the Services shall pass as they are performed.

**6. Warranties and Remedies.** Seller warrants that Equipment shall be delivered free from defects in material, workmanship and title and that Services shall be performed in a competent, diligent manner in accordance with any mutually agreed specifications. Seller's warranty does not cover the results of improper handling, storage, installation, commissioning, operation or maintenance of the Equipment by Buyer or third parties, repairs or alterations made by Buyer without Seller's written consent, influent water which does not comply with agreed parameters, or fair wear and tear.

Unless otherwise expressly provided in this Agreement, the foregoing warranties are valid for:

- (a) Chemicals and services, for six (6) months from their date of delivery or the provision of Services;
- (b) Consumables, including filters and spiral wound membranes (other than spiral wound membranes for process treatment), the earlier of twelve (12) months from date of first use or fifteen (15) months from their date of delivery;
- (c) Spiral wound membranes for process fluid treatment, ninety (90) days from their date of first use;
- (d) Ultrafiltration membranes (ZW500, ZW700B, ZW1000, ZW1500), twelve (12) months from their date of delivery;
- (e) Equipment other than chemicals and consumables, the earlier of, fifteen (15) months from delivery or shipment to storage, or twelve (12) months from start-up/first use;
- (f) Software, ninety (90) days from the date of receipt;
- (g) Equipment not manufactured by Seller; the warranty shall be the manufacturer's transferable warranty only.

Any claim for breach of these warranties must be promptly notified in writing, and Buyer shall make the defective item available to the Seller, or the claim will be void. Seller's sole responsibility and Buyer's exclusive remedy arising out of or relating to the Equipment or Services or any breach of these warranties is limited to repair at Seller's facility or (at Seller's option) replace at Seller's facility the defective item of Equipment and re-perform defective Services. In performance of its obligations hereunder, Seller will not control the actual operation of either Buyer's systems or the Equipment at the Buyer's site.

Warranty repair, replacement or re-performance by Seller shall not extend or renew the applicable warranty period.

The warranties and remedies are conditioned upon (a) proper unloading, handling, storage, installation, use, operation, and maintenance of the Equipment and Buyer's facility and all related system in accordance with Seller's instructions and, in the absence, generally accepted industry practice, (b) Buyer keeping accurate and complete records of operation and maintenance during the warranty period and providing Seller access to those records, and (c) modification or repair of Equipment or Services only as authorized by Seller in writing. Failure to meet any such conditions renders the warranty null and void.

The Buyer will be entitled to assign to a subsequent owner of the Equipment the warranties of the Seller under this Agreement, provided that a prior written notification is sent to the Seller and the assignment agreement contains terms and conditions which provide the Seller with the protections of the warranties and limitations on liability contained in the Agreement. Subject to Buyer's compliance with the foregoing requirement, such warranty rights are expressly assignable by the Buyer to a subsequent owner of the Equipment. Except as provided herein, Buyer is not entitled to extend or transfer this warranty to any other party. The warranties and remedies set forth in this article are in lieu of and exclude all other warranties and remedies, statutory, express or implied, including any warranty of merchantability or of fitness for a particular purpose.

Unless otherwise expressly stipulated in this Agreement, Seller gives no warranty or guarantee as to process results or performance of the Equipment, including but not limited to product quality, flow, production, capacity, membrane life, chemical consumption, regulatory compliance or energy consumption.

**7. General Indemnity.** Seller shall indemnify and hold harmless Buyer from claims for physical damage to third party property or injury to persons, including death, to the extent caused by the negligence of Seller or its officers, agents, employees, and/or assigns while engaged in activities under this Agreement. Buyer shall likewise indemnify and hold harmless Seller from claims for physical damage to third party property or injury to persons, including death, to the extent caused by the negligence of the Buyer, its officers, agents, employees, and/or assigns. In the event such



damage or injury is caused by the joint or concurrent negligence of Seller and Buyer, the loss shall be borne by each Party in proportion to its negligence. For the purposes of this article (i) "Third party" shall not include Buyer or any subsequent owner of the Equipment, their subsidiaries, parents, affiliates, agents, successors or assigns including any operation or maintenance contractor, or their insurer; and (ii) no portion of the Equipment is "third party property".

**8. Compliance with Laws and Permits.** All permits, authorizations, and licenses which are required to construct, install and/or operate Buyer's facility or equipment, to use the Equipment, or to manage and dispose of any wastes, discharges, and residues resulting from Buyer's use of the Equipment, shall be obtained and maintained by Buyer at Buyer's sole expense. Buyer is responsible for compliance with all laws and regulations applicable to the storage, use, handling, installation, maintenance, removal, registration, and labeling of all Equipment after delivery of the Equipment, as well as for the proper management and disposal of all wastes, discharges, and residues.

**9. Buyer's Site Conditions.** Buyer warrants that any data furnished to the Seller concerning conditions at Buyer's site (including but not limited to any existing Buyer facility, equipment or processes, influent water or other substances to be treated or measured with the Equipment) is accurate and complete, and the Seller reserves the right to utilize the most appropriate design compatible with generally accepted engineering practices, and to make changes in details of design, manufacture and arrangement of Equipment unless precluded by any limitations specified in this Agreement. Seller shall notify Buyer of (1) any conditions at Buyer's site which materially differ from those indicated in the data furnished by Buyer, (2) any previously unknown physical conditions at Buyer's site of an unusual nature, not revealed by previous investigations and differing from those ordinarily encountered in the type of work provided for in this Agreement, and (3) the presence of any Hazardous Materials (as defined below), the existence of a contaminated soil, unexploded ordinance, or archaeological remains. If such conditions cause an increase in Seller's cost or in the time required for the performance of Seller's obligations, Seller shall be entitled to an equitable adjustment in the Agreement price and an extension in the time for performance.

**10. Hazardous Materials and Wastes.** In the event that Seller encounters any Hazardous Materials (meaning toxic substances, hazardous substances, pollutants, contaminants, regulated wastes, or hazardous wastes as such terms may be defined or classified in any law, statute, directive, ordinance or regulations promulgated by any applicable governmental entity) at Buyer's site, other than Hazardous Materials introduced by Seller or that are otherwise the express responsibility of Seller under this Agreement, Buyer shall immediately take whatever precautions are required to legally eliminate such Hazardous Materials so that the Seller's work under this Agreement may safely proceed. At no time shall Seller be deemed to have taken title to or the responsibility for the management or disposal of any wastes, Hazardous Materials, influent water, any resultant product streams, wastewater streams, discharges, cleaning materials, or any other materials or substances processed by the Equipment or otherwise located at Buyer's site. Seller does not take responsibility for and hereby expressly disclaims responsibility for the characterization or disposal of wastes, Hazardous Materials, or for the identification, selection, or management of disposal facilities for any wastes.

**11. Excusable Delays.** Seller shall not be liable nor in breach or default of its obligations under this Agreement to the extent performance of such obligations is delayed or prevented, directly or indirectly, due to causes beyond the reasonable control of Seller, including, but not limited to: acts of God, natural disasters, unusually severe weather, fire, terrorism, war (declared or undeclared) epidemics, material shortages, insurrection, act (or omissions) of Buyer or Buyer's contractors/suppliers or agents, any act (or omission) by any governmental authority, strikes, labor disputes, transportation shortages, or vendor non-performance. The delivery or performance date shall be extended for a period equal to the time lost by reason of delay or non-performance, plus such additional time as may be necessary to overcome the effect of the delay or non-performance. If delivery or performance is delayed for a period exceeding 180 (one hundred and eighty) days, either Party may terminate this Agreement without further liability provided that Seller shall be paid an amount equal to that which would be payable to Seller under the article entitled "Termination". If Seller is delayed by any acts (or omissions) of Buyer, or by the prerequisite work of Buyer's other contractors or suppliers, Seller shall be entitled to an equitable adjustment in schedule, price and/or performance, as applicable.

**12. Emergencies.** If the safety of Seller's personnel is threatened or likely to be threatened by circumstances outside the reasonable control of Seller, including but not limited to war, armed conflict, civil unrest, riots, terrorism, kidnapping, presence of or exposure to hazardous materials, unsafe working conditions, or by the threat of such circumstances or a lack of adequate protections against such circumstances, Seller shall be entitled to take all necessary steps to ensure the security and safety of its personnel including the evacuation of personnel until such circumstances no longer apply. Any such occurrence shall be considered an excusable delay event. Buyer shall reasonably assist in the event of any such evacuation.



**13. Confidentiality, Intellectual Property.** Both Parties agree to keep confidential the other Party's proprietary non-public information, if any, which may be acquired in connection with this Agreement. Buyer will not, without Seller's advance written consent, subject Equipment to testing, analysis, or any type of reverse engineering. Seller retains all intellectual property rights including copyright which it has in all drawings and data or other deliverables (including the Equipment) supplied or developed under this Agreement. Buyer agrees that it will not file patent applications on the Equipment or any development or enhancement of the Equipment, or of processes and methods of using the Equipment, without Seller's express prior written permission. Buyer further agrees that in any event any such patents will not be asserted against Seller or its other buyers based upon purchase and use of such Equipment. Seller grants to Buyer a non-exclusive, non-terminable, royalty free license to use the intellectual property embedded in Equipment delivered to and paid for by the Buyer, as well as any drawings, design or data delivered to and paid for by the Buyer, for the purposes of owning, financing, using, operating and maintaining the relevant Equipment at Buyer's site. Such license may only be assigned to a subsequent owner of the Equipment or to an operations and maintenance subcontractor. Such license does not extend to the re-creation of the Equipment or the manufacture of spares or consumables by Buyer or third parties.

Any software Seller owns and provides pursuant to this Agreement shall remain Seller's property. Seller provides to Buyer a limited, non-exclusive and terminable royalty free project-specific license to such software for the use, operation or maintenance at Buyer's site of any Equipment purchased hereunder to which the software is a necessary component. Buyer agrees not to copy, sub-license, translate, transfer, reverse engineer, or decode the software.

Seller shall indemnify and hold harmless Buyer from any rightful claim of any third party that any Equipment or Service infringe a patent in effect in the USA, or country of delivery (provided there is a corresponding patent issued by the USA), or USA copyright or copyright registered in the country of delivery. If the Buyer notifies the Seller promptly of the receipt of any such claim, does not take any position adverse to the Seller regarding such claim and gives the Seller information, assistance and exclusive authority to settle and defend the claim, the Seller shall, at its own expense and choice, either (i) settle or defend the claim and pay all damages and costs awarded in it against the Buyer, or (ii) procure for the Buyer the right to continue using the Equipment or Service, or (iii) modify or replace the Equipment or Service so that it becomes non-infringing, or (iv) remove the infringing Equipment and refund the price. The above paragraph shall not apply to any misuse of Equipment or Equipment which is manufactured to the Buyer's design, or to alleged infringement arising from the combination, operation, or use of any Equipment or Services with other equipment or services when such combination is part of any allegedly infringing subject matter. The foregoing list of sub-sections (i), (ii), (iii), and (iv) and related terms state the entire liability of the Seller for intellectual property infringement by any Equipment or Service.

**14. Limitations on Liability.** Notwithstanding anything else contained in this Agreement, to the maximum extent permitted by law, and regardless of whether a claim is based in contract (including warranty or indemnity), extra-contractual liability, tort (including negligence or strict liability), statute, equity or any other legal theory:

- (a) THE TOTAL LIABILITY OF THE SELLER AND OF ITS INSURER FOR ALL CLAIMS ARISING OUT OF OR RELATING TO THE PERFORMANCE OR BREACH OF THIS AGREEMENT OR USE OF ANY EQUIPMENT OR SERVICES SHALL NOT EXCEED THE TOTAL PRICE PAID BY BUYER UNDER THIS AGREEMENT OR (IN THE CASE OF AN AGREEMENT FOR SERVICES WITH A TERM OF MORE THAN ONE YEAR) THE ANNUAL PRICE PAYABLE BY BUYER UNDER THIS AGREEMENT;
- (b) IN NO EVENT SHALL SELLER BE LIABLE FOR ANY LOSS OF PROFIT OR REVENUES, LOSS OF PRODUCTION, LOSS OF USE OF EQUIPMENT OR SERVICES OR ANY ASSOCIATED EQUIPMENT, INTERRUPTION OF BUSINESS, COST OF CAPITAL, COST OF REPLACEMENT WATER OR POWER, DOWNTIME COSTS, INCREASED OPERATING COSTS, CLAIMS OF BUYER'S CUSTOMERS FOR SUCH DAMAGES, OR FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE OR EXEMPLARY DAMAGES;
- (c) SELLER'S LIABILITY SHALL END UPON EXPIRATION OF THE APPLICABLE WARRANTY PERIOD, PROVIDED THAT BUYER MAY CONTINUE TO ENFORCE A CLAIM FOR WHICH IT HAS GIVEN NOTICE PRIOR TO THAT DATE BY COMMENCING AN ACTION OR ARBITRATION, AS APPLICABLE UNDER THIS AGREEMENT, BEFORE EXPIRATION OF ANY STATUTE OF LIMITATIONS OR OTHER LEGAL TIME LIMITATION BUT IN NO EVENT – TO THE EXTENT PERMITTED BY APPLICABLE LAW – LATER THAN FIVE (5) MONTHS AFTER EXPIRATION OF SUCH WARRANTY PERIOD.



For the purposes of this article, "Seller" shall mean Seller, its affiliates, subcontractors and suppliers of any tier, and their respective agents and employees, individually or collectively. If Buyer is supplying Seller's Equipment or Services to a third party, Buyer shall require the third party to agree to be bound by this article. If Buyer does not obtain this agreement for Seller's benefit for any reason, Buyer shall indemnify and hold Seller harmless from all liability arising out of claims made by the third party in excess of the limitations and exclusion of this article.

**15. Termination.** This Agreement and any performance pursuant to it may be terminated by either Party, and the consequences of such termination shall be as set out in the next paragraph, if the other Party

- (a) Becomes insolvent, makes an assignment for the benefit of its creditors, has a receiver or trustee appointed for the benefit of its creditors, or files for protection from creditors under any bankruptcy or insolvency laws; or
- (b) Fails to make any payment when due or to establish any payment security required by this Agreement or commits a material breach or defaults in its material obligations under this Agreement, and such default is not cured within thirty (30) days of written notice from the other Party.

Upon the termination of this Agreement by Buyer for cause (i) Seller shall reimburse Buyer the difference between that portion of the Agreement price allocable to the terminated scope and the actual amounts reasonably incurred by Buyer to complete that scope, and (ii) Buyer shall pay to Seller (a) the portion of the Agreement price allocable to Equipment completed, and (b) amounts for Services performed before the effective date of termination. Upon the termination of this Agreement by Seller for cause Buyer shall pay to Seller within thirty (30) days of receipt of invoice the price of all Equipment or Services delivered at the date of termination, plus an amount equal to all costs and expenses incurred in the engineering, sourcing, financing, procurement, manufacture, storage and transportation of the Equipment including materials, work in progress and any cancellation charges assessed against Seller by Seller's suppliers including reasonable overhead and profit on all such costs and expenses. Alternatively, if any schedule of termination payments has been agreed between the Parties, Buyer shall pay to Seller within thirty (30) days of receipt of invoice the amounts set out in that schedule.

Seller shall have the right to suspend performance upon written notice to Buyer in any case where Seller would have the right to terminate the Agreement under this article, without prejudice to Seller's right to terminate this Agreement for cause. Any cost incurred by Seller in accordance with any such suspension (including storage costs) shall be payable by Buyer upon submission of the Seller's invoice(s). Performance of the Seller's obligations shall be extended for a period of time reasonably necessary to overcome the effects of such suspension.

**16. Governing Law, Dispute Resolution.** This Agreement shall be governed by the substantive laws of the State of New York. In the event of a dispute concerning this Agreement, the complaining Party shall notify the other Party in writing thereof. Management level representatives of both Parties shall meet at an agreed location to attempt to resolve the dispute in good faith. Should the dispute not be resolved within thirty (30) days after such notice, the complaining Party shall seek remedies exclusively through arbitration. The seat of arbitration shall be the federal district court closest to the Buyer and the rules of the arbitration will be the Commercial Arbitration Rules of the American Arbitration Association, which are incorporated by reference into this article.

Notwithstanding the foregoing, each Party shall have the right to commence an action or proceeding in a court of competent jurisdiction, subject to the terms of this Agreement, in order to seek and obtain a restraining order or injunction to enforce the confidentiality intellectual property provisions set forth in the first two paragraphs of article 13; nuclear use restrictions set forth in article 17, or to seek interim or conservatory measures not involving monetary damages.

**17. No Nuclear Use.** Equipment and Services sold by Seller are not intended for use in connection with any nuclear facility or activity, the Buyer warrants that it shall not use or permit others to use the Equipment or Services for such purposes, without the advance written consent of Seller. If, in breach of this, any such use occurs, Seller (and its parent, affiliates, suppliers and subcontractors) disclaims all liability for any nuclear or other damage, injury or contamination, and, in addition to any other rights of Seller, Buyer shall indemnify and hold Seller (and its parent, affiliates, suppliers and subcontractors) harmless against all such liability.

**18. Export Control.** Seller's obligations are conditioned upon Buyer's compliance with all USA and other applicable trade control laws and regulations. Buyer shall not trans-ship, re-export, divert or direct Equipment (including software and technical data) other than in and to the ultimate country of destination declared by Buyer and specified as the country of ultimate destination on Seller's invoice.



**19. Changes.** Each Party may at any time propose changes in the schedule or scope of Equipment or Services. All changes to the Equipment or Services shall be subject to mutual agreement via a written change order or variation, which shall only become effective once signed by both Parties. The scope, Agreement price, schedule, and other provisions will be equitably adjusted to reflect additional costs or obligations incurred by Seller resulting from a change, after Seller's proposal date, in Buyer's site-specific requirements or procedures, or in industry specifications, codes, standards, applicable laws or regulations. It shall be acceptable and not considered a change if Seller delivers Equipment (including Equipment replacement under warranty) that bears a different, superseding or new part or version number compared to the part or version number listed in the Agreement, provided that in no circumstance shall this affect any other of Seller's obligations including those set forth in article 6.

**20. Conflicts; Survival, Assignment.** If there is any conflict between this Agreement and any written proposal or quotation provided by Seller, then the terms and conditions set forth in this Agreement shall prevail. If any term or condition of this Agreement or any accompanying terms and conditions are held invalid or illegal, then such terms and conditions shall be reformed to be made legal or valid, or deleted, but the remaining terms and conditions shall remain in full force and effect, and this Agreement shall be interpreted and implemented in a manner which best fulfills Parties' intended agreement. Those provisions which by their nature remain applicable after termination shall survive the termination of this Agreement for any reason. Seller may assign or novate its rights and obligations under the Agreement, in whole or in part, to any of its affiliates or may assign any of its accounts receivable under this Agreement to any party without Buyer's consent, and the Buyer hereby agrees, by signing this Agreement, to such assignment and to execute any document that may be necessary to complete Seller's assignment or novation. This Agreement shall not otherwise be assigned by either Party without the other Party's prior written consent, and any assignment without such consent shall be void.

Seller may (i) manufacture and source the Equipment and any part thereof globally in the country or countries of its choosing; and (ii) may subcontract portions of the Services, so long as Seller remains responsible for such.

**21. No Third Party Beneficiary.** Except as specifically set forth in the article entitled "Limitations on Liability" and "No Nuclear Use", this Agreement is not intended to, and does not, give to any person who is not a party to this Agreement any rights to enforce any provisions contained in this Agreement.

**22. Entire Agreement.** This Agreement embodies the entire agreement between Buyer and Seller and supersedes any previous documents, correspondence or agreements between them. No modification, amendment, revision, waiver, or other change shall be binding on either Party unless agreed in writing by the Party's authorized representative. Any oral or written representation, warranty, course of dealing, or trade usage not specified herein shall not be binding on either Party. Each Party agrees that it has not relied on, or been induced by, any representations of the other Party not contained in this Agreement.



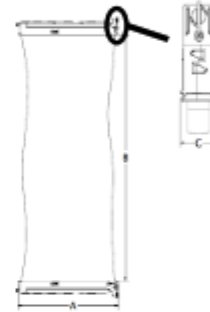
# Attachment B ZW500D 430ft<sup>2</sup> Membrane



## ZeeWeed\* 500D Module

### FACT SHEET

Module Dimensions				
Application	Product	Width (A) mm (in)	Header-to-Header Length (B) mm (in)	Depth (C) mm (in)
MBR	500D	844 (33.2)	1,940 (76.4)	49 (1.9)
Water	500D			52 (2.1)
	500Ds		1,577 (62.1)	52 (2.1)



Module Properties									
Application	Membrane Surface Area m <sup>2</sup> (ft <sup>2</sup> )	Max. Shipping Weight <sup>1</sup> kg (lb)	Lifting Weight <sup>2</sup> kg (lb)	Material	Nominal Pore Size (µm)	Fibre Diameter (mm)	Surface Properties	Fibre Tensile Strength (N)	Flow Path
MBR	40.0 (430)	28 (61)	28 – 75 (61 – 164)	PVDF	0.04	2.2	Non-ionic & Hydrophilic	> 600	Outside- In
Water	40.9 (440)	32 (70)	30 – 74 (66 – 163)			1.9			
	32.5 (350)	26 (57)	26 – 72 (57 – 159)			1.9			

<sup>1</sup> Packaged  
<sup>2</sup> Varies with solids accumulation

Operating & Cleaning Specifications						
Application	TMP Range kPa (psig)	Max. Operating Temp. °C (°F)	Operating pH Range	Max. Cleaning Temp. °C (°F)	Cleaning pH Range	Max. Cl <sub>2</sub> Conc'n (ppm)
MBR	-55 to 55 (-8 to 8)	40 (104)	5.0-9.5	40 (104)	2.0 – 10.5 (<30°C) 2.0 -10.0 (30-40°C)	1,000
Water	-90 to 90 (-13 to 13)					

Veolia Water Technologies  
 Please contact us via:  
[www.veoliawatertechnologies.com](http://www.veoliawatertechnologies.com)

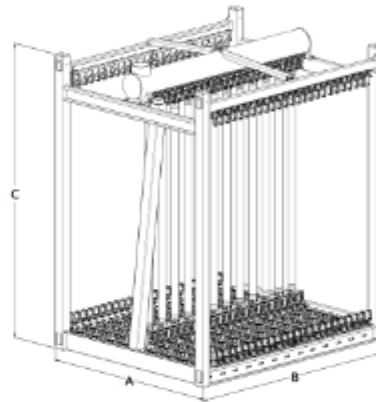
**WATER TECHNOLOGIES**

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# Attachment C ZW500D 52M LEAP Cassette



Cassette Dimensions			
Product	Width (A) mm (in)	Length (B) mm (in)	Height (C) mm (in)
52M	1,744 (68.7)	2,136 (84.1)	2,561 (100.8)
16M	738 (29.1)	1,744 (68.7)	2,512 (98.9)



LEAPmbr Cassette



Cassette Tie-Points & Weights							
Application	Product	Max. # of ZW Modules	Min. # of ZW Modules	Permeate Connection	Air Connection	Max. Shipping Weight <sup>1</sup> kg (lb)	Lifting Weight <sup>2</sup> kg (lb)
LEAPmbr	52M	52	26	1 x 6" vert. pipe	1 x 3" FNPT half coupling	1,892 (4,172)	2,184 – 4,250 (4,816 – 9,370)
	16M	16	8	2 x 4" FNPT half couplings	1 x 3" FNPT half coupling	741 (1,634)	777 – 1,455 (1,713 – 3,208)

<sup>1</sup> Crated with maximum number of modules  
<sup>2</sup> Varies with number of modules and solids accumulation

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**Veolia Water Technologies**  
 Please contact us via:  
[www.veoliawatertechnologies.com](http://www.veoliawatertechnologies.com)

**WATER TECHNOLOGIES**



# Attachment D ZENON Environmental W-9

<b>Form W-9</b> (Rev. October 2018) Department of the Treasury Internal Revenue Service	<b>Request for Taxpayer          Identification Number and Certification</b> ► Go to <a href="http://www.irs.gov/FormW9">www.irs.gov/FormW9</a> for instructions and the latest information.	<b>Give Form to the          requester. Do not          send to the IRS.</b>
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Print or type. See Specific Instructions on page 3.	<b>1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.</b> Zenon Environmental Corporation	
	<b>2 Business name/disregarded entity name, if different from above</b> _____	
	<b>3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.</b> <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input checked="" type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► _____ <small>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</small> <input type="checkbox"/> Other (see instructions) ► _____	<b>4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):</b> Exempt payee code (if any) <u>5</u> Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>
	<b>5 Address (number, street, and apt. or suite no.) See instructions.</b> 3600 Horizon Blvd.	<b>Requester's name and address (optional)</b> _____ _____ _____
	<b>6 City, state, and ZIP code</b> Treose, PA 19053	
	<b>7 List account number(s) here (optional)</b> _____	

<b>Part I Taxpayer Identification Number (TIN)</b> Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> , later. <b>Note:</b> If the account is in more than one name, see the instructions for line 1. Also see <i>What Name and Number To Give the Requester</i> for guidelines on whose number to enter.																																																							
	<table border="1" style="width: 100%;"> <tr><td colspan="9" style="text-align: center;">Social security number</td></tr> <tr><td> </td><td> </td><td> </td><td>-</td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td colspan="9" style="text-align: center;">or</td></tr> <tr><td colspan="9" style="text-align: center;">Employer identification number</td></tr> <tr><td>3</td><td>8</td><td>-</td><td>2</td><td>5</td><td>4</td><td>9</td><td>3</td><td>2</td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </table>	Social security number												-						or									Employer identification number									3	8	-	2	5	4	9	3	2									
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<b>Part II Certification</b> Under penalties of perjury, I certify that: 1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and 3. I am a U.S. citizen or other U.S. person (defined below); and 4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct. <b>Certification instructions.</b> You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.
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<b>Sign Here</b>	Signature of U.S. person ► 	Date ► 02/02/2024
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<b>General Instructions</b> Section references are to the Internal Revenue Code unless otherwise noted. <b>Future developments.</b> For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to <a href="http://www.irs.gov/FormW9">www.irs.gov/FormW9</a> . <b>Purpose of Form</b> An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following. • Form 1099-INT (interest earned or paid)	<ul style="list-style-type: none"> <li>• Form 1099-DIV (dividends, including those from stocks or mutual funds)</li> <li>• Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)</li> <li>• Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)</li> <li>• Form 1099-S (proceeds from real estate transactions)</li> <li>• Form 1099-K (merchant card and third party network transactions)</li> <li>• Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)</li> <li>• Form 1099-C (canceled debt)</li> <li>• Form 1099-A (acquisition or abandonment of secured property)            Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.  <i>If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.</i> </li> </ul>
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Cat. No. 10231X

Form W-9 (Rev. 10-2018)



**ZENON ENVIRONMENTAL CORPORATION**

**ADDENDUM TO FORM W-9**

Zenon Environmental Corporation owns or leases various properties in its business activities in addition to the Trevoze, PA property listed as the official Tax mailing address on lines 5 and 6 of Form W-9.

Specifically, Zenon Environmental Corporation operates from the following address:

3239 Dundas Street West  
Oakville, Ontario, L6M 4B2 Canada

This address should be used for your billing records.