

1. Governing Provisions/Prevailing Terms.

These Xylem Inc. Standard Terms and Conditions of Purchase (the "Standard Terms") govern the supply of Products ("Products") by the Supplier ("Supplier") and purchased by the Purchaser (which includes its affiliates) ("Purchaser"), collectively referred to as the Parties ("Parties"). Purchaser agrees to purchase the Products and services only upon Supplier's complete acceptance of these Standard Terms without modifications or additions. Unless specifically agreed to in writing by Purchaser, no additional or different terms (except additional warranties given by Supplier) contained in Supplier's quotation, acknowledgement, invoice or other forms shall become part of the Purchase Order ("Order"), notwithstanding any failure by Purchaser to specifically object to such terms. These terms supersede any other terms between the Parties. If the Parties have entered into a Corporate Supply Agreement (a "CSA"), the Order shall be governed by the terms of such CSA.

2. Order Acceptance. Unless otherwise agreed between Supplier and Purchaser, the Order shall be deemed accepted upon Supplier's written confirmation to Purchaser or by the furnishing of the Products or services specified in the Order. Either of the foregoing shall constitute Supplier's acknowledgment of the Order ("Order Acknowledgment").

3. Order of Precedence. The Order Acknowledgement, together with any change orders or instructions, shall constitute one contract (the "Agreement"). In case of discrepancy between the Agreement documents, they shall be applied in the following order: (1) the Order; (2) the CSA (if any); (3) the Standard Terms.

4. Change Order. Purchaser may at any time demand modifications of any Order. If such modifications or changes result in an increase or a reduction of Supplier's costs or in a delay of delivery, Supplier shall notify Purchaser immediately. If an Order Acknowledgement has already been issued, the Parties shall agree on a reasonable adjustment of the Order. Any alteration of Products by Supplier requires Purchaser's prior written consent.

5. Prices. The prices are as agreed upon in writing between the Parties and are fixed.

6. Invoicing/Terms of Payment/Taxes.

Supplier shall invoice Purchaser upon delivery as per the specified Incoterm. Supplier shall submit invoices in an auditable form, complying with Purchaser's requirements and the Parties' applicable local mandatory law and generally accepted accounting principles ("GAAP"). To the extent permitted by law, and unless specifically agreed in writing, Supplier expressly acknowledges that the payment term shall be seventy-five (75) days, End of Month ("EOM").

All taxes and duties, which are levied in Purchaser's country in connection with the conclusion or the execution of the Order are to the charge of Purchaser. If Supplier is subject to withholding tax in Purchaser's country, such tax is however to the charge of Supplier. Purchaser will deduct such withholding tax from the charges due and pay the withholding tax on behalf of Supplier to the responsible authority. Purchaser will submit a tax receipt for withholding tax paid to Supplier. VAT, if levied, is to be paid by Purchaser, unless otherwise agreed. With respect to Non-conforming Products or services (as defined in these Standard Terms), Purchaser reserves the right to recoupment or set off of such amount owed to Supplier or to withhold payment.

7. Delivery. Except as otherwise agreed between the Parties, delivery terms shall be DDP (Ship To location) (Incoterms 2010). Purchaser's production schedules and warranties to its customers are dependent upon the agreement that deliveries of the Products or performance of the services covered by the Order will occur on the required delivery schedule. Therefore, time is of the essence. The Products shall be delivered (packed and marked) according to Purchaser's specifications or, if absent, in a manner that Supplier selects as commercially reasonable. Title shall transfer with risk of loss as per the specified Incoterm. Partial delivery, excess delivery, or earlier delivery than agreed require the prior written approval of Purchaser, and if not so approved, shall be considered as Non-Conforming Products or services as defined herein.

8. Delay Costs and Liquidated Damages. If Supplier is unable to comply with the date of delivery set out in the Order, Supplier shall without delay inform Purchaser thereof and Purchaser shall then be entitled to: (i) recover from Supplier any expenditure reasonably incurred by Purchaser in obtaining products including but not limited to premium (air) freight if required due to Supplier's delay and including recovery of costs from third parties for substitution; and (ii) Purchaser may in its sole discretion seek liquidated damages for delay equal to one (1%) percent per commenced week of the Product's price that are delayed or cannot be used as a consequence of the delay up to ten (10%) percent of the price of such Order, unless otherwise agreed in writing between the Parties. The foregoing is not an exclusive remedy and Purchaser shall have all other rights and remedies available at law or in equity or as provided herein.

9. Technical/Proprietary Information.

Drawings, specifications, photographs and other engineering and manufacturing information or proprietary information disclosed by Purchaser shall remain Purchaser's property, shall not be disclosed to any third party, and shall be returned to Purchaser upon completion of the Order or upon demand. Supplier shall use such information solely for Supplier's performance of the order for Purchaser, and Supplier shall not, without

Purchaser's written consent, directly or indirectly use any such information derived therefrom in performing services or providing products for any other customer. If Purchaser requests that Supplier specially manufacture, develop or design Products for Purchaser, Supplier agrees that any resulting designs, drawings, blueprints, plans, specifications, data, business information or other materials used to develop and design said Products will be owned by Purchaser, including any intellectual property rights therein, and Supplier agrees that such results, materials and rights may be used exclusively and without restrictions by Purchaser for any purpose whatsoever.

10. Tooling/Furnished Property. Unless otherwise agreed in writing, all special dies, molds, patterns, jigs, fixtures and any other tooling or property furnished to Supplier by Purchaser, or specifically paid for by Purchaser, for use in the performance of the Order; shall be and remain the property of Purchaser and shall be subject to removal upon Purchaser's instruction, shall be used only in fulfilling orders from Purchaser, shall be maintained by Supplier in good working order according to industry standards, shall be held at Supplier's risk, and shall be kept insured by Supplier at Supplier's expense while in its custody or control in an amount equal to the replacement cost, with loss payable to Purchaser. Copies of policies or certificates of such insurance will be furnished to Purchaser on demand.

11. Confidentiality. All information disclosed by Purchaser shall remain Purchaser's property, shall not be disclosed to any third party, and shall be returned to Purchaser upon completion of Order or upon demand.

12. Express Warranties. Supplier warrants that the Products or services (or both) conform in all respects to any expressed warranties made by Supplier to Purchaser, are (i) free from defects in title, labor, materials, services, manufacture and or design, (ii) conform to the applicable specifications, drawing, and standards of quality and performance, (iii) comply with all governmental requirements that may apply to the design, production, sale or distribution of the Products, (iv) are new and unused at the date of delivery and fit for the purposes for which purchased by Purchaser; and (v) the services, if any, will be performed with all appropriate skill and care in accordance with industry best practice and in compliance with all governmental requirements that apply to the services. Purchaser's acceptance or use of or payment for the Products or services shall not diminish Supplier's obligations under this warranty. Warranty period (i) for Products is twenty-four (24) months from the date of delivery from Purchaser to its customer, but no more than thirty (30) months from date of delivery from Supplier to Purchaser, and (ii) for services is twenty-four (24) months from the date of Purchaser's acceptance

thereof; unless otherwise agreed between the Parties and set forth on the face of the Order.

If the Products or services do not conform with the above warranties ("Non-Conforming Products or services"), Supplier agrees, at Purchaser's option, to any of these remedies: (i) repair or replace Non-Conforming Products or re-perform the Non-Conforming services within 48 hours, or (ii) issue a credit note for the corresponding amount or refund the purchase price or (iii) exercise any other applicable rights or remedies, including the purchase of substitute product or service. If the Product is repaired or replaced or a service is re-performed, the warranty period shall restart. Supplier shall also be responsible to pay for or reimburse Purchaser for all defective product costs, including but not limited to; labor (direct and indirect) and materials, (i) to return, store or dispose any Non-Conforming Products, (ii) to inspect, evaluate and/or disassemble any Non-Conforming Products wherever located, (iii) to transport and install replacement product, (iv) to repair and re-work Non-Conforming Product if Supplier is unable to repair or replace the same to meet Purchaser's time and quantity needs, (v) to perform value-add activities prior to discovery of the defect/Non-Conformity, (vi) an administrative fee of equivalent to USD three hundred (\$300) per claim. The foregoing remedies are cumulative and are not exclusive of any rights and remedies at law or in equity.

13. Indemnity. Supplier agrees to defend, hold harmless and indemnify Purchaser and its customers (whether direct or indirect), and their respective successors and assigns, from and against all claims, liability, loss, damage and expenses (including without limitation attorney's fees) arising from or in connection with any third party claims or demands for personal injury or death, property damage or economic loss allegedly caused by or contributed to by (i) any of the Products supplied by Supplier, regardless of whether such claim or demand arises under tort, negligence, contract, warranty, strict liability, product liability or any other legal or equitable theories, and/or (ii) the performance of any service or work by Supplier or its employees, agents, representatives and sub-contractors on Purchaser's or Purchaser's customers premises or the use of property of Purchaser or any customer of Purchaser. Such indemnification obligation applies to the extent of Supplier's (its employees, agents, representatives and sub-contractor's) fault and regardless of whether both Supplier and Purchaser are negligent or otherwise at fault.

14. Intellectual Property Warranty. Supplier warrants that Purchaser and its customers' use or resale of the Products do not entail any infringement of patent, copyright, design, trademark or similar right. Supplier shall defend, hold harmless and indemnify Purchaser, its successors and assigns and its customers (whether direct or indirect), against any and all losses, damages and expenses of any nature (including

attorney's and other professional fees) which they, or any of them, may sustain or incur as a result of breach, except such indemnity does not apply if the infringement or violation arises from or is based upon Supplier's compliance with particular requirements of Purchaser that differ from Supplier's standard specifications for the Product. If notified in writing, Supplier shall undertake at its expense the defense of any such suit or proceeding and save Purchaser harmless from any expenses, loss or damage arising therefrom. Further, if an infringement claim is made against Purchaser, Purchaser may without prejudice to its rights herein also request at its discretion and at Supplier's expense and risk that Supplier (i) procures for Purchaser the right to continue using or reselling the Product(s) or using the results of the service, (ii) modifies the Products or the results of the service so that they cease to be infringing or (iii) replaces the Products or re-performs the service so that they become non-infringing; provided always that the modified or replaced Products or services do not detract from agreed functionality.

15. Assignment & Sub-contracting. Neither the Order nor any monies due or to become due thereunder shall be assigned or transferred without Purchaser's prior written consent. Purchaser may assign any of its rights, benefits, duties or obligations under the Order without consent to any of its direct or indirect parents, subsidiaries, affiliates or successors or to a third party for monetary transactions only, in which case the obligations of Purchaser shall cease. Supplier agrees that it will not sub-contract the furnishing of any completed or substantially completed items, or services required by the Order, nor sub-contract the performance or any technical or test function or service required by the Order, without Purchaser's prior written consent.

16. Fair Labor Certification. In performing its obligations under the Order, Supplier hereby certifies that it will not use child labor as defined by local law, will not use forced or compulsory labor, will not physically abuse labor and will respect employees' rights to choose whether to be represented by third parties and to bargain collectively in accordance with local law. In addition, in all wage and benefit, working hours and overtime, health, safety and environmental matters, Supplier will comply with all applicable laws and regulations. Supplier further agrees that, if requested by Purchaser, it shall demonstrate to the satisfaction of Purchaser, compliance with all requirements in this paragraph.

Where applicable, federal contractors and sub-contractors in the United States shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual

orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and sub-contractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. Where applicable, the Parties agree to abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under U.S. federal labor laws.

17. Insurance. Public liability coverage including products completed operations, blanket contractual liability, bodily injury and property damage, and automobile coverage (bodily injury and property damage) shall be maintained each with minimum limits of USD two million (\$2,000,000) per occurrence unless a higher limit is specified in the Order. If the Order covers services to be performed on Purchaser's premises, Supplier shall maintain and provide evidence of statutory Workmen's Compensation or equivalent coverage in accordance with the laws of the location in which the work is performed, including Employer's liability with a limit of USD 1 million (\$1,000,000) unless a higher limit is specified in the Order.

18. Quality Control. Supplier shall continuously carry out quality control tests to ensure that the Products comply with the technical specifications or any specification of Purchaser, quality requirements agreed upon in writing or required by law and regulations, including food and drug laws, these Standard Terms, or the Order. All necessary control shall be done prior to dispatch. At any time prior to dispatch and during Supplier's business hours, Purchaser shall have the right at its cost upon reasonable notice, to audit Supplier's compliance with the above requirements at the premises where the Products are manufactured. Supplier undertakes to ensure that Purchaser's rights in this respect are included in Supplier's contracts with sub-contractors (if any), in order to enable Purchaser to undertake the same with any sub-contractors. Purchaser is not required to perform incoming inspection of any Products supplied or of any services performed. Supplier will maintain its ISO9001:2008 compliance or equivalent standard approved by Purchaser, while performing any Order.

19. Product Content. Supplier agrees to provide to Purchaser product content information required to satisfy both Purchaser's content reporting obligations and Purchaser's customer's reporting obligations in each case as required by law or regulation, including without limitation "conflict minerals." Supplier declares to be fully compliant with Purchaser's 3TG Conflict Mineral Policy to be found at [\[http://www.xyleminc.com/en-us/sustainability/governance-and-ethics/Pages/default.aspx\]](http://www.xyleminc.com/en-us/sustainability/governance-and-ethics/Pages/default.aspx).

Supplier shall comply with all laws and regulations relating to product content applicable to the sale of goods sold hereunder, and Purchaser shall advise Supplier of countries into which the goods shall be sold.

20. Force Majeure. In the event of war, fire, explosion, flood, strike, riot, act of governmental authority, act of terrorism, act of God, a natural disaster or other contingency beyond the reasonable control of either Purchaser or Supplier, causing cessation or interruption of the performance hereunder of such Party, the performance hereunder of such Party shall be excused for the period of the disability, without liability, provided that the Party unable to carry out its obligations hereunder shall have, promptly after it has actual knowledge of the beginning of any excusable delay, notified the other Party of such delay, of the reason therefore and of the probable duration and consequence thereof. The Party so excused shall use its best efforts to eliminate the cause of the delay, interruption or cessation and to resume performance of its obligations hereunder with the least possible delay. If the period of disability extends for a period greater than three (3) months, then the other Party, notwithstanding the other termination provisions of these Terms and Conditions, may terminate the Order upon fifteen (15) days prior written notice to the Party so excused.

21. Termination. Purchaser shall have the right to terminate all or part of the Order or the CSA (if any) without cause on sixty (60) days notice. Purchaser's liability for cancellation without cause shall be limited to Supplier's actual cost for work and materials, applicable solely to the Order and consistent with agreed purchase order commitments, if any, of Purchaser for raw material, work in process and furnished products materials, which shall have been expended when notice of cancellation shall be received by Supplier. If prior to delivery, Supplier becomes insolvent or bankrupt, or bankruptcy or insolvency proceedings are filed by or against Supplier or Supplier otherwise is deemed to be bankrupt or insolvent, Purchaser may terminate the Order or the CSA (if any) immediately by sending Supplier written notice.

Without prejudice to any other provisions herein, Purchaser may terminate all or part of this Order or the CSA (if any) with immediate effect upon written notice to Supplier if Supplier commits a breach of any of its obligations which is not remedied within thirty (30) days, or such other period as agreed upon by the Parties, of Supplier's receipt of Purchaser's notice of the breach. Upon termination due to Supplier's breach of contract, Purchaser shall have against Supplier all remedies provided by law and equity. Except as otherwise provided, upon termination for any reason, the rights and obligations of the Parties that shall have arisen or been incurred under this Agreement prior to its termination shall survive termination.

22. Disputes, Applicable Law. This agreement shall be governed by the laws of jurisdiction where Purchaser is located without regard to its conflict of laws provisions. The United Nations Convention on Contracts for the International Sale of Goods, to the extent it may be deemed to apply, shall not apply to the Order.

23. Severability. In the event that any provision contained in this Agreement shall be found invalid or unenforceable, the balance of the agreement shall remain in full force and effect.

24. Waiver. The failure of either Party to insist on performance of any of the Standard Terms herein or to exercise any right or privilege or waiver of any breach hereunder shall not act as a waiver of any terms, condition, right or privilege contained herein.

25. Compliance. Supplier is obliged to adhere to all laws and regulations applicable to both itself and the commercial relationship with Purchaser. Should such violation occur, Purchaser has the right to immediately withdraw from and/or terminate all orders and/or transactions with the Supplier. Supplier agrees to adhere to Purchaser's Code of Conduct and Purchaser's Supplier Code of Conduct which can be found at [\[http://www.xyleminc.com/en-us/sustainability/governance-and-ethics/Pages/default.aspx\]](http://www.xyleminc.com/en-us/sustainability/governance-and-ethics/Pages/default.aspx).

26. Exports Regulations. Supplier agrees to comply with all applicable laws, rules and regulations, including relating to the export or re-export of technical data and products. Supplier will, at its reasonable expense, provide Purchaser with information, documentation, and electronic transaction records relating to the Products supplied or services performed necessary for Purchaser to fulfill any customs-related obligations, origin marking or labeling requirements and certification or local content reporting requirements, or to enable Purchaser to claim preferential duty treatment for products eligible under applicable trade preference regimes.

27. Successors and Assigns. The Order and these Standard Terms are binding upon the Parties and their successors and assigns. If either the Purchaser or Supplier is merged with another entity, the legal successor of the merged Party shall automatically become party to this contract and shall have the same rights and obligations as its predecessor under this contract. Supplier agrees and warrants that it shall provide Purchaser notice as soon as reasonably practicable upon knowledge of any material change of control in Supplier's business or if Supplier ceases or threatens to cease trading, but in no case shall notice be provided more than forty-eight (48) hours after a change in control has occurred.

28. Headings. The section headings contained herein are for reference purposes only and shall

not in any way affect the meaning or interpretation of these Standard Terms.