



## Standard Terms & Conditions of Purchase

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**The term "Buyer" shall mean Greenray Industries, Inc., a Delaware corporation, located in Mechanicsburg, Pennsylvania.**

**The term "Seller" shall mean the individual, partnership or corporation obligated to furnish the materials and services described in the Purchase Order.**

### **1. ACCEPTANCE**

This Purchase Order constitutes Buyer's offer to Seller and shall become a binding contract (the "Contract") incorporating the terms and conditions set forth herein upon acceptance by Seller, either by acknowledgement or commencement of performance. This offer to purchase is specifically conditioned upon Seller's acceptance of the terms stated herein. Any terms or conditions proposed by Seller which differ from or are in addition to the terms and conditions contained herein shall be void and of no effect unless specifically agreed to by Buyer in writing. Buyer reserves the right to revoke or withdraw this Purchase Order at any time prior to acceptance by Seller.

### **2. NOTIFICATION OF CHANGE**

No change shall be made to the items listed on this purchase order which may affect the quality, reliability, and electrical interchangeability of the item without notification and written approval of the Buyer.

### **3. DELIVERY SCHEDULE**

Seller acknowledges that Buyer's production schedules are based upon Seller's commitment that materials and services will be delivered to Buyer on dates specified herein. Time is and shall remain of the essence. If deliveries pursuant to the Contract will not be made at the time agreed upon, Buyer reserves the right to cancel the Contract, or to purchase elsewhere and to hold Seller accountable therefor. Buyer shall have the right to return at Seller's risk and expense shipments received in advance of the schedule of deliveries appearing on the face hereof. Material received in advance of such scheduled deliveries and accepted by Buyer shall be paid for as if delivered on the scheduled date. Invoices will be dated no earlier than the day of shipment.

### **4. PRICES**

Seller represents that prices shown on the face hereof do not exceed those charged or quoted by Seller to any of Seller's other customers for similar items ordered in similar quantities. Seller will promptly refund any sums paid by Buyer in excess of such prices. Unless otherwise agreed to in writing by Buyer, the price quoted on the face hereof shall be deemed to include packing, crating, drayage, storage and all applicable federal, state and local taxes in effect on the date of shipment.

### **5. WARRANTIES**

Seller, by accepting this order, warrants that all materials or services to be delivered or performed hereunder shall (i) be merchantable and fit for the particular use(s) for which intended, (ii) be free of defects in workmanship, materials and design, (iii) conform strictly with the requirements of this Purchase Order, the specifications and drawings or samples (if any) supplied by Buyer and/or published or delivered by Seller. These warranties shall survive any inspection, delivery, acceptance and/or payment by Buyer.

### **6. INSPECTION**

All materials or services furnished shall be subject to inspection and test by Buyer before, during and/or after delivery. Buyer shall have the right to reject and return at Seller's expense (including cost of inspection) all or part of any shipment which contains defective or non-conforming materials, without such action constituting a termination of the Contract. In addition, Buyer shall have the option to: (a) require prompt corrective action by Seller, (b) rework or have the defective goods reworked at Seller's expense, or (c) cancel the Purchase Order; such options as provided herein shall survive any inspection, delivery, acceptance and/or payment by Buyer.



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### **7. INSPECTION OF SELLER'S FACILITIES**

Buyer reserves the right at any time to inspect Seller's and Seller's sub-tiers' facilities, processes and materials to be supplied.

### **8. PUBLICITY**

Seller shall not in any manner advertise or publish any information regarding the Contract or this Purchase Order (including, without limitation, denial or acceptance thereof).

### **9. CONFIDENTIAL INFORMATION**

Seller shall not disclose to any third party or use any information in any way whatsoever concerning Buyer's drawings, specifications, samples and other material, except in performing the Contract. Buyer shall at all times have title to all drawings and specifications furnished to Seller for use in performing the Contract, including all copies thereof, all of which upon request or upon completion of the Contract shall promptly be returned to Buyer. Any knowledge or information which Seller shall have disclosed or may hereafter disclose to Buyer in connection with the Contract shall not, unless otherwise agreed upon in writing by Buyer, be deemed to be confidential information and, as part of the consideration for this Purchase Order, shall be acquired by Buyer free from any restrictions.

### **10. ASSIGNMENT & SUBCONTRACTING**

Seller may not assign any rights, delegate any of its obligations due or to become due under this Purchase Order, or subcontract all or substantially all of its obligations under this Purchase Order without Buyer's prior written consent. Any purported assignment, delegation or subcontracting by Seller without such consent shall be void.

### **11. SHIPPING**

Seller shall at all times comply with Buyer's written shipping instructions. Seller shall be responsible for ensuring the proper packaging of materials. Purchase Order number(s) must appear on all correspondence, invoices, shipping labels, packing lists, bills of lading and/or airway bills. Seller shall submit all required shipping papers to Buyer prior to final payment. A packing list must accompany every shipment of materials. Buyer's count or weight measurement shall be conclusive for shipments not accompanied by a packing list.

### **12. TERMINATION FOR DEFAULT**

Buyer may, by notice in writing, terminate this Purchase Order in whole or in part (i) for breach of any one of its terms, (ii) for failure to deliver materials or services within the time specified by this Purchase Order, (iii) in the event of Seller's suspension of business, insolvency, appointment of a receiver for Seller's property or business, or any assignment, reorganization or arrangement by Seller for the benefit of its creditors. In the event of partial termination, Seller is not excused from performance of the non-terminated balance of work under the Purchase Order. In the event of Seller's default hereunder, Buyer may exercise any or all rights and remedies accruing to it, both at law or in equity.

### **13. CHANGES**

Buyer may from time to time, by notice in writing, make changes to the services to be rendered or the materials to be furnished hereunder, including changes to specifications, designs, testing requirements, delivery schedule and packing or shipping instructions. If such changes cause an increase or decrease in the cost of performance of this Purchase Order or in the time required for its performance, an equitable adjustment shall be negotiated promptly and the Purchase Order shall be modified in writing accordingly.

### **14. EXCESS**

The quantity or materials or services specified in this Purchase Order must not be exceeded without Buyer's prior written consent. Any excess materials may, at Buyer's option, be returned to Seller at Seller's risk and expense.



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### **15. LEGAL COMPLIANCE**

Acceptance of this order shall be deemed to include Seller's representation and warranty to Buyer that the materials to be furnished and the services to be rendered under this Purchase Order shall be manufactured, sold, used and rendered in compliance with all relevant federal, state and local laws, orders, rules, ordinances and regulations, including all laws and regulations of Seller's place of performance.

### **16. PROPERTY OF BUYER**

All drawings, tools, dies, patterns, fixtures, materials and other property furnished and/or paid for by Buyer shall (i) be and remain the property of Buyer; and if Seller fails to return such property upon Buyer's demand, Buyer shall have the right, upon reasonable notice, to enter Seller's premises and remove any such property at any time without being liable for trespass or damages of any sort; (ii) be used only in the performance of work for Buyer; (iii) be clearly marked, maintained in inventory and kept segregated or identifiable as being Buyer's property; (iv) be maintained by Seller in good repair and operating condition; Seller shall be responsible for all loss or damage to said property except for normal wear and tear.

### **17. INDEMNITY**

Seller warrants that all materials and services (for purposes of this Section 16 "items") provided by Seller pursuant to this Purchase Order shall be free from claims of infringement (including misappropriation) of third party intellectual property rights (including but not limited to any patent, trademark, copyright, trade secret or other proprietary right) and that any use or sale of such items by Buyer or any of Buyer's customers shall be free from any claims of infringement. Seller shall indemnify and hold Buyer and its customers harmless from any and all expenses, costs, liability and loss of any kind (including attorneys' fees) arising out of claims, suits or actions alleging such infringement, which claims, suits or actions Seller agrees to defend, at Seller's expense, if requested to do so by Buyer. Seller may replace or modify infringing items with comparable items acceptable to Buyer of substantially the same form, fit and function so as to remove the source of infringement, and Seller's obligations under this Purchase Order shall apply to the replacement or modified items. If the use or sale of any of the items is enjoined as a result of such claim, suit or action, Seller, at no expense to Buyer, shall obtain for Buyer and its customers the right to use and sell said items.

### **18. GRATUITIES**

Seller warrants that it has not offered or given and will not offer or give to any employee, agent or representative of Buyer any gratuity for the purpose of securing any business from Buyer or influencing such person with respect to the terms, conditions or performance of this Contract or of any other contract with Buyer. Any breach of this warranty shall be a material breach of the Contract and of each and every contract between Buyer and Seller.

### **19. INCORPORATION**

All specifications, drawings, notes, instructions or technical information referred to in this Purchase Order shall be deemed to be incorporated herein by reference. Any discrepancies or questions shall be referred to Buyer for decision or interpretation.

### **20. DISPUTES & GOVERNING LAW**

Any controversy or claim that may arise out of or in connection with this Purchase Order that after good faith negotiations cannot be resolved to both parties' satisfaction may be resolved by submitting the claim to a court of competent jurisdiction, in which event the prevailing party shall be entitled to reimbursement of its reasonable attorneys' fees and other costs. This Contract shall be governed by the laws of the State of Delaware, USA, without regard to its conflicts of laws provisions.



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### **21. SEVERABILITY**

If any provision of this Purchase Order of application thereof is found invalid, illegal or unenforceable by law, the remainder of this Purchase Order will remain valid, enforceable and in full force and effect, and the parties will negotiate in good faith to substitute a provision of like economic intent and effect.

### **22.**

The provisions of the Executive Order 11246, as amended by Executive Order 11375 (Equal Employment Opportunity), 38 USC 4212 (Vietnam Era Veterans Readjustment Assistance Act), Section 503 of the Rehabilitation Act of 1973 (Handicapped Regulations), and the Implementing Regulations found at 41 CFR60-1&2, 41 CFR 60-250 and CFR 60-741 respectively, are hereby incorporated by reference.