

G&G TECHNICAL, INC.
TERMS AND CONDITIONS OF SALE

SALES ORDERS

- 1. GENERAL.** G&G Technical, Inc., a Pennsylvania corporation, is herein referred to as “G&G”, and the entity purchasing the parts, systems and/or services identified on the accompanying sales order (the “Sales Order”) is referred to as “Buyer”. These terms and conditions (the “Terms and Conditions”), the Sales Order and all documents incorporated by reference herein constitute the complete and exclusive statement of the terms of the agreement (the “Agreement”) governing the sale of certain goods and/or services described in the Sales Order (hereinafter referred to as the “Equipment”) by G&G to Buyer.
- 2. EFFECT OF TERMS AND CONDITIONS.** These Terms and Conditions shall exclusively govern and apply to the transaction described on the Sales Order, whether Buyer’s order was received by Seller via phone, purchase order, or other means. Seller’s acceptance of Buyer’s purchase order for the Equipment is expressly made conditional on Buyer’s assent to the terms and conditions contained herein, regardless of whether they are in addition to or different from the terms contained in Buyer’s purchase order. G&G hereby objects to and rejects any additional or different terms contained in any subsequent acceptance, acknowledgement or other forms received from Buyer related to the transaction covered by this Sales Order.
- 3. BUYER’S ASSENT.** Buyer’s assent to these Terms and Conditions shall be conclusively evidenced by the Buyer’s acceptance of the Equipment upon delivery, payment of Seller’s invoice, or any other action indicating an intent to be bound.
- 4. MODIFICATION.** No waiver, modification of or addition to these Terms and Conditions or of the Sales Order shall be of any force or effect unless signed by an officer of G&G. There are no oral understandings or agreements between Buyer and G&G. No amendments, changes, revisions or waivers hereof in whole or in part shall have any force or effect unless set forth in writing and signed by the parties hereto.
- 5. QUOTATIONS.** Any of G&G’s quotations, including price quotations, shall be subject to change without notice.
- 6. BLANKET PURCHASE ORDERS.** In the event that Buyer issues to G&G a blanket purchase order or any purchase order or purchase agreement requesting that G&G stock a quantity of Equipment to be released by Buyer through subsequent purchase orders (a “Blanket Order”), Buyer shall be obligated to accept delivery of the full quantity of Equipment listed thereon prior to the Blanket Order’s expiration; or in the absence of a termination date listed on the Blanket Order, within 12 months of G&G’s acceptance of the Blanket Order.
- 7. ORDER CHANGES & CANCELLATION.** Once confirmed by G&G, Buyer’s order shall not be subject to cancellation or changes by Buyer without G&G’s written consent. G&G may condition its consent on, among other things; reasonable extensions to delivery dates, reimbursement of G&G’s costs in connection with the changes, and adjustment of the price to maintain G&G’s anticipated profit margin.
- 8. WARRANTY.** G&G provides no warranty with respect to the goods & services sold hereunder. G&G agrees to use its best efforts to assist Buyer in enforcing any warranty provided by the manufacturer(s) of the goods. The repair or replacement of defective products under warranty is at the sole discretion of the manufacturer; G&G does not replace returned defective

products with new products. In no event shall G&G or G&G's supplier(s) be liable for consequential or special damages arising out of a defect in material or workmanship, or for any damages resulting from incorrectly assembled parts or devices that have been installed by personnel not authorized by G&G.

9. LIMITATION OF LIABILITY AND REMEDY. WITH RESPECT TO THE GOODS SOLD HEREUNDER, G&G PROVIDES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ALL OF WHICH ARE DISCLAIMED. IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER THIS AGREEMENT TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES, INCLUDING ANY DAMAGES FOR BUSINESS INTERRUPTION, LOSS OF USE, REVENUE OR PROFIT, WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT THE BREACHING PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN ANY EVENT, G&G'S LIABILITY HEREUNDER SHALL BE LIMITED TO THE PURCHASE PRICE OF THE EQUIPMENT WITH RESPECT TO WHICH LIABILITY IS CLAIMED, WHETHER OR NOT THE CLAIM IS BASED ON NEGLIGENCE, STRICT LIABILITY OR OTHERWISE. ANYTHING HEREIN TO THE CONTRARY NOTWITHSTANDING, ANY ACTION FOR ALLEGED BREACH BY G&G OF THE CONTRACT BETWEEN THE PARTIES SHALL BE BARRED UNLESS COMMENCED BY BUYER WITHIN ONE (1) YEAR FROM THE DATE SUCH CAUSE OF ACTION ACCRUED.

BUYER EXPRESSLY ACKNOWLEDGES AND AGREES THAT G&G HAS SET ITS PRICES AND ENTERED INTO THE AGREEMENT IN RELIANCE UPON THE LIMITATIONS OF LIABILITY AND OTHER TERMS AND CONDITIONS SPECIFIED HEREIN, WHICH ALLOCATE THE RISK BETWEEN BUYER AND G&G AND FORM A BASIS OF THIS BARGAIN BETWEEN THE PARTIES.

10. PROPERTY DAMAGE AND PERSONAL INJURY. The Equipment purchased by Buyer may be a retrofit or upgrade of an existing system (a "Retrofitted Machine"), a new complete system (a "New System") or merely a component of a larger system (such larger system herein referred to as the "End Product"), the assembly, installation, maintenance and safety of which G&G has no involvement in or control over. Buyer is responsible for the assembly, installation, safety and guarding of the Retrofitted Machine, New System, or End Product, for meeting the requisite safety standards for its operation and use, and to have the Retrofitted Machine, New System, or End Product certified safe, as applicable.

G&G will not be responsible for any loss or injury resulting, directly or indirectly, from the assembly, installation, use or operation of the Equipment, Retrofitted Machine, New System, or End Product, regardless of any connection between the Equipment and such loss or injury. Buyer agrees to assume all responsibility for any and all defects in or hazards associated with the Equipment, Retrofitted Machine, New System, or End Product upon delivery thereof to the Buyer or to a common carrier.

Buyer expressly agrees, as a condition of the purchase of the Equipment, that it will indemnify and hold G&G harmless from and against any and all losses, expenses, demands, and claims that may

be hereafter at any time asserted by Buyer, any subsequent owner or user of the Equipment, Retrofitted Machine, New System, or End Product, or any agent or employee of Buyer, such owner or user, or by any third party, because of injury or illness (including death), or property damage, actual or alleged, arising from any purported defect in the Equipment, Retrofitted Machine, New System, or End Product, or by reason of their use, operation, maintenance, possession or disposition, except in the case of gross negligence or willful misconduct on the part of G&G. At the election of G&G, Buyer agrees to defend any suit, action or cause of action brought against G&G, its agents or employees, based on any such actual or alleged injury, illness, or damage and to pay all damages, costs and expenses (including attorney's fees) in connection therewith or resulting therefrom.

11. TAXES. Quoted prices do not include any applicable taxes. Buyer is responsible for such taxes and shall reimburse G&G for all taxes, duties, fees or other charges which G&G may be required to pay in order to complete the production, sale or delivery of the Equipment.

12. SHIPMENT & DELIVERY. Delivery dates are approximate and based upon prompt receipt of all necessary information from Buyer. G&G shall not be liable for any damages for failure to deliver the Equipment within a stipulated or requested timeframe. Shipments are made either from the part's manufacturer, or FOB G&G's Paoli, Pennsylvania location. Buyer is responsible for all rigging, draying, insurance, and transportation charges. Damages or shortages must be reported to G&G and signed for at time of delivery. If the shipment or delivery of the Equipment is delayed by Buyer for any reason, Buyer agrees to reimburse G&G for any resulting storage costs and other additional expenses.

Risk of loss to the Equipment shall pass to Buyer when such Equipment has been delivered to the carrier for shipment. Shipments are not insured against loss unless specifically requested by Buyer and the cost of such insurance shall be added to Buyer's order. Title shall pass to Buyer upon payment in full. G&G reserves the right to make delivery installments. All such installments shall be separately invoiced and paid for when due, without regard to subsequent deliveries. G&G shall be entitled to payment from Buyer regardless of whether Buyer accepts the goods from the carrier. Delay in delivery of an installment shall not relieve Buyer of the obligation to accept remaining deliveries.

13. SAMPLES. Buyer agrees to deliver to G&G, promptly upon request and without charge, such reasonable material and product samples as may be required by G&G for engineering and testing the Equipment. It is understood by Buyer that the estimated shipping date for the Equipment is based upon prompt receipt by G&G of such samples and of Buyer's manufacturing and other data when requested by G&G.

14. CONFIDENTIAL INFORMATION. Any information related to the Equipment provided by G&G to Buyer, including but not limited to, technical documentation, product specifications and information, software and electronic data, shall be deemed to be Confidential Information and remain the exclusive property of G&G. Without G&G's express written consent, Confidential Information shall not be disclosed to third parties or used for any purpose other than that for which it has been provided. Any information provided to G&G by Buyer in connection with performance hereunder shall not be considered confidential unless by written acknowledgement signed by G&G.

15. SOFTWARE. In the event the Equipment covered by Buyer's order includes or incorporates any software used for its control or operation, regardless of manufacturer, Buyer's rights with

respect to such software shall be governed by the terms of the software provider. Any data or software authored by G&G in connection with the Equipment or as part of Buyer's order shall remain the property of G&G, and Buyer shall be granted a nonexclusive license to use such data and software. Unless expressly agreed in writing by G&G, any and all software and data included with the Equipment shall be treated by Buyer as Confidential Information proprietary to G&G.

16. INSTALLATION AND SERVICE. Unless otherwise expressly stated in the applicable purchase order, the Equipment shall be installed by Buyer and at Buyer's expense. Upon request, G&G will provide a competent technician to perform or supervise the installation and/or setting up of the Equipment. Buyer agrees to pay G&G's normal rates, then in effect, for all installation and service charges other than charges specifically included in G&G's Quotation. In addition, Buyer agrees to pay all reasonable costs and expenses related to the installation and/or service, including, but not limited to, travel costs. G&G shall not be liable for personal injury or damage to property occurring during the course of or related to the technician's presence at Buyer's premises. If applicable, Buyer shall provide, at its expense, all connections and utilities necessary for operating the Equipment, including but not limited to electricity and air. G&G shall have no liability or responsibility for the acts of Buyer's employees, contractors or agents, or for the performance of any Equipment not installed or set up under the supervision of G&G's technician. G&G will not be responsible for damage or deterioration to the Equipment due to Buyer's storage of the Equipment prior to installation and operation.

17. SPECIAL TOOLING. Regardless of any tool, die or pattern charges, all tooling and related items are and remain the property of G&G.

18. CHANGES IN COMPONENTS. G&G reserves the right in its sole discretion to substitute components of the equipment, provided the operation of the equipment is not adversely affected thereby.

19. TERMS OF PAYMENT. Terms of payment are listed on the face of the Sales Order. All invoices are due and payable in cash in US Dollars. In the event Buyer's payments become delinquent, G&G shall have the right to withhold future deliveries and consider all unpaid amounts for prior deliveries immediately due and payable in addition to any other rights and remedies G&G may have under law. Such remedies may include, but are not limited to, all costs and expenses incurred by G&G arising from Buyer's failure to pay, interest on the unpaid amount and reasonable attorneys' fees. Each shipment shall be considered a separate and independent transaction and payment therefor shall be made accordingly.

Buyer hereby grants to G&G a purchase money security interest in the Equipment, services and/or equipment supplied hereunder. In the event Buyer fails to make any payment when due, G&G shall be entitled, in its sole discretion, to declare all obligations of Buyer immediately due and payable, whereupon G&G shall have all the rights and remedies of a secured party under applicable law. Upon G&G's request, Buyer agrees to execute all documents which G&G deems necessary or appropriate to create, perfect and maintain its security interest under applicable law. Buyer hereby appoints G&G as its attorney-in-fact to sign and file a financing statement and such other documents as G&G deems necessary to create, file, perfect and maintain its security interest.

20. CREDIT. G&G reserves the right to change or suspend credit terms or require advance payment in the event that G&G has reasonable doubt as to Buyer's credit-worthiness. G&G reserves the right to revoke any credit extended to Buyer for failure to pay when due or for any

other reason at G&G's sole discretion and in such event, all subsequent shipments shall be pre-paid before delivery at G&G's option.

21. **INDEMNITY.** From time to time, G&G or its affiliates may enter Buyer's premises for purposes of installing and /or servicing the Equipment. Except for losses directly caused by the gross negligence or willful misconduct of G&G while on Buyer' premises, G&G shall not have any liability to Buyer or any third parties arising out of their presence or activities on Buyer's premises, and Buyer agrees to indemnify and hold harmless G&G for all such losses or claims. In addition, Buyer shall release, indemnify, defend and hold harmless G&G from and against all claims, suits, judgments, costs, losses, expenses (including attorneys' fees) and liabilities arising from or related to infringement (actual or claimed) of patents, copyrights or trademarks arising from compliance with Buyer 's design, specifications or instructions and the fulfillment of Buyer's order, as well as from any breach by Buyer of these Terms and Conditions.

22. **BINDING EFFECT; ASSIGNMENT.** These Terms and Conditions shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, personal representatives, successors and assigns; however, Buyer shall not assign its rights or duties hereunder without the prior written consent of G&G.

23. **NOTICES.** Notices and other communications under this Agreement shall be in writing and sent with proof of delivery required.

24. **SEVERABILITY.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable, such determination shall not affect the validity of the remaining provisions. Failure by either Party to enforce any term will not be deemed a waiver of future enforcement of that or any other term. The terms and conditions stated herein are declared to be severable. These Terms and Conditions may not be modified by any custom or course of dealing between the parties.

25. **HEADINGS.** The headings provided in this Agreement are for convenience only and shall not be used in interpreting or construing this Agreement.

26. **PROPERTY RIGHTS.** Buyer shall acquire no right, title or interest in any tangible or intangible property, patent, copyright, trademark or other intellectual property of G&G, including those related to the Equipment.

27. **FORCE MAJEURE.** In the event that either party is prevented from performing or is unable to perform any of its obligations under this Agreement due to any act of god, fire, casualty, flood, war, epidemic, destruction of production facilities, riot, insurrection, or any other cause beyond the reasonable control of the party invoking this section, such party's performance shall be excused, and the time for the performance shall be extended for the period of delay or inability to perform due to such occurrences, provided that such party shall use commercially reasonable efforts to mitigate the effects of such occurrences, and such party shall give prompt written notice to the other party thereof; provided, however, that in no event will this clause apply to excuse any payment obligation of Buyer.

28. **GOVERNING LAW.** This transaction shall be governed by the laws of the Commonwealth of Pennsylvania without giving effect to choice of law provisions and excluding the U.N. Convention on Contracts for the International Sales of Goods. The parties' consent to the exclusive jurisdiction of the courts of Chester County, Pennsylvania or federal courts therein in any litigation that arises from, or is related to, these Terms and Conditions. The prevailing party in any action

arising under these Terms and Conditions shall be entitled to the costs and expenses of such action, including reasonable attorney fees. The parties' agreement shall be written in the English language with no enforceable counterparts in any other language. Buyer waives any right it may have under the laws of any territory to have the parties' agreement written in the native language or any language other than English.