

CORRY MICRONICS - TERMS & CONDITIONS OF SALE

1. **ACKNOWLEDGEMENT.** Thank you for your order. Please review this acknowledgement and notify CMI within 48 hours of any discrepancies with your order.
2. **SHIPMENTS.** CMI reserves the right to deviate on shipments up to +/- 5% from quantities specified on the order for any custom or non-standard product.

3. **ORDERS & BLANKET ORDERS.** All orders, blanket orders, and change orders must be received in writing. Verbal orders and change orders must be confirmed in writing.

Blanket orders covering multiple shipments over a period of up to 18 months are welcome. Unreleased shipments at the end of the 18th month will be released to the Buyer and invoiced at that time.

In the event of an order cancellation, Buyer may be subject to a restocking fee, or price adjustment for prior shipments to reflect the lower quantity level on a blanket order. In addition, Buyer will be responsible for any materials, finished goods inventory, WIP inventory value, engineering cost, tooling, or other commitments made in connection with the blanket order. Orders for custom or non-standard product are non-cancelable.

CMI reserves the right to adjust pricing for any unreleased blanket order quantities should raw material pricing or other costs change significantly.

4. **PAYMENTS.** Payments shall be made at par in legal tender of the United States of America within 30 days of invoicing. **A 2% discount is available if payment is received within 10 days of the invoice date. A 4% discount is available for any pre-pay order payment that is sent to CMI within 5 days of receipt of the order acknowledgement, with the exception of those orders which require pre-pay. The 2% or 4% discounts do not apply to orders paid with a credit card.** Discounts do not apply to freight charges.

When payment is made via wire transfer of funds, CMI shall pay only the wire receipt fees imposed by its own bank, and no other. All fees imposed by the wiring institution, or any other government fees are the sole responsibility of the Buyer.

All freight, duties, taxes, or other fees related to the sale, shipment, payment or importation of product will be for the Buyers account. Shipments will be sent freight prepaid with insurance and invoiced to Buyer unless shipped on Buyer's freight account.

Each shipment is a separate sale. If Buyer fails to pay within the timeframe stated on the invoice, CMI may withhold any future shipment or cancel the unperformed portion of the contract. Should Buyer fail to make payment in full within such timeframe, or within some other timeframe agreed upon between the parties, Buyer shall pay CMI a service charge on the unpaid balance in the amount of 1.5% per month.

5. **TITLE AND RISK OF LOSS.** The products are sold F.O.B. CMI's loading dock. All freight will be for Buyers account. Title to and risk of loss of product will pass to the Buyer after the product is delivered to the carrier.
6. **FORCE MAJEURE.** CMI will be excused from the obligations of this contract to the extent that performance is delayed or prevented by any circumstances reasonably beyond its control or by fire, explosion, mechanical breakdown, strikes or other labor troubles, plant shutdown, unavailability of or interference with the usual means of transporting the product, availability of raw materials, or compliance with any law, regulation or request of any governmental authority. The occurrence of a Force Majeure situation shall act to suspend performance. CMI shall have the right to terminate any unperformed portion of the contract as a result of a Force Majeure situation. However, the duty of the Buyer to pay for product received is never suspended.
7. **WARRANTY.** CMI warrants that the product sold shall conform to its specifications for one year from the date of shipment; that it will convey good title thereto; that the product shall be delivered free from any lawful security interest or lien or encumbrance unknown to CMI. **THERE IS NO WARRANTY THAT GOODS SUPPLIED HEREUNDER SHALL BE FIT FOR ANY PARTICULAR PURPOSE NOR IS THERE ANY WARRANTY OF MERCHANTABILITY OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED, EXCEPT AS EXPRESSLY PROVIDED HEREIN.**
8. **REMEDIES.** CMIs' liability and Buyer's exclusive remedy for any cause of action arising by reason of this transaction, whether based on negligence, strict liability or breach of warranty is limited to the value of the goods shipped or replacement of goods not conforming to specifications. All claims involving product specifications are waived unless made in writing within 30 days of Company's receipt of goods.
9. **RETURNS.** All returns must be pre-approved in advance by CMI in accordance with CMI Return Policy. CMI reserves the right to reject any returns not pre-approved. With the exception of parts not meeting specification, custom or non-standard product is not returnable.
10. **TECHNICAL ADVICE.** Any advice given by CMI for the use of its product is based upon tests or data, believed to be reliable, but CMI MAKES NO WARRANTIES OF THE RESULTS TO BE OBTAINED BY COMPANY.
11. **ACCEPTANCE.** CMIs' acceptance of Company's order is expressly conditional on Company's agreement to the Terms and Conditions of Sale of this Sales Order Acknowledgement and CMI rejects any terms of Company's order or proposal which conflict or add to them. Company's acceptance of the Product shall constitute agreement to these terms.
12. **ASSIGNMENT.** The rights and obligations of this Sales Order Acknowledgement may not be assigned by the Company without the written consent of CMI. Should CMI consent to the assignment of the contract, it shall remain responsible for performance hereunder.
13. **MODIFICATION.** This document contains the entire agreement of the parties and all proposals, negotiations and representations, if any, made prior to and concerning this contract are merged herein. Any subsequent modifications to this contract must be in a writing stating an intention to modify the agreement and signed by an authorized representative of CMI.
14. **UNIFORM COMMERCIAL CODE.** This contract will be governed by the Uniform Commercial Code in effect in the State of Pennsylvania, USA. Jurisdiction will be Erie County, Pennsylvania.

The word "product" as used herein shall include the plural and "CMI" refers to Corry Micronics, Inc. Buyer refers to CMI's customer purchasing product.

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