

1. Formation and content of the Contract. The following terms shall have the meaning defined herein: *GMI*: Gray Manufacturing Industries, L.L.C.; *Seller*: the person so described in the order; *Party*: GMI or the Seller, together the Parties; *Contract*: the contract for the sale and purchase of the goods and/or the supply and acquisition of the services; *Work*: good(s) and/or service(s) to be delivered by Seller to GMI under the Contract as detailed under Article 2; *Delivery Date*: date the Work is due to be actually delivered in accordance with Article 19 below. *The Contract shall consist of and the order of precedence shall be:* the order including the Special Conditions of Purchase; these General Conditions of Purchase; the technical specifications referred to on the order; other documents incorporated by reference into this Contract. Commencement of design, manufacture, shipment, delivery, invoicing or supply of the goods or services implies acceptance of the order by the Seller under these General Conditions of Purchase. No terms or conditions or exceptions or clarifications stated by Seller verbally, or in its proposal, or in accepting or acknowledging the Contract or the order shall be binding unless expressly incorporated herein in writing by GMI.

2. Scope of supply. In strict accordance with the Contract, Seller shall furnish all labor, materials, equipment, tools, supplies, services, permits, certifications, documentation and all other things, free of liens or other adverse lien against title, and necessary to perform its scope of work for the Contract ("Work").

3. Flow down. Where the Contract is for the furnishing or performance of a portion of the work under a prime contract between GMI and a customer and such prime contract is identified in the order, the prime contract is specifically incorporated herein as part of the Contract, and the Work shall be performed in accordance therewith, to the extent applicable to the Contract. In such case, the term "GMI" shall be deemed to represent GMI and its customer, and the Seller acknowledges having full knowledge of the terms and conditions of the prime contract.

4. Representations. Seller warrants and represents that it has examined the documents forming the Contract and the requirements of the various governmental agencies having jurisdiction, and is fully familiar with same and from its own investigations has satisfied itself as to the nature and location of the Work, the general and local conditions, and all matters which may in any way affect the Work or its performance. Seller acknowledges that no representations as to the Work have been made by GMI or by any one on its behalf, except as expressly set forth in the Contract.

5. Contract price. GMI shall pay Seller the price(s) indicated in the order for the satisfactory performance and completion of the Contract, unless otherwise stated in the Contract, the Contract price(s) shall not include any price increase or escalation for the duration of the Contract and shall include, without exception, all expenses related to the performance of the Work. Unless otherwise stated in the Contract, the payment of sums due to the Seller shall be made in US Dollars. Payment of the invoices issued by the Seller in conformity with the Contract shall be made by GMI within sixty (60) days of the acceptance of the Work, per Article 19, to GMI or the reception of Seller's invoice, whichever comes last.

6. Seller personnel. All Seller personnel shall be qualified and capable of meeting industry standards of workmanship and performance to fulfill the requirements hereunder. GMI may request the replacement of any of Seller's personnel at no additional cost to GMI.

7. Taxes. Seller shall be responsible for the payment of all taxes, duties, levies and charges of whatever nature or kind in respect of the performance of the Work. Seller shall pay and hold GMI harmless from any such taxes (including penalties and interest) of any taxing jurisdiction which Seller is required to pay.

8. Bonds. GMI shall have the right to require Seller to furnish, at Seller's expense and prior to issuing the order, a performance bond and/or a labor and material payment bond in order to guarantee the faithful Contract performance, in a form and amount specified by GMI. Such bonds shall be issued by a duly incorporated surety company approved by GMI and licensed to issue such bonds in the State of New York and shall be maintained in good standing until fulfillment of the Contract, including any warranty obligation. If the Contract price is modified, the amount of the bond shall be adjusted accordingly.

9. Insurance. Seller shall procure in its name and maintain at its expense from insurance companies satisfactory to GMI, Commercial General Liability, including products and completed operations coverage for a minimum of two (2) years following completion of the work or services performed under the Contract and Professional Liability insurance, each with a minimum amount of five million (\$5,000,000.00) dollars per event, as well as Worker's Compensation insurance as per statute, including Employer's Liability insurance with a minimum limit of one million (\$1,000,000.00) dollars per accident. Seller shall not permit any policy furnished hereunder to expire or be cancelled before all obligations under the Contract have been fulfilled and final completion and acceptance by GMI's customer has occurred. Seller shall add and maintain GMI as an additional insured on each such policy, except for Worker's Compensation and Professional Liability. All such policies shall provide for a waiver of subrogation in favor of GMI.

10. Escrow Agreement. In the event Seller's scope of work includes any proprietary software or designs, Seller agrees to execute an escrow agreement with an agreed upon escrow agent, which in the event Seller cannot complete the Work or is unable to fulfill the terms of the Contract, due to the default of Seller, GMI and/or its customer shall be able to obtain a license to use the proprietary software or designs to either produce or have produced or to maintain Seller's goods and/or services.

11. Proprietary and confidential data. The Seller agrees to keep confidential all documents, patterns, plans, drawings, specifications, information, data and the like communicated to the Seller by GMI, and such other information as to the businesses of GMI as may be supplied by GMI to the Seller that is not generally ascertainable from public or published information or trade sources, which the Seller might become aware of in the course of the performance of the Contract or is created by Seller in the performance of the Work. The provisions of this article shall remain effective during the performance of the Contract and until the expiry of five (5) years after completion (including the warranty obligation period), cancellation or termination of the Contract.

12. Intellectual property rights. Seller agrees that GMI shall be the owner of all designs, technologies, creative ideas, discoveries, inventions, and improvements, whether or not patentable, conceived, developed and/or reduced to practice as a result or in connection with the performance of the Contract by or on behalf of the Seller, all of which shall be the property of GMI as mutually agreed upon. The Seller warrants and represents to GMI that the sale or use of the Work does not infringe any Intellectual Property Right of any third party. Seller hereby grants to GMI and GMI's customers a non-exclusive paid-up license throughout the world to integrate in GMI's or GMI's customers' products any software or any Seller copyrighted material developed by Seller independently from the Contract. Seller agrees to indemnify and to save GMI, its officers, agents, employees, and vendees harmless from any and all loss, expense, damage, liability, claim or demand either at law or in equity for actual or alleged infringement of any patent invention, design, trademark, or copyright arising from the purchase, use or sale of materials or articles required by the Contract, except where such infringement or alleged infringement arises by reason of designs for such materials or articles originally furnished to Seller by GMI.

13. GMI's Property. All tools, equipment or material of every description furnished to Seller by GMI or paid for by GMI, and any replacement thereof, or any materials affixed thereto ("GMI's Property"), shall be and remain the personal property of GMI.

Seller shall not substitute any property for GMI's Property and shall not use such property for any other purpose than the performance of the Work or as otherwise instructed by GMI. Such GMI's Property, while in Seller's custody or control, shall be held at Seller's risk and shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with loss payable to GMI. Data, drawings, tooling, patterns, materials, specifications, and any other goods or information supplied to Seller under the Contract are the property of the GMI and must be returned upon completion, termination or cancellation of the Contract or upon request of the GMI.

14. Liability for damages and personal injury. Seller hereby assumes responsibility and liability for any and all bodily injury (including death) to all persons, whether employees of Seller or otherwise, and damage to all property, to the extent such damage or injury is caused by, results from, arises out of, or occurs in connection with Seller's execution of the Work. Seller shall defend, indemnify and save harmless GMI from and against any and all claims, damages, losses, liabilities, injuries, costs and expenses (including reasonable attorneys' fees and disbursements) arising out of or resulting from Seller's execution of or failure to execute the Work hereunder to the extent any such claim, damage, loss, liability, injury, cost and expense is caused by any act or omission, including negligence, of Seller or anyone directly or indirectly employed by Seller or anyone for whose acts Seller may be liable for notwithstanding any other provision in the Contract to the contrary, GMI shall under no circumstances, be liable to the Seller for any indirect, incidental, special or consequential damages (including, without limitation, any damages arising from loss of use or lost business, revenue, profits, data or goodwill) arising in connection with the Contract, whether in an action in contract, tort, strict liability or negligence, even if advised of the possibility of such damages.

15. Compliance with law. Seller shall, at its sole cost and expense, comply with all Federal, State, municipal and local laws, ordinances, rules, regulations, orders, notices and requirements, and be responsible for and shall correct at its sole expense any violation of any law, ordinance, rule, regulation, order, notice or requirement resulting from or in connection with the performance of the Work. If the Seller performs Work at GMI's or the customer's premises, it shall comply with all environmental, health and safety regulations as GMI or the customer may require.

16. Scheduling and delivery. Purchase Order Releases: Lead Time - Seller shall provide lead-times for every part or component quoted. GMI shall attempt to accommodate Seller's lead-time requirements when developing the Material Delivery Schedule, and issuing Purchase Order Releases. Delivery of Goods: Goods shall be delivered by the Seller in accordance with the requirements set forth in GMI's Purchase Order Release. Seller shall provide GMI with written acknowledgement of acceptance of each Purchase Order Release. Seller shall maintain accurate control of all Purchase Order Releases and maintain regular contact with the appropriate GMI Buyer to verify overall production requirements and their impact on the ability of the Seller to meet delivery requirements. Seller shall immediately notify GMI of any changes or conditions, which may affect required delivery dates. If Seller deliveries fall behind schedule, resulting in use of premium cost transportation, the Seller shall pay all the added costs for that premium transportation. GMI shall return unauthorized over-shipments to Seller at the Seller's expense. Delays, adjustments or interruptions to GMI's work program may cause GMI to make changes in the schedule. If Seller makes any material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet the requirements set forth in the Purchase Order, Seller shall do so at its own risk. GMI shall have no liability for the Seller's costs associated with changes to the schedule notwithstanding the foregoing, the total quantity and types of materials set forth in the Purchase Order or subcontract, as may be adjusted through change orders, shall be delivered by Seller, and accepted by GMI if otherwise conforming to contractual requirements, by the date specified in the purchase order. All deliveries shall be subject to GMI's incoming inspection and acceptance. Materials furnished but not installed by Seller shall be delivered to GMI specified site in accordance with Incoterms 2020, unless otherwise provided in the order. The method of shipment shall be designated by or approved by GMI. If Seller would like to use a method of shipment different than the GMI's freight routing instructions, Seller shall contact the GMI to obtain instructions or approval prior to the first shipment. Packing Slip and Invoice must contain GMI purchase order number, proper line item number, part number, revision level, and bar code must be provided on all packing slips and invoices. Prior to the first delivery, a sample invoice and packing slip shall be submitted for GMI approval. Lack of such detail will lead to payment delays and GMI reserves the right to enforce Article 22 Backcharge for cost incurred related to Seller's lack of compliance. Service Contracts: Where the scope of supply is comprised solely of services, the Parties shall apply the general principles of scheduling to develop a schedule for performance of work under the contract. Other Provisions Applicable: This Article 16 is subject to the provisions of Article 21 regarding delays and remedies.

17. Inspection and quality. GMI and its customer shall have the right to visit and inspect any part of the Work either at Seller's facility or Seller's supplier's facilities. Seller shall perform in-process and final inspection and testing to ensure that the Work conforms to the specifications and quality standards required. GMI reserves the right to witness any testing and Seller agrees to keep and make available to GMI upon request, adequate quality records which clearly demonstrate the Seller's inspection of the Work prior to source inspection. Performance of source inspection at Seller's facility does not waive the rights of GMI under this article or any other article herein. The Work will be deemed accepted by GMI thirty (30) days after date of delivery, unless GMI issues a rejection notice of the Work anytime between the date of delivery and the end of the warranty period. In such case, Seller shall grant to GMI a credit for the full value of any Work rejected in accordance with Article 22 Backcharge. The Seller agrees to compensate GMI for all costs incurred. The Seller shall maintain a quality control system compliant with the requirements of ISO9000:2000 and will provide GMI with factual evidence of its effectiveness upon request.

18. Liquidated damages. If the Seller does not achieve delivery and/or installation of the goods and/or completion of the services within the dates specified in the Contract, save for reasons exclusively attributable to GMI or force majeure events as defined under Article 21.1 below, GMI may apply liquidated damages for compensation for delay, without any prior notice. Seller agrees that the liquidated damages are not penalties, but are a reasonable attempt to establish an agreed measure of damages for delay that would be difficult or impossible to ascertain. Unless otherwise stipulated in the order, liquidated damages, applicable in the event of a delay of the Seller, shall be calculated at the rate of one percent (1%) of the Contract price as defined under Article 5 hereof, excluding taxes, per week of delay or part thereof.

19. Warranty. Seller warrants that the goods shall be new, and of the specified quality, free from faults and defects in material, workmanship and design, and in conformity with the Contract requirements. The Seller shall, at GMI's sole discretion, replace or repair any good or component part thereof found not to be in conformity with the preceding paragraph, provided that GMI notifies the Seller of such non-conformity within thirty-six (36) months after delivery. Should Seller not respond within twenty-four (24) hours of notice, unless otherwise indicated in GMI's notification, GMI shall repair, scrap or replace the good(s) and debit Seller's account in accordance with Article 22, Backcharge. In addition and at any time, the if goods used under normal operating conditions suffer from an excessive level of similar defects as decided by GMI, Seller shall promptly and at its expense (a) diagnose the source of the failures, (b) correct all defects or non-conformities which are the source of such failures, (c) provide GMI with a summary of such diagnostic and correction activities, and (d) in accordance with GMI's correction plan, repair or replace all affected goods with fully conforming goods. For Work that has been replaced or repaired either by GMI or by Seller, the period stated under Sub clause 19.2 shall restart when GMI receives the replaced or repaired

Work. Seller shall defend, indemnify and hold GMI harmless from the consequences of any breach of the warranty provided by this Article, which shall not be to the exclusion of any other remedy provided to GMI by the Contract or at law.

20. Change orders, additions and deletions. GMI may, at any time during the performance of the Work, require any change to the Work, without obligation to give notice to any surety. Seller shall execute the change to the Work as directed in writing by GMI. With the exception of schedule changes in accordance with Article 16, Seller shall be entitled to an equitable adjustment in the Contract price and/or schedule for the costs and/or time caused by the directed change, provided a request for an equitable adjustment by Seller was made within fifteen (15) days after the issuance of the directed change by GMI. The value of any change to the Work that will result in an addition to or deletion from the Contract price shall be determined and applied in accordance with the Contract, where applicable.

21. Delays and remedies. If the performance of an obligation hereof is prevented, restricted or delayed by a case of force majeure, such as any act of God, or the public enemy, any delay in acting, or failure to act of any governmental agency, or authority, or fire, flood, epidemic, quarantine, freight embargo, war, insurrection or riot, such performance shall be amended accordingly, providing the Party affected by an event of force majeure shall promptly inform the other Party in writing and shall take all reasonable steps to mitigate the consequences of such situation, in particular to avoid or limit any delay in the delivery of the goods and the performance of the services. Whenever any actual or potential labor dispute delays or threatens to delay the timely performance of the Contract, Seller shall immediately give notice to GMI.

22. Backcharge. Without waiving any of its rights under Articles 25 & 26 hereof, GMI shall be entitled to recover from the Seller any and all costs incurred by GMI, which shall include a minimum administrative fee not less than five hundred dollars (\$500) per occurrence to (i) perform corrective action on the Work, and/or (ii) provide such services as are necessary to complete the Work in the event the Seller is unable or unwilling to complete or fails to complete the Work in an acceptable and timely manner. In such case, the provisions of Article 27 shall apply.

23. Withholding and set-off of payment. GMI shall have the right at any time to set-off, and/or withhold against Seller from any payment then due or thereafter to become due an amount which it reasonably deems sufficient to compensate GMI for and indemnify it against any and all losses, liability, damages, costs and expenses, including legal fees and disbursements, which may be sustained or incurred by it based on Seller's failure to meet the Contract requirements. If the amount retained together with the balance due under the Contract is insufficient to discharge Seller's obligation above, Seller shall be liable for the difference and pay the same to GMI upon demand.

24. Suspension of Work. GMI may at any time and for whatever cause order the temporary suspension of the Work to be performed hereunder or deliveries for up to ninety (90) days. During a temporary suspension, only finished Work that conforms to the types and quantities specified in the Firm Schedule as set forth in Article 19 hereto, and that otherwise is compliant with the Contract, shall be delivered to and accepted by GMI. The Work shall be resumed by the Seller within ten (10) days after Seller's receipt of GMI's written notice to recommence the Work.

25. Termination for default. GMI may terminate the Contract in whole or in part at any time if (i) Seller is in default of its obligation under the Contract, and does not cure the default or submit a plan reasonably acceptable to GMI to cure such default within ten (10) days from the receipt of the notice given to it by GMI or (ii) Seller becomes insolvent or is adjudicated as bankrupt or goes into liquidation or dissolution, either voluntarily or involuntarily or under a court order, or makes a general assignment for the benefit of creditors, or otherwise acknowledges insolvency. In the event of termination under Article 25, GMI may (i) terminate the Contract for all or any portion of the Work, or (ii) perform the Work or subcontract the Work to a third party or third parties and deduct the cost thereof from any moneys due or to become due to Seller hereunder. In the event GMI wrongfully terminates the Seller for default, such termination shall be deemed a termination for convenience and Seller shall be compensated in accordance with Article 26 hereof.

26. Termination for convenience. GMI may terminate the Contract in whole or in part at any time for its convenience by giving written notice thereof to Seller. Upon receipt of such notice of termination, Seller shall immediately stop all Work on the affected portions of the Contract and order any affected suppliers to stop work, it being specifically understood that the Seller has an express duty to mitigate its costs associated with such termination. GMI shall not be responsible for any work or costs after the notice of termination. In the event of termination for convenience, provided Seller is in compliance with its obligations under the Contract and provided that the total sum payable upon termination shall not exceed the Contract price reduced by payments previously made, GMI shall: Reimburse Seller for all actual expenditures and costs incurred in the performance of the Contract and approved by GMI; Reimburse Seller for reasonable termination costs, approved by GMI. Termination costs shall not include profit on work not performed. The Seller shall hold partially completed work or raw material included in the Seller's costs for disposition in accordance with GMI's instructions.

27. Disputes, claims, and controversies. In the event that the dispute is not resolved amicably by the Parties, it shall then be submitted to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The proceedings shall take place in New York, New York. The language of such arbitration shall be English. The award shall be final and binding upon the Parties hereto, and judgment on the award rendered by the arbitrator or arbitrators may be entered in any Court having jurisdiction thereof. Each Party shall bear its own costs in connection with the preparation and presentation of such arbitration. Costs of the proceedings shall be assessed against the non-prevailing Party as determined by the arbitrator. Seller shall proceed diligently with the performance of the Work during the pendency of any dispute and in accordance with any determinations by GMI.

28. Governing law. The Contract shall be governed by and construed and enforced in accordance with the laws of the State of New York without regard to choice of law or conflicts of law.

29. Assignment. Neither the Contract nor any rights or obligations hereunder shall be assignable or otherwise transferable by the Seller in whole or in part without receiving prior written consent of GMI.

30. Amendment. Any amendment to the Contract shall only be valid and binding upon the Parties if concluded in writing and signed by an authorized representative of each of the Parties and formally expressed as constituting an amendment hereto.

31. Waiver. No failure of delay on the part of any Party to exercise, and no delay in exercising, any of its rights hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by any Party of any right preclude any future exercise thereof or the exercise of any other right.

32. Notices. All notices under this agreement will be in writing and will be deemed given when: delivered personally; sent by confirmed facsimile; sent by electronic mail that can be confirmed as having been received; five (5) days after having been sent by registered or certified mail, return receipt requested; or one (1) day after deposit with a commercial overnight carrier specifying next day delivery, with written verification of receipt. All communications to us should be sent to the address indicated on the order. All communications to Seller will be sent to the address specified on order, or to such other address as may be designated by either Party by written notice to the other Party.