

EXHIBIT 5 TO THE FRANCHISE AGREEMENT

SOLAR UNIVERSE SUPPLY AGREEMENT (TERMS AND CONDITIONS OF SUPPLY RELATIONSHIP)

Solar Universe, Inc. (“SUN”) and _____ (“Franchisee”) agree to the following:

All orders from Solar Universe, Inc. (“SUN”), are subject to the following terms and conditions hereof (the “**Supply Agreement**”). By accepting this Supply Agreement Franchisee agrees to be bound thereby. If the terms of this Supply Agreement contradict the terms of the Franchise Agreement, the Franchise Agreement shall control, and the terms of this Supply Agreement shall control over any contract terms contained in any purchase order or order acknowledgment from Franchisee.

1. PRICE AND TERMS OF PAYMENT

1.1 Pricing. Unless otherwise stated in this Agreement, pricing will be SUN’s posted pricing as stated on the shared document hosted on SUN’s internet based platform, titled “SUN Panels, Inverter Pricing” at the time the project is changed to “Order Approved” in the Salesforce system. However, if SUN’s supplier makes a last minute change to pricing, prior to the order being placed from SUN to supplier, then the current pricing shall be charged.

1.2 Payment Terms. Franchisee will pay SUN in US dollars according to the price and net terms on the supplier pricing spreadsheet published on SUN’s internet based platform. An invoice will be created for each shipment of product to Franchisee. The date of each invoice will be the date the product is shipped, and the payment due date will be as stated on the invoice. Franchisee shall adhere to the order procedures and credit terms stated in the Confidential Operations Manual or otherwise provided in writing by SUN. SUN, however, retains the right to change credit terms at any time.

1.3 Past Due Accounts. Past due accounts are subject to a monthly interest charge of 1.5% (18% annual interest rate) of the invoice amount (subject to applicable law). All finance charges for overdue payments will be assessed on the Franchisee’s monthly statements, and shall be due upon receipt.

2. TAXES

2.1 Taxes. Unless otherwise indicated, no sales, use, retailer occupation, service, occupation, service use, or similar taxes are included in SUN’s prices. Franchisee agrees to pay any taxes which are paid or payable, or assessed in connection with any order.

3. SHIPMENT

3.1 Shipment Terms. Unless otherwise stated in this Supply Agreement or as agreed upon in writing by SUN, all shipments are FOB (Origin) according to International Commercial Terms (Incoterms).

3.2 Packing and Shipping. SUN or SUN's suppliers will pack and ship products delivered hereunder in accordance with its general practice unless specific instructions are supplied by Franchisee and agreed to by SUN. Any additional costs incurred by SUN as a result of special packaging and/or shipping requests will be paid by entirely by Franchisee.

4. SECURITY INTEREST

4.1 Purchase Money Security Interest. SUN or its assigns shall have purchase money security interest in the products purchased hereunder until all charges including installation and/or service charges, if any, are paid in full. Franchisee agrees to convey power of attorney to SUN for the sole purpose of execution of documents necessary to perfect the purchase money security interest. Further, Franchisee agrees to execute and deliver, so that SUN may file or record any documents reasonably requested by SUN for the purpose of protecting and/or perfecting said security interest.

5. TITLE AND RISK OF LOSS

5.1. Title and Risk of Loss. Title and risk of loss shall pass to Franchisee upon delivery to the carrier by SUN.

6. EQUIPMENT WARRANTY

6.1 SUN Warranty. SUN makes no warranty of any kind, including any express warranty, or implied warranty of merchantability or fitness for a particular purpose regarding any goods sold under this Agreement. However, certain manufacturers of goods may provide warranties regarding products they have manufactured and produced. It is the intent of the parties that Franchisee (and its customer) may rely on any such manufacturer's warranty, and as a result, SUN hereby extends to Franchisee on a 'pass through basis, any warranty provided by the manufacturer of goods purchased under this Agreement. It is Franchisee's responsibility to comply with any conditions or limitations associated with the manufacturer's warranty, and SUN shall have no liability to Franchisee for damages or loss of any kind (regardless of the form of action, whether in contract, tort, or statutory claim) based on or arising out of any defect or any kind that may exist with respect to any goods sold under this Agreement.

6.2 Manufacturer Warranty Coverage. Warranty coverage, claim procedures, and coverage period varies by product manufacturer. Franchisee is solely responsible for warranty compliance. SUN will intervene on the Franchisee's behalf in order to ensure supplier and manufacturer performance expectations are being adhered to, provided the Franchisee has taken all necessary steps to comply with manufacturer's warranty terms.

6.2 Franchisee Indemnity. Franchisee hereby agrees to indemnify and hold harmless SUN and its affiliated companies against any claims, losses, damages, or expenses arising from Franchisee's failure to comply with warranty information provided by OEM or Supplier.

7. RETURNED GOODS

7.1 Return Policy. No goods will be accepted for return by SUN unless prior written authorization (via email or fax) is obtained from SUN.

7.2 Re-stocking fees. Once materials are received by Franchisee, SUN will pass through supplier fees associated with return of product for re-stocking. Re-stocking fees will vary with different products and vendors and will be passed on as invoiced from suppliers. Furthermore, SUN will charge a re-stocking fee of 15% of material value for items purchased directly from SUN inventory for re-stocking.

8. CHANGES AND ALLOCATION

8.1 Specialized Product Orders. If a SUN quotation is premised on products to be Franchisee designed and produced or outsourced for special application, the quoted price is applicable unless the specifications are changed by the Franchisee. Such changes in specifications must be agreed to in writing by SUN prior to acceptance. Any changes in specification may incur additional cost which will be paid for by Franchisee.

8.2 If any goods or products offered by SUN are not in sufficient supply to fulfill all orders, SUN may allocate the available supply among itself and others in any way SUN deems appropriate, and/or substitute substantially equivalent products, which may result in Franchisee not receiving any allocation of certain goods or products as a result of a shortage.

9. FAILURE TO PAY

9.1 Remedies for Breach of Payment Terms. In the event Franchisee fails to fulfill the terms of payment or if SUN shall have any doubt at any time as to Franchisee's financial responsibility, SUN may decline to make any further deliveries except upon prior receipt of payment in cash or other security satisfactory to SUN and SUN may accelerate any due dates of any amounts owed, and may suspend any further deliveries until all amounts due to SUN (whether or not the original due dates have passed) have been paid. In addition, SUN shall have all rights and remedies at law or equity available under California law to collect any unpaid amounts owed by Franchisee. Franchisee hereby agrees to indemnify and hold harmless SUN and its affiliated companies against any claims, losses, damages, or expenses arising from a refusal to make deliveries resulting from Franchisee's failure to pay as described herein.

10. CANCELLATION AND RETURNS

10.1 Order Cancellation. Order cancellation is subject to terms provided by SUN suppliers, as listed on the shared document hosted on SUN's internet based platform, titled SUN Panels, Inverter Pricing. Except as agreed to by Franchisee and SUN in writing, Franchisee may cancel orders for products specifically identified in the SUN pricing schedules (stock products) prior to the equipment shipping.

10.2 Other Cancellation. Franchisee may terminate or cancel an order if SUN fails to perform or observe any material terms or conditions of the order and such failure shall continue un-remedied for 30 days after receipt of written notice of the default from Franchisee. This includes delivery delay of greater than 30 days.

10.3 Inspection. Franchisee shall have two (2) days from the date of receipt of any shipped product to: (a) inspect, at its own cost, the product to determine its conformity to the purchase order and that the product is free from any defects or damage; (b) notify SUN in writing of any nonconformity of the shipment and/or damaged or defective product; and (c) notify SUN in writing of its revocation of acceptance of the product. Failure to so notify SUN of any nonconformity, defect or damage in or to the

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