

TERMS AND CONDITIONS

1. **ACCEPTANCE.** This order constitutes an offer to purchase and can be accepted only upon the exact terms, conditions, and stipulation hereof, and may not be changed in any respect without Spectex' written consent. In the event of any conflict between the terms of the Purchase Order and any seller acknowledgement thereof, the terms of this Purchase Order shall govern. AN ATTEMPTED ACKNOWLEDGEMENT OF THE ORDER CONTAINING TERMS INCONSISTENT WITH OR IN ADDITION TO THOSE STATED HEREIN IS NOT BINDING UPON BUYER UNLESS SPECIFICALLY ACCEPTED BY BUYER IN WRITING.
2. **ROUTING.** Seller is liable for excess charges resulting from failure to ship and route as instructed.
3. **DELIVERY.** Spectex reserves the right to cancel any orders not delivered according to terms.
4. **CANCELLATION.** Spectex reserves the right to cancel this order or any portion of same if delivery is not made when and as specified, time being of the essence of this order, and charge Seller for any loss entailed.
5. **QUANTITY.** The quantity of material ordered must not be changed without written permission from Spectex.
6. **DRAFTS.** No drafts or purchases made by Spectex will be honored unless by written agreement.
7. **PRICE.** All items ordered without the selling price being stated or previously agreed, are to be executed at the supplier's lowest price. No order so placed shall be executed at any higher price than previously quoted or invoiced, unless confirmed by Spectex.
8. **ASSIGNMENT.** This order or its acceptance shall not be assigned in whole or in part without Spectex permission.
9. **SPECIFICATIONS.** Goods furnished to Spectex patterns, specifications, or drawings shall not be furnished, shown or quoted to other concerns, or used as samples to secure business. Patterns, specifications, and drawings in all cases remain Spectex property and must be returned on request.
10. **PATENT PROTECTION.** The seller warrants that articles purchased hereunder do not infringe any letters patent granted by the United States of America and covenants and agrees to save Spectex and its successors, assigns, customers and users of this product, harmless and indemnified against any loss, claims or demands based upon such infringement and after such notice. Seller agrees to appear and defend at its own expense any suits against Spectex at law or in equity arising therefrom.

11. **QUALITY.** All materials furnished must be as specified and will be subject to Spectex inspection and approval after delivery. Spectex reserves the right to reject and return at the risk and expense of the Seller such portion of any shipment which may be defective or fail to comply with specifications, without invalidating the remainder of the order. If goods delivered under this Purchase Order are rejected, they will be held for disposition at Seller's expense and risk.
12. **WARRANTY.** Seller expressly warrants, unless otherwise agreed to in writing signed by both parties, that the articles ordered and parts, materials and work covered hereby shall conform to the specifications, drawings, samples of other description furnished or specified by Spectex and shall be merchantable, fit for the purpose intended, of good material and workmanship and free of defects. This warranty shall inure to Spectex, its successors, assigns, customers and the users of the product and shall survive Spectex inspection and acceptance of the articles ordered hereby. ANY ATTEMPT BY SELLER TO LIMIT, DISCLAIM OR RESTRICT AND OF THE WARRANTIES HEREIN, BY ACKNOWLEDGEMENT OR OTHERWISE, IN ACCEPTING OR PERFORMING THE ORDER SHALL BE NULL AND VOID WITHOUT THE PRIOR WRITTEN CONSENT OF BUYER.
13. **ARBITRATION.** Any controversy or disputed claim arising out of or relating to this Purchase Order contract or the breach thereof, shall be settled as follows:
 - a. When such dispute is in an amount less than \$250,000.00, both parties agree to submit to binding arbitration in accordance with the rules, then obtaining, of the American Arbitration Association, such arbitration to be filed and pursued in the City of Portsmouth, N.H. The award of the arbitration shall be final and binding on the parties and shall be enforceable in any court of competent jurisdiction.
 - b. When such dispute is an amount of \$250,000.00 or more, it shall be filed in the U.S District Court for the Middle District including New Hampshire.
14. **DISCRIMINATION.** Seller has complied with the applicable federal and state laws, rules and regulations, including but not limited to Executive Orders 11246 section 2025, 11625, 11701, and 11758 pertaining to fair employment practices, or which prohibit discrimination because of age, color, sex, physical or mental handicap, race, nationality, religion or creed and other similar federal or state laws or regulations.
15. **FAR.** If this order is issued in relation to performance of a contract with the Government of the United States, the applicable Rules and Regulations set forth in the Federal Acquisition Regulations and the applicable Statutes of the United States applying to subcontractors are hereby made part of the terms and conditions of this order, and Spectex U.S. Government contract supplementary terms and conditions are made a part of this order.
16. **OSHA.** All supplies, tools, equipment, must meet all OSHA safety requirements.
17. **SPECIAL TERMS AND CONDITIONS.**

Spectex, unless specified to the contrary. In connection therewith the Seller agrees, at no expense to Spectex.

- a. To store tools safely at Sellers plant and to keep all tools insured against risk of loss or damage to their value at Seller's own expense during such times as they remain in Seller's possession.
 - b. To maintain tools in proper state of repair.
 - c. To surrender tools adequately boxed upon Spectex demand.
 - d. Stamp tools with full identification as indicated on face of this Purchase Order, and
 - e. Assume cost and preparation of tools for shipment of commercial carrier as designed by Spectex upon Spectex demand.
18. APPLICABLE LAW. The transaction described by this Purchase Order and the Purchase Order shall be governed by New Hampshire law.
19. Product Assurance Requirement (PAR). Seller is responsible for complying with all PAR Clauses referenced on this purchase order.