



SPECK INDUSTRIES, LP. (“Company”) Standard Terms and Conditions of Sale

1. WARRANTY – Company warrants that on the date of shipment to Buyer the goods will be of the kind and quality described herein, merchantable, and free of defects in workmanship and material. If within one year from date of shipment by Company, of any item of the goods, Buyer discovers that such item was not as warranted above and promptly notifies Company in writing thereof, Company shall remedy such defect by, at Company's option, adjustment, repair or replacement of the item and any affected part of the good. Buyer shall assume all responsibility and expense for removal, reinstallation and freight in connection with the foregoing remedy. The same obligations and conditions shall extend to replacement items furnished by Company hereunder. Company shall have the right of disposal of items replaced by it. Buyer shall grant Company access to the goods at all reasonable times in order for Company to determine any defect in the goods. In the event that adjustment, repair or replacement does not remedy the defect, the Company and Buyer shall negotiate in good faith an equitable adjustment in the contract price.

The Company's responsibility does not extend to any item of the goods which has not been manufactured and sold by Company. Such item shall be covered only by the express warranty, if any, of the manufacturer thereof. The Company and its suppliers shall also have no responsibility if the goods have been improperly stored, handled or installed or if the good have not been operated or maintained according to their ratings or according to instructions in Company or supplier furnished manuals, or if unauthorized repairs or modifications have been made to the goods.

THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES (EXCEPT TITLE), INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS, AND CONSTITUTES THE ONLY WARRANTY OF COMPANY WITH RESPECT TO THE GOODS.

The foregoing states Buyer's exclusive remedy against Company and its suppliers for any defect in the good or for failure of the goods to be as warranted, whether Buyer's remedy is based on contract, warranty, failure of such remedy to achieve its essential purpose, tort (including negligence), strict liability, indemnity or any other legal theory, and whether arising out of warranties, representations, instructions, installations or defects from any cause.

2. TERMS OF PAYMENT – Payments are to be made in U.S. funds. Any and all federal, state and local sales, use or personal property taxes assessed against the goods will be paid by the Buyer. All prices are subject to change without notice. Unless otherwise specified, all payments are due within 30 days from date of shipment.

Company reserves the right at any time to suspend or change credit terms or to require full or partial payment in advance if in Company sole opinion the financial condition of the Buyer so warrants. All past due and unpaid amounts shall accrue interest at the rate of 1.5% per month or the highest rate permitted by law, if less. Shipments to delinquent accounts, as well as new accounts,

will be C.O.D. until credit is established. Speck Industries accepts major charge cards and will accept them as payment for any current invoice. Orders less than \$25.00 are subject to a \$10.00 handling charge. In the event Speck Industries brings any claim, demand, lawsuit or other proceeding to collect on any amounts due under this Agreement, the prevailing party shall receive from the other party its reasonable attorney's fees, costs and expenses incurred with respect to Speck Industries' claim.

3. SHIPPING AND ACCEPTANCE – All prices are F.O.B. Speck Industries' Carlstadt, NJ warehouse unless otherwise stated, at which time and place title, risk of loss and possession will transfer to the Buyer. Method and route of shipment is at Company' discretion unless Buyer supplies explicit instructions otherwise. Buyer shall be responsible for all shipping, handling, insurance, customs, duties and import fees, tariffs and taxes, and all other similar costs and charges.

Company reserves the right to pass any additional shipping expenses incurred from Buyers shipping instructions to the Buyer. All claims for loss, damage, or delay against the carrier must be made by the Buyer. Buyer agrees to inspect all goods upon delivery and report any shortages in writing within 10 days of receipt; otherwise, all such goods shall be deemed accepted by Buyer.

4. RETURNS – A return merchandise authorization (RMA) must be obtained from Speck Industries before returning any merchandise. Merchandise returned without an RMA will be refused. All returned merchandise is to be sent freight prepaid and insured for Buyer's protection. All returns are subject to a 25% restocking charge. Under no condition will merchandise be accepted after 12 months. Any custom or special order merchandise cannot be returned for any reason.

5. LIMITATION OF LIABILITY AND DAMAGES – Neither Company, nor its suppliers shall be liable, whether in contract, warranty, failure of a remedy to achieve its essential purpose, tort (including negligence), strict liability, indemnity or any other legal theory, for loss of use, revenue or profit, or for cost of capital or of substitute use or performance, or for indirect, special, liquidated, incidental or consequential damages, or for any other loss or cost of a similar type, or for claims by Buyer for damages of Buyer's customers.

6. COMPLIANCE WITH LAWS – Company will comply with all laws applicable to Company during manufacture and sale of the goods. Buyer will comply with all laws applicable to Buyer during operation or use of the good.

7. GOVERNING LAW AND ASSIGNMENT – The laws of the State of New Jersey shall govern the validity, interpretation and enforcement of this contract. Assignment may be made only with written consent of both parties.

8. PRICING – In the event of a price increase, the price of good on order but unshipped will be adjusted to the price in effect at the time of shipment. In the event of a price reduction, all goods unshipped as of the effective date of the reduction (except shipment held by request of the Buyer) will be invoiced at the reduced price. Goods already shipped are not subject to this clause. The Company's prices include the cost of standard domestic packing only. Any deviation from this standard packaging (domestic or export), including U.S. Government sealed packaging, necessitates extra charges. To determine such extra charges, consult Company's sales office