

TERMS & CONDITIONS OF SALE

Effective 11/25/2019

1. GENERAL

These conditions shall apply to all quotations made and all orders of sale accepted by us (Specto). Any other terms, conditions, warrants or representations, whether made prior to, or subsequent to the order are hereby excluded. Special or additional terms of the Purchaser contained in the purchaser's order or otherwise shall be of no effect unless the same be separately brought to our notice and express consent is given by us in writing.

2. PRICES

Prices of goods are ex-works and exclusive of packing, freight, insurance, documentation charges, taxes, duties and other costs unless expressly specified to the contrary. Prices are subject to change without notice.

3. QUOTATIONS AND INVOICES

Quotations are valid for 30 days unless otherwise stated. Thereafter, they are subject to change without notice. Quotations are ex-works from either Specto's facility in Linden, New Jersey, or from a domestically based manufacturer. On request, quotations will be made on other terms, i.e. FOB domestic port or CIF overseas port. We reserve the right to amend accidental errors and omissions in quotations and invoices.

4. DELIVERY AND SHIPMENTS

Whilst every effort will be made to adhere to delivery dates, we shall accept no liability for delay in deliveries however caused, or for non-delivery due to circumstances outside our control. Unless otherwise instructed, shipments are made as soon as possible after receipt of order by the method of transportation, which in our judgment will be most satisfactory. The right is reserved to make partial shipments where delays beyond our control may delay a portion of the order.

5. ERRORS, SHORTAGES, COMPLAINTS

All shipments should be opened immediately on delivery and the contents checked against the packing list sent with the shipment. No claims can be entertained for shortages, damage or errors unless notified in writing by the Purchaser within seven days of receipt of goods.

6. FAULTS AND DEFECTS

On arrival of the goods the Purchaser must immediately inspect and test them and on discovery of any faults or defects notify us in writing within seven days. Upon the Purchaser notifying us within the seven day period, of any fault or defect in the goods and upon the goods being returned to us within ten days of such notification and upon the fault or defect being established to our satisfaction, we shall endeavor to replace or repair such goods as quickly as possible.

7. RETURNED GOODS

Goods are not to be returned without first contacting the Specto and obtaining our consent. Returned equipment must be packaged to prevent damage, insured, have freight pre-paid and subject to inspection at our facility prior to acceptance. Returned equipment is subject to a 25% restocking charge. Equipment produced to special specifications is not returnable.

8. TERMS OF PAYMENT

Unless otherwise agreed, payment terms are cash prior to dispatch.

Net 30-day terms may be established for approved customers. Approval requires the completion of Specto's credit application, which includes the submittal of three trade references. Credit applications must be approved by Specto prior to placement of the order for net 30-day terms to be valid.

Payment of invoices is required in full in 30 days of the date of the invoice. Acceptable payment methods for customers with an approved credit account are cash, check, ACH deposit or wire transfer.

If a customer chooses to pay by credit card, payment must be made on date invoice is issued. If a payment is made after this date, Specto will charge a 3% processing fee. Should the Purchaser fail punctually to comply with the terms of payment, we shall be entitled to interest on any amount overdue at the rate of 2% per month or part month.

9. TAXES AND IMPORT DUTIES

For products that are shipped to a location outside of the United States, all local taxes, duties, consular fees, importation fees and documentation expenses are to be paid by the Purchaser, unless specific provisions to the contrary are made at the time the order is placed.

For products that are shipped to a location within the United States, Specto is obligated to collect sales tax on behalf of certain states, based on Federal Law. For states where Specto is obligated to collect sales tax, the only way sales tax may be omitted is if the customer submits a valid Tax Exemption form.

10. SPECIFICATION

All equipment is subject to modification as may be dictated by subsequent developments. Accordingly, we reserve the right to change and improve items, to discontinue or introduce new equipment and to alter prices without notice.

11. OWNERSHIP RISK

The risk in the Products shall pass to the Purchaser when the Seller delivers the products in accordance with the terms hereof to the Purchaser or other person to whom the Seller has been authorized by the Purchaser to deliver the products. The Seller shall not be liable for the safety of the products thereafter, and accordingly the Purchaser should insure the products against such risks as may be commercially prudent. However, the ownership of the product shall remain with the Seller, which reserves the right to dispose of all products until payment is received in full. If the payment is overdue the Seller may recover or resell the products and may enter upon the Purchaser's premises for that purpose. If any of the products are incorporated in or used as material for other goods before such payment, the ownership of the goods supplied shall be and remain with the Seller and the Seller's rights in the products shall extend to identifying the products within the goods and recovering or reselling either as part of those other goods or separating them from the other goods and recovering or reselling.

12. WARRANTY

Specto guarantees that its systems and accessories are free from defect in material and workmanship when shipped, and that the equipment is capable of operating as described in Specto's literature and correspondence. This is conditional on the equipment being properly installed, operated and maintained by competent persons, using only materials or accessories supplied by Specto, according to the Specto's written instructions.

Specto warrants that it will repair at its factory, or furnish a similar part to replace any material in its instrument or accessories which within one year after the date of shipment, is proved to the satisfaction of the Company to have been defective when shipped; provided the instrument or accessories or the part or parts claimed to be defective shall be returned to the Specto's facility properly identified and freight in both directions is paid by the Purchaser. The Purchaser assumes all risks and liability whatsoever resulting from the use of equipment, materials or accessories installed, maintained and/or operated by the Purchaser's

personnel or third parties.

The warranty to repair or replace defective parts is the only warranty or undertaking, express, implied or statutory, on which the Purchaser purchases the instruments; and Specto's liability arising out of the sale is expressly limited to the repair and replacement of defective parts. The Purchaser expressly waives all other damage and warranties statutory or otherwise by placing the order.

The warranty shall be invalidated should the Purchaser effect modifications or repairs without our previous written consent.

13. **LAW**

The contract shall be in all respects be construed and operate in conformity with United States Law.