



## Purchase Application Form

Fax Form To Silver Alexander at 818-361-5102.

Date:

First Order?  Yes  No

### Bill to Information

Contact Name:	
Company Name:	
Street Address:	
City and State*:	
Postal Code & Country:	
Telephone:	Fax:
Customer's Purchase Order Number (if applicable):	
E-mail Address:	

### Ship to Address: (If shipping address is different than above, please write it below)

Contact Name:	
Company Name:	
Street Address:	
City and State*:	
Postal Code & Country:	
Telephone:	
Shipping Company and Account Number (see Note 3):	
<i>*If Located in California, include Tax Exemption Certificate Number (if applicable):</i>	

### Items Requested for Purchase (see Notes 1, 2 and 3)

Part Number	Efficiency	Item Description	Quantity Requested	Unit Price US\$	Total US\$
Product Division: (Internal use only)		Total (Spectrolab to Add Tax & Shipping if Applicable):			

**Export Regulations Compliance:** *(see Note 4)*

Spectrolab's products are subject to either the U.S. Department of State's International Traffic in Arms Regulations or the U.S. Commerce Department's Export Administration Regulations. Accordingly, it is necessary that the following information be completed prior to advancing to the next phase of this enquiry.

Country of Ultimate Destination:
Ultimate End User:
Is End User A US Person? <i>(see Note 4)</i> <input type="checkbox"/> Yes <input type="checkbox"/> No
Ultimate End Use:
Check one: <input type="checkbox"/> Business Use <input type="checkbox"/> Personal Use

**Credit Card Information** *(see Note 5 & 6)*

Name on Credit Card:
Credit Card Number:
Credit Card Types Accepted <i>(see Note 6)</i> : <input type="checkbox"/> Visa or <input type="checkbox"/> M/C Expiration Date:

**Spectrolab Terms and Conditions of Sale**

Spectrolab's Terms and Conditions of Sale (attached to this document) apply exclusively to this purchase request and subsequent order(s). Delivery is EXWORKS, Sylmar, California, USA.

**Note 1:** The price indicated herein **DOES NOT** include shipping, handling and/or insurance costs, which will be added to the invoice, and charged to your credit card, as required.

**Note 2:** Shipping rates include handling, freight and insurance. Shipment can be made through Federal Express (Priority Next Day delivery) or UPS Ground. For international shipments, the best method of shipment will be selected and charged at the time of delivery.

**Note 3:** Providing a FedEx, UPS or other shipping account number will help expedite delivery.

**Note 4:** US Person is defined as a natural person, a US citizen or a person holding a resident Alien Card (also known as a Green Card), who is a lawful permanent resident as defined by §USC 1101(a)(20) or who is a protected individual as defined by §USC 1324b(a)(3)

**Note 5:** If you prefer to call-in your credit card number, please contact Melanie Blakely, Spectrolab's Credit Card Processor at (818) 898-2805 and provide her with your information.

**Note 6:** Spectrolab only accepts VISA or MasterCard.

Comments: *(write on extra sheets of paper if necessary)*

Signature of Customer: \_\_\_\_\_

**SPECTROLAB, INC.**  
**A Wholly Owned Subsidiary of The Boeing Company**  
**LIMITED WARRANTY AND TERMS & CONDITIONS AGREEMENT**

**This agreement contains the limited warranty and terms and conditions that apply to Spectrolab, Inc., A Wholly Owned Subsidiary of The Boeing Company, (hereinafter "Spectrolab") Concentrator Photovoltaic products purchased directly from Spectrolab, Inc. by commercial business customers, including educational institutions.**

**The term "Product" means the Spectrolab-branded Terrestrial Concentrator Photovoltaic products described in the invoice.**

**After the limited warranty expires, the remaining provisions of this agreement will continue to apply as stated in Section 16.**

**This document contains a Proprietary Information clause and Dispute Resolution clause. Please see Sections 4 and 5 below.**

**1. GENERAL TERMS OF SALE**

**1.1. INSPECTION OF PRODUCT UPON RECEIPT**

1.1.1. Buyer must examine the Product immediately upon receipt for any material non-conformances. If Buyer believes any Product does not materially conform, or is missing, Buyer must notify Spectrolab within thirty (30) days from the date of delivery while providing written justification including any information concerning damaged Product (e.g. pictures).

**1.2. SHIPMENT & TITLE**

1.2.1. Spectrolab will arrange to ship the Product to the shipping address Buyer specifies. Title to the Product passes to Buyer upon delivery to the carrier. Risk of loss and damage to the Product passes to Buyer upon delivery of the Product to the carrier. The costs of shipping and handling will be shown on the packing slip, purchase receipt or invoice ("invoice"), unless Buyer provides Spectrolab with a shipping account number prior to shipment of the Product.

1.2.2. With respect to international shipments, if needed, Spectrolab shall apply to the U.S. Government for authority to export. Buyer is responsible for obtaining from any other government the authority to import the Product as well as any costs associated therewith.

1.2.3. Estimated shipment dates are not guaranteed. Spectrolab will not be responsible for delays in delivery due to events beyond its control, including shortage of materials, labor strikes, transportation failures, terrorist act or threat, civil war, civil unrest or riot, fire, flood, earthquake, unusually severe weather, or serious accident, or acts of God, inability to obtain required export licenses, or for inability to

complete the order due to Product unavailability.

**1.3. PRICE & PAYMENT**

1.3.1. The total price for the Product will be stated on the invoice. Prices and configurations advertised are subject to change without notice or obligation prior to acceptance of the order. Prices advertised do not include shipping, handling and insurance charges, and applicable sales taxes, and these will be added to the price Buyer pays. Any existing or new taxes or fees charged by any governmental authority will be added to the invoice.

1.3.2. If Buyer provides a copy of a valid resale or other tax exemption certificate, Spectrolab will not charge Buyer for taxes covered thereby. Buyer will indemnify, hold harmless and, at Spectrolab's option, defend Spectrolab at Buyer's expense against any liability for any taxes and/or assessments plus any interest, fines and penalties assessed by any governmental entity on account of Spectrolab's reliance upon an exemption certificate or a representation by Buyer that such taxes are not applicable to the transaction.

**2. PRODUCT LIMITED WARRANTY**

**2.1. DISCLAIMER OF WARRANTIES**

**2.1.1. This limited warranty is the only warranty applicable to Spectrolab-branded Products that are the subject of this purchase.**

**2.1.2. Spectrolab disclaims and excludes all other warranties, of patent, copyright or trademark infringement.**

**2.1.3. No oral or written information, or advice given by Spectrolab, its agents or employees shall create any warranty whatsoever or in any way increase the scope of this limited warranty.**

**2.1.4. Any and all liability of Spectrolab under this limited warranty is expressly limited to the price Buyer has paid for the Product. Buyer's sole remedy against Spectrolab in any dispute under this limited warranty shall be pursuant to Section 5 of these terms.**

2.1.5. EXCLUSION OF LIABILITIES

2.1.5.1. DISCLAIMER AND RELEASE

THE WARRANTIES, CONDITIONS, REPRESENTATIONS, OBLIGATIONS AND LIABILITIES OF BOEING AND REMEDIES OF BUYER SET FORTH IN THIS AGREEMENT, ARE EXCLUSIVE AND IN SUBSTITUTION FOR, AND BUYER HEREBY WAIVES, RELEASES AND RENOUNCES ALL OTHER WARRANTIES AND OTHER OBLIGATIONS AND LIABILITIES OF BOEING, AND ANY OTHER RIGHTS, CLAIMS AND REMEDIES OF BUYER AGAINST BOEING, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY NONCONFORMANCE OR DEFECT IN ANY PRODUCT OR OTHER THINGS PROVIDED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO:

2.1.5.1.1. ANY IMPLIED OR STATUTORY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OR TITLE;

2.1.5.1.2. ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE;

2.1.5.1.3. ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY IN TORT, WHETHER OR NOT ARISING FROM THE NEGLIGENCE OF BOEING; AND

2.1.5.1.4. ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY FOR LOSS OF OR DAMAGE TO ANY PROPERTY OF BUYER, INCLUDING WITHOUT LIMITATION ANY SYSTEMS OR ASSEMBLIES INTO WHICH THE PRODUCT IS INSERTED OR INTEGRATED.

2.1.5.2. EXCLUSION OF CONSEQUENTIAL AND OTHER DAMAGES

BOEING SHALL HAVE NO OBLIGATION OR LIABILITY, WHETHER ARISING IN CONTRACT (INCLUDING WARRANTY), TORT (WHETHER OR NOT ARISING FROM THE NEGLIGENCE OF BOEING), OR OTHERWISE, FOR LOSS OF USE, REVENUE OR PROFIT OR FOR ANY

OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES WITH RESPECT TO ANY NONCONFORMANCE OR DEFECT IN ANY PRODUCT OR OTHER THINGS PROVIDED UNDER THIS AGREEMENT.

2.1.5.3. DEFINITIONS

For the purpose of this section, "Boeing" includes The Boeing Company, its divisions, subsidiaries, the assignees of each, subcontractors, suppliers and affiliates, and their respective directors, officers, employees and agents.

2.1.5.4. NEGOTIATED AGREEMENT

BUYER and Boeing agree that this section has been the subject of discussion and negotiation and is fully understood by the parties, and that the goods and services and the other mutual agreements of the parties set forth in this Contract were arrived at in consideration of each of such provisions, specifically including this Section.

**2.2. STATEMENT OF LIMITED WARRANTY**

2.2.1. Spectrolab warrants to the original Buyer who purchased the Product directly from Spectrolab, that the Product will be free from material defects in manufacture and/or materials for a period of one (1) year from the date of shipment, unless otherwise specifically indicated on the invoice. During the warranty period, Spectrolab will, at its option: (1) replace the Product with a comparable Product, or (2) offer Buyer a choice of receiving a credit or refund in the amount Buyer has paid for the Product upon its return. Any replacement Product will be new or equivalent to new and warranted for the remainder of the original warranty or ninety (90) days from the date of shipment of the replacement Product, whichever is longer. Purchasing additional Products from Spectrolab does not extend this warranty period.

**2.3. THIS LIMITED WARRANTY IS NOT TRANSFERABLE**

**2.4. EXCLUSIONS**

**2.4.1. Concentrator Photovoltaic products are extremely fragile and are easily damaged. This limited warranty covers normal handling and use. Spectrolab does not warrant and is not responsible for:**

**2.4.1.1. Damage during shipment, other than original shipment to the original customer if Spectrolab's carrier is used;**

**2.4.1.2. Damage caused by improper installation, or failure to provide a suitable installation environment;**

- 2.4.1.3. **Damage caused by failure to provide a suitable operating environment;**
- 2.4.1.4. **Damage caused by impact with other objects, dropping, falls, spilled liquids, or immersion in liquids;**
- 2.4.1.5. **Damage caused by a power surge or failure;**
- 2.4.1.6. **Damage caused by fire, flood, wind, earthquake, lightning, or extreme environmental condition;**
- 2.4.1.7. **Damage caused by unauthorized attachments, alterations, modifications, or foreign objects;**
- 2.4.1.8. **Damage caused or contributed to by a component, device or other item in which the Product is installed, to which the Product is directly or indirectly connected, or with which the Product interfaces;**
- 2.4.1.9. **Damage caused by the use of the Product for purposes other than those for which it is customarily used;**
- 2.4.1.10. **Damage caused by any other abuse, misuse, mishandling, or misapplication; or**
- 2.4.1.11. **Damage caused by computer programs, data, viruses, or other files.**

**2.5. OBTAINING WARRANTY ADJUSTMENTS**

**2.5.1. WARRANTY ADJUSTMENT PROCEDURE**

- 2.5.1.1. The following procedures must be followed. **Failure to follow the procedures in this section may result in delays in the replacement of the Product, in receipt of a refund, or may result in additional charges to Buyer. Spectrolab reserves the right to refuse to accept Products where these procedures are not followed.**

**2.5.1.2. CONTACT CUSTOMER SERVICE**

To obtain service under this limited warranty, Buyer must contact Spectrolab Customer Service. Buyer may do so by mail, telephone, facsimile or electronic mail:

Spectrolab, Inc.  
Customer Service  
12500 Gladstone Avenue  
Sylmar, CA 91324

Ms. Silvestra Alexander  
Tel: 1-818-365-4611 ext. 494  
Fax: 1-818-361-5102  
E-mail: salexander@spectrolab.com

- 2.5.1.3. Provide the Customer Service Representative with the order number. The Customer Service Representative will provide Buyer with a Return Material Authorization (RMA) number, authorize the return of the Product, and provide other instructions and requirements.

- 2.5.1.4. Ship the Product to Spectrolab using the original boxes and packing material, or, if these are not available, other suitable packing materials necessary to prevent damage. Write the RMA number in large, clear characters on the outside of each box Buyer ships. Buyer must include the Product's batch number or a copy of the packing slip with the returned Product to establish proof of purchase. Buyer must also return all manuals, instructions and other materials supplied with the Product. **Buyer is responsible for the Product until Spectrolab receives it, and Buyer is responsible for all shipping, handling, and insurance charges. Any of these charges paid by Spectrolab will be deducted from the refund.**

- 2.5.1.5. The returned Product must be in the same condition as Buyer received it.

- 2.5.1.6. If Spectrolab determines that Buyer is owed a refund, please allow a reasonable period of time for the Product to arrive at Spectrolab. Spectrolab will inspect the Product and, after it is accepted, process the refund within ten (10) business days. Spectrolab will send notification if Buyer is not eligible for a refund.

**2.5.2. INTERNATIONAL CUSTOMERS**

- 2.5.2.1. The limited warranty for international customers is the same as for customers within the United States. Please call Spectrolab Customer Service as provided in Paragraph 2.5.1.2 if Buyer wishes to obtain a refund under this warranty. In all cases, Spectrolab will not be responsible for any shipping, handling and insurance charges to and from Spectrolab, or paying or refunding customs fees, taxes, or Value Add Tax (VAT) that may be due.

**3. TRADEMARKS**

Spectrolab, Inc., and/or The Boeing Company, are/is the sole and exclusive owner(s) of the name "Spectrolab" and any and all Spectrolab trademarks, trade names, trade logos and trade dress appearing on, attached to or described in the Products, and Buyer acquires no rights to these trademarks.

**4. PROPRIETARY INFORMATION**

It may become necessary for Spectrolab to provide Buyer with Spectrolab or Boeing proprietary data about a Product, such as specifications, drawings and information. Buyer shall keep in confidence and shall take reasonable and appropriate measures to safeguard any Spectrolab or Boeing proprietary data revealed by Spectrolab and marked "Spectrolab Proprietary," or "Boeing Proprietary." Such proprietary data shall not be disclosed to others without Spectrolab's prior written permission, or used, or duplicated other than with respect to the purchase and use of the Product. These obligations do not apply to any information:

- which becomes generally available to the public other than as a result of a disclosure by Buyer, or
- was available to Buyer on a non-confidential basis prior to its disclosure to Buyer by Spectrolab, or
- becomes available to Buyer on a non-confidential basis from a source other than Spectrolab, provided that such source is not prohibited from disclosing such information to Buyer by a contractual, legal or fiduciary obligation to Spectrolab.

## 5. DISPUTE RESOLUTION:

### 5.1. For Customers Incorporated to Conduct Business within The United States, or that have their Principal Place of Business within the United States

- 5.1.1. In the event of any dispute, controversy or claim arising out of or relating to this contract, or breach thereof, the parties shall first try in good faith to resolve such dispute, controversy or claim between themselves by engaging in direct and meaningful negotiations. If mutual agreement cannot be reached, such a dispute shall, at the request of either the Buyer or Spectrolab, be referred to a mediator or mediation panel jointly selected by the parties for mediation and conciliation. If the parties are unable to agree on a mediator or mediation panel within five (5) business days following such request, the provisions described in Sections 5.1.2 through 5.1.6 of this Dispute Resolution clause shall apply.
- 5.1.2. This contract shall be governed by the laws of the State of California. No consideration shall be given to California's conflict of law rules. This contract excludes the application of the 1980 United Nations Convention on Contracts for the International Sale of Goods. The Parties hereby irrevocably consent to and submit themselves exclusively to the jurisdiction of the applicable courts of the County of Los Angeles and the federal courts of California State for the

purpose of any suit, action or other judicial proceeding arising out of or connected with this Contract or the performance or subject matter thereof. Each Party hereby waives and agrees not to assert by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that (a) such Party is not personally subject to the jurisdiction of the above-named courts, (b) the suit, action or proceeding is brought in an inconvenient forum or (c) the venue of the suit, action or proceeding is improper.

- 5.1.3. The parties expressly and irrevocably waive any claim to immunity and any defense based on being a party, agency or, instrumentality of a government with regard to any proceedings to enforce any court award rendered pursuant to this contract, including without limitation, immunity from service of process, immunity from jurisdiction of any court, and immunity of any of its property from execution and agree that they are independent commercial entities. The parties hereby warrant that they have the authority to waive sovereign immunity with respect to any defense in any judicial action. The parties further warrant that they have the authority to appoint an agent for service of process in lieu of any other procedural requirements.

- 5.1.4. The award shall include interest from the date of any breach or other violation of this contract. The court shall fix an appropriate rate of interest from the date of the breach or other violation to the date when the award is paid in full. In no event; however, should said interest rate during such period be lower than the prime commercial lending rate announced by Citibank, N. A. Main Branch, New York, New York, for 90 day loans for responsible and substantial commercial borrowers.

- 5.1.5. Each party agrees to bear its own expenses associated with the dispute.

- 5.1.6. In the event a court of competent jurisdiction determines that this Agreement is invalid or unenforceable for any reason, this governing law provision, including without limitation, the clauses regulating the governing procedural and substantive laws for any judicial action, shall not be affected thereby and shall be given full effect without regard to the invalidity or unenforceability of the remainder of this Agreement.

### 5.2. International Customers

- 5.2.1. In the event of any dispute, controversy or claim arising out of or relating to this contract, or breach thereof, the parties shall first try in good faith to resolve such dispute, controversy or claim

between themselves by engaging in direct and meaningful negotiations.

- 5.2.2. If such negotiations fail to reach a solution agreeable to the parties within thirty (30) days after commencement of such negotiations or such later date as the parties mutually agree, such dispute, controversy or claim shall be settled solely, finally, and exclusively in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA") in effect on the date of this contract by one arbitrator. The AAA shall administer the arbitration. Where there is conflict between the Commercial Arbitration Rules of the AAA and this arbitration clause, the provisions of this clause shall govern.
- 5.2.3. The parties shall appoint the arbitrator within a period of thirty (30) days from the date on which the claimant's written notice of arbitration has been received by the other party. If the parties fail to agree on the appointment of the arbitrator within the period provided for above, the AAA will act as the appointing authority.
- 5.2.4. The arbitration, including the rendering of the award, shall take place in Los Angeles, California, United States of America. This contract shall be construed and the obligations of the parties shall be determined in accordance with the laws of the State of California, United States of America, excluding its conflict of laws provisions. This contract excludes the application of the 1980 United Nations Convention on Contracts for the International Sale of Goods. The language of the arbitration proceedings shall be English and all documents not in English submitted by either party shall be accompanied by a translation into English.
- 5.2.5. The award of the arbitrator may be, alternatively or cumulatively, monetary damages or an order requiring the performance of non-mandatory obligations (including specific performance) or any other appropriate order or remedy subject to the limitations of this Agreement. The currency for any monetary award shall be United States of America dollars. The arbitrator may issue interim awards and order any provisional measures which should be taken to preserve the respective right of either party.
- 5.2.6. Any award rendered by the arbitrator shall be in writing, setting forth the reasons for the award and shall be the final disposition on the merits. Judgment upon the award rendered may be in any court having jurisdiction, or application may be made to any such court for a judicial acceptance of the award and an order of

enforcement, as the case may be. The parties waive any right they may enjoy under the law of any nation to apply to the courts of any such nation for relief from the provisions of this clause or from any decision of the arbitrator.

- 5.2.7. The parties acknowledge that this contract and any award rendered pursuant to it shall be governed by the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards.
- 5.2.8. The parties expressly and irrevocably waive any claim to immunity and any defense based on being a party, agency or, instrumentality of a government with regard to any proceedings to enforce any arbitral award rendered pursuant to this contract, including without limitation, immunity from service of process, immunity from jurisdiction of any court, and immunity of any of its property from execution and agree that they are independent commercial entities. The parties hereby warrant that they have the authority to waive sovereign immunity with respect to any defense in an arbitration proceeding or any judicial action to enforce an arbitral award, as hereinabove provided. The parties further warrant that they have the authority to appoint an agent for service of process in lieu of any other procedural requirements.
- 5.2.9. The award shall include interest from the date of any breach or other violation of this contract. The arbitrators shall also fix an appropriate rate of interest from the date of the breach or other violation to the date when the award is paid in full. In no event; however, should said interest rate during such period be lower than the prime commercial lending rate announced by Citibank, N. A. Main Branch, New York, New York, for 90 day loans for responsible and substantial commercial borrowers.
- 5.2.10. Each party agrees to bear its own expenses and share equally with the other party the expenses of the arbitrator and the fees of the American Arbitration Association.
- 5.2.11. In the event a court of competent jurisdiction determines that this Agreement is invalid or unenforceable for any reason, this arbitration provision, including without limitation, the clauses regulating the governing procedural and substantive laws for the arbitration, shall not be affected thereby and shall be given full effect without regard to the invalidity or unenforceability of the remainder of this Agreement.

## **6. COMPLIANCE WITH EXPORT LAWS AND REGULATIONS**

No hardware, technical data or service subject to the International Traffic in Arms Regulations or the Export Administration Regulations furnished to Buyer by Spectrolab shall be disclosed or provided to any foreign national, firm or country, including foreign nationals employed or associated with Buyer, nor shall such hardware, technical data or service be exported from the United States without first complying with all requirements of the International Traffic in Arms Regulations and the Export Administration Regulations, including the requirement to obtain an export license.

## **7. SEVERABILITY**

If any provision contained in this Agreement is or becomes invalid, illegal, or unenforceable in whole or in part, such invalidity, illegality, or unenforceability shall not affect the remaining provisions and portions of this Agreement.

## **8. WAIVERS**

Spectrolab's election not to enforce any provision hereof shall not be construed to be a continuing waiver and Spectrolab reserves the right subsequently to enforce such provision unless it agrees otherwise in writing.

## **9. ASSIGNMENT**

Buyer may not assign this Agreement without Spectrolab's prior written consent.

## **10. MODIFICATION**

No modification of this agreement shall be valid unless it is in writing signed by an authorized representative of Spectrolab.

## **11. INTEGRATION**

This is the complete agreement between Buyer and Spectrolab with respect to the purchase of Product directly from Spectrolab, and it supersedes all prior or contemporaneous understandings, representations or warranties (including those contained in sales, promotional and/or marketing materials).

## **12. GOVERNING LAW**

This Agreement is governed by the laws of the State of California, United States of America, without giving effect to conflicts of law rules and, for international orders, excluding the United Nations Convention on Contracts for the Sale of Goods.

## **13. NO REVERSE ENGINEERING**

Buyer hereby agrees that Buyer shall not reverse engineer, disassemble or examine or analyze for the purpose of reverse engineering the Products supplied hereunder or any portion thereof, or attempt to determine any methods, technology or techniques used or embodied in the Products or any portion thereof, and Buyer shall not permit or authorize anyone else to do so. If Buyer is not the end user customer of the Products, Buyer shall include this clause in the contract, purchase order or other binding sales agreement with Buyer's customer to ensure that Buyer's customers (and if applicable, Buyer's customer's customers) are prohibited from reverse engineering the Products. Any breach of this Section 13 shall be deemed to be a material breach of this Agreement.

## **14. SECURITY INTEREST**

- 14.1 Spectrolab shall retain a purchase money security interest in the products and in any sums due or paid to Customer therefore by any third party, until Customer has paid the purchase price to Spectrolab in full. Customer shall cooperate with Spectrolab in taking whatever actions are reasonably necessary to perfect and maintain the security interest.
- 14.2 If Spectrolab requests, Customer shall insure the Products in the full amount of the security interest against all loss, damage or destruction from the time the Products are delivered to the FOB/FCA point until the security interest is removed.
- 14.3 If Customer is in default of any obligation hereunder, or if a proceeding in bankruptcy, dissolution, liquidation, insolvency, receivership or reorganization is instituted by or against Customer, Customer's property or business, Spectrolab shall have the right to declare the unpaid balance owing under any orders to be immediately due and payable, and to take immediate possession of the products or any portion thereof without demand, further notice or legal process.



## **15. LETTERS OF CREDIT**

At Spectrolab's option, Customer shall establish confirmed and irrevocable letters of credit in favor of Spectrolab at a financial institution selected by Spectrolab in the amount of the total order price less any initial payments previously made. Letters of credit shall be valid until all payments under the order are made to Spectrolab. Letters of credit shall specifically instruct the financial institution to make payment to Spectrolab in U.S. dollars against the letters of credit in accordance with the terms hereof. Such payments are to be made upon demand, without delay and without the necessity of any judicial or administrative action. If the validity of any letter of credit expires prior to completion of all payments under the subject order, at Spectrolab's request Customer shall arrange for the validity of such letter of credit to be extended for an appropriate period. All charges related to letters of credit established hereunder shall be paid by Customer.

## **16. SURVIVABILITY**

Sections 2 (Product Limited Warranty), 3 (Trademarks), 4 (Proprietary Information), 5 (Dispute Resolution), 6 (Compliance with Export Laws and Regulations) and 14 (Security Interest) shall survive Shipment and Title as defined in Section 1.2 of these terms and conditions.

## **17. QUANTITY**

Spectrolab endeavors to produce quantities as close to the ordered quantities as practicable. However, some variability in yielded quantities is unavoidable. Spectrolab reserves the option to adjust the final order quantity by  $\pm 5\%$  based on final Product yield and invoice Buyer for the adjusted quantity at the contractually agreed price. Buyer agrees to purchase residual quantities of the Product if the adjusted quantity exceeds the ordered quantity and to accept the order as complete if the adjusted quantity is less than the ordered quantity, within the limit specified above.

END