

THE MINLEON GROUP LTD
LIGHTING PRODUCTS

STANDARD TERMS AND CONDITIONS OF SALE
(INCLUDING WARRANTY)

These standard terms and conditions of sale (“Terms and Conditions”) apply to any and all orders placed by purchaser (“Purchaser”) for purchases of products or services (together, “Product”) from and after May 1, 2015 from **the Minleon Group Ltd**, including Minleon International (USA) Limited LLC (hereinafter jointly referred to as “Minleon”), whether or not such purchase is subject to a signed purchase order, distribution or other agreement between Minleon and Purchaser. These Terms and Conditions may be updated by Minleon from time to time. Ordering Product from Minleon constitutes acceptance of the terms set forth herein. Any different, conflicting or additional terms in any purchase order or other writing from Purchaser is hereby expressly objected to and rejected and shall be of no force or effect, unless expressly and specifically agreed to by both parties in writing. Course of performance or usage of trade shall not be applied to modify these Terms and Conditions.

ORDERS; CHANGES AND CANCELLATIONS

All orders must be placed in writing and delivered directly to Minleon from the entity that will be liable for the payment of the order. Verbal orders or orders through a third party will not be accepted. No order is final as to Minleon until accepted by Minleon. After acceptance, requests to cancel or change orders must be submitted in writing to Minleon. All requests are reviewed for approval before processing and are subject to any and all costs incurred by Minleon from such cancellation or change including, without limitation, costs for work performed and/or materials purchased by Minleon for Product.

PRICES

All prices represent those in effect at the time of quotation and are subject to change without notice. Unless prices are quoted as “firm” by an officer of Minleon.

SALES MATERIALS

Any catalog, price sheet, product specification, or other similar documentation prepared by Minleon, in both paper and electronic form, is strictly for the convenience of the user and shall not be deemed as an offer to sell. Minleon believes such documentation is complete and accurate at time of printing, but does not warrant they are error free. Catalogs, price sheets and website documentation are not offers to sell and possession of them does not entitle one to purchase Product from Minleon.

TERMS OF PAYMENT

Unless otherwise stated in Minleon’s invoice or agreed to in writing by the parties, terms of payment for orders will be 50% upon order and 50% upon shipment. Unless otherwise agreed to by Minleon, payment shall be wire transfer to Minleon's account at a commercial bank designated by Minleon. All payments by Purchaser shall be made in United States Dollars and shall be paid fully net, without set-off, deduction or counterclaim.

TAXES AND GOVERNMENTAL CHARGES

Prices do not include any taxes or other governmental charges, including, without limitation, value-added, sales, use or privileges taxes, required governmental withholdings or excise or similar taxes levied by any government, now or hereafter enacted. Purchaser is responsible for all such taxes and charges.

LATE CHARGES; COSTS

If Purchaser fails to pay any amount due to Minleon promptly when due, Minleon may recover, in addition to the price of payment, interest thereon at a rate equal to the lesser of 1-1/2% per month and the maximum rate of interest

allowable under applicable law and Purchaser shall be liable for all costs and expenses, including reasonable attorneys' fees, incurred by Minleon in collecting or attempting to collect any and all overdue accounts.

SHIPMENT, DELIVERY AND TITLE

Products will be tendered and shipped F.O.B. Minleon's plant or warehouse. The title and risk of loss or damage to Product pass to Purchaser upon Minleon's delivery to initial carrier. Purchaser will select such carrier and ship Product.

STORAGE

Purchaser shall pay any detention, storage, handling or auxiliary charges assessed by carriers or warehousemen resulting from Purchaser's requirements for special service or Purchaser's failure to accept delivery in a timely manner.

PRODUCT ACCEPTANCE

Product will be deemed to have been accepted by Purchaser upon delivery of said Product to Purchaser. Purchaser has seven (7) days following delivery to perform all necessary tests and inspections and report any discrepancy in shipment quantity, after which time Purchaser will be deemed to have irrevocably accepted the Product. (See also Limited Warranty section of below)

FORCE MAJEURE

Minleon assumes no liability in connection with any failure to manufacture or deliver due to causes beyond Minleon reasonable control including inadequate transportation services, inability to secure raw materials, components or supplies, acts of God, fire, strikes, lockouts, or other labor disturbances, orders or acts of authority, or any cause of similar or different kind.

RETURNS

No Product will be accepted for return and no repair or replacement will be made or credit be allowed on any Product returned unless such return has been approved in advance, in writing, by a Minleon Manager

LIMITED WARRANTY

Minleon warrants to Purchaser that each Product will be free from any defect in materials and workmanship which cause the Product to fail to operate in accordance with Minleon's published specifications for such Product as in effect on the date of shipment. The foregoing warranty is valid for the following number of years from the date of Purchaser's purchase from Minleon (the ship date),

1. LED Replacement Bulbs and string lights – one (1) year, seasonal use only (90 days)
2. RGB Lighting Products and Accessory's –
 - a. Standard Warranty - one (1) year (365 days)
 - b. Premium Warranty – three (3) year (1,095 days)*
3. All other Minleon Lighting Products and Accessory's - one (1) year, seasonal use only (90 days)

* must be purchased separately, please reference price list for details

If a Product fails to operate in accordance with this warranty, Minleon will, at its option, repair or replace the Product or the defective part thereof, or credit Purchaser for the purchase price thereof (less a provision for normal wear-and-tear), subject to the limited warranty terms and conditions set forth herein. For purposes of clarity, "repair or replace the Product or the defective part thereof" does not include any removal or reinstallation costs or expenses, including without limitation labor costs or expenses. If Minleon chooses to replace the Product and is not able to do so because it has been discontinued or is not available, Minleon may replace it with a comparable product.

Minleon shall have no liability under this warranty unless Minleon is notified in writing promptly upon Purchaser's discovery of the defect and the defective items are returned to Minleon, freight prepaid, and received by Minleon not later than ten (10) days after expiration of the warranty period. This warranty shall not apply to any defect or failure to perform resulting from misapplication, improper installation, improper wiring designs, improper operation, lack of

product knowledge, abuse or contamination, whether internal or external and only applies when the Product has been properly wired and installed and operated within the electrical values, operating ranges and environmental conditions provided in the specifications or installation instructions for such Product. This warranty does not apply to damage or failure to perform arising as a result of any Acts of God or from any abuse, misuse, stress, or abnormal strain or use, or use in violation of any applicable standard, code or instructions for use including those contained in the latest National Electrical Code, the Standards for Safety of Underwriters Laboratory, Inc., the Standards for the American National Standards Institute or, in Canada, the Canadian Standards Association. Minleon shall have no liability of any kind for failure of any equipment or other items in which the Product are incorporated. Unless otherwise specifically agreed to in writing by Minleon, this warranty shall not apply to Product manufactured by Minleon to Purchaser's designs or specifications, and no warranty is given as to such non-standard Product. This warranty shall become void in the event any repairs or alterations not duly authorized by Minleon in writing are made to the Product by any person.

In the event Purchaser requests Minleon to research, review or otherwise determine whether related light failures are due to Minleon product deficiencies or something other, Minleon will make that determination, and in the case where Minleon product is deficient, Minleon will correct as allowed for within this document. In all other cases Minleon will charge the Purchaser for reasonable costs incurred during the request for research, review and determination. Purchaser agrees to pay charges, including but not limited to; all travel-related expenses, cost of time of all technical and non-technical personnel required to research, review and make determinations, at fair market value rates.

As a no-charge service to the Purchaser, Minleon (and/or it's designee) may offer assistance and advice to Purchaser in the design (wiring, preferred components and the like) of a light configuration. In the event the Purchaser accepts this offer, Purchaser agrees and understands the responsibility for a proper light configuration design remains with the Purchaser and said responsibility is not conveyed to the Minleon as a result of the Minleon offering and Purchaser accepting this no-charge service. In the event the Purchaser desires conveyance of the light configuration design responsibility to a third party, Minleon will provide Purchaser with a list of known light designers and other related professionals for which Purchaser can solicit for said services.

As Minleon provides training sessions and documentation on preferred methods and techniques in designing light and sound configurations with Minleon product, and Purchaser participates in the sessions and/or reviews the documentation offered, Purchaser understands these sessions and documentation are general and generic in nature and may not be applicable to a specific lighting Project of the Purchaser; and therefore, Purchaser must obtain the specific knowledge needed to assure for a successful light design for each specific Project.

Warranty extends only to initial Purchaser and is not transferable.

THE FOREGOING WARRANTY PROVISIONS ARE EXCLUSIVE AND ARE GIVEN AND ACCEPTED IN LIEU OF AND MINLEON HEREBY EXPRESSLY DISCLAIMS ANY AND ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY AGAINST INFRINGEMENT OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. **An essential purpose of the limited exclusive liabilities and remedies in this warranty is allocation of risks between Minleon and Purchaser, which allocation of risks is reflected in the purchase price for the Product.** UNDER NO CIRCUMSTANCES SHALL MINLEON'S LIABILITY ARISING OUT OF OR IN CONNECTION WITH THESE TERMS AND CONDITIONS OR MINLEON'S PERFORMANCE OR ASSERTED FAILURE TO PERFORM HEREUNDER, IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE PURCHASE PRICE OF THE PRODUCT TO WHICH SUCH LIABILITY RELATES. IN NO EVENT SHALL MINLEON BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES RESULTING FROM LOSS OF USE, PROFITS, BUSINESS OR GOODWILL, WHETHER OR NOT MINLEON HAS BEEN ADVISED OF THE POSSIBILITY THEREOF. No warranty or agreement varying or extending the foregoing warranty and limitation of remedy provisions may be relied upon by Purchaser unless it is in writing and signed by Minleon's Manager. No representation or affirmation of Minleon, whether by words or action, shall be construed as a warranty. If any model or sample was shown to Purchaser, such model or sample was used merely to illustrate the general type and quality of the Product and not to represent that the Product would necessarily conform to the model or sample.

With respect to Product sold to Purchaser by Minleon but not bearing Minleon's name or sub-brand name (including, without limitation, power supplies, lamps, control systems, ballasts, drivers and other products), Minleon makes no warranty of any kind, express or implied, including, without limitation, any warranty of merchantability or fitness for a particular purpose, but will make available to Purchaser upon request but only to the extent permitted by law and relevant contracts, the warranties of Minleon of the relevant product.

EXPORT; COMPLIANCE WITH LAWS

Purchaser shall comply with all applicable laws, including, without limitation, export control laws and applicable regulations which may be issued from time to time concerning the exporting, importing and re-exporting of Minleon 's Product and the direct Product thereof. Purchaser acknowledges that shipments of Minleon 's Product are subject to the export laws of the United States and such laws could delay or preclude delivery of Minleon Product in the future. Purchaser shall also comply with the United States Foreign Corrupt Practices Act, and shall indemnify Minleon for any failure to comply or violation of such Act by Purchaser. Purchaser shall, at its sole cost and expense, obtain and maintain in effect all permits, licenses and other consents necessary to the conduct of its activities hereunder.

INDEMNIFICATION

Purchaser shall indemnify, defend and hold harmless Minleon and its officers, directors, agents, employees, affiliates, successors, and assigns from and against all losses, liabilities, costs and expenses arising out of or in connection with any claim by third parties for any loss, damage or injury or death caused or alleged to be caused by: (a) the negligent use, application, or installation of Product by Purchaser or its employees, partners to whom Purchaser sold Product, contractors, agents or affiliates, (collectively, "Purchaser Parties"); or (b) the modification of Product or integration of Product into other products by any of the Purchaser Parties unless authorized in writing by Minleon. Purchaser shall not join, settle or otherwise attempt to affect or dispose of any such claim without Minleon's written consent.

SOFTWARE LICENSE

Any software included with a Product, is licensed and not sold. The license is nonexclusive and is limited to use with the Product. No other use is permitted and Minleon retains for itself (or, if applicable, its suppliers) all title and ownership to any software delivered hereunder, all of which contains confidential and proprietary information and which ownership includes, without limitation, all rights in patents, copyrights, trademarks and trade secrets. Purchaser shall not sell, transfer, sublicense, reverse engineer or disassemble or redistribute the software. Purchaser shall not copy, disclose, or display any such software or otherwise make it available to others.

APPLICABLE LAW

The law applicable to sales in the United States under these Terms and Conditions shall be Article 2 of the Uniform Commercial Code as applicable to the state of destination. The United Nations Convention on Contracts for the International Sales of Goods is hereby excluded and shall not apply.

END

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