

DETAILED TERMS AND CONDITIONS OF SALE

1. **ACCEPTANCE OF ORDER:** Seller's acceptance of Buyer's order is subject to these terms and conditions. No additions, deletions or amendments to these terms and conditions will be binding without Buyer's written approval.
2. **DELIVERY AND FREIGHT:** Delivery dates are estimates only, and are not binding. Buyer will accept partial shipments and invoicing unless otherwise noted on the face of Buyer's written purchase order. Delivery is FOB Shipping Point. All risk of loss shall pass to Buyer upon such terms. If Seller prepays freight charges, then Seller will invoice Buyer for freight costs. Buyer is responsible for payment of all freight and shipping costs including, but not limited to packaging, handling, insurance, customs, duties, sales and excise taxes.
3. **PRICING, ACCOUNTS AND TERMS:** All payments must be in U.S. dollars. Seller reserves the right to change prices without notice. First-time customers must prepay by credit card, wire transfer, check or cash. New customers paying by check should expect a hold time prior to shipment for check clearance. Certified checks, money orders and company checks are accepted for COD invoices up to \$500. A \$50.00 service charge is immediately due and payable for all checks returned to Seller unpaid by the bank.

With application and/or use of an open account, applicant acknowledges and agrees to Seller's terms and conditions of sale and to a credit investigation. Acceptance or denial of an open account is made at Seller's sole discretion and with reservation to change or cancel the account at any time with or without notice. Terms are Net 30 unless otherwise arranged by Luxury Lighting. A service charge of the greater of 1.5% or \$5.00 is added to the outstanding balance of invoices over 30 days old. Delinquent accounts of 60 or more days are referred for collection and Buyer's account privileges are cancelled. Buyer pays all expenses incurred in collection including court costs and reasonable collection and attorney fees. In the event Buyer's account is overdue, Buyer agrees that Luxury Lighting may offset the account balance or any portion thereof against any funds due Buyer by Luxury Lighting irrespective of whether the amounts arise out of the same transaction.

All sales, whether invoiced to the purchaser in his or its individual, corporate or partnership name or in any trade name or in the name of any subsidiary company or in the name of any officer or agent, shall nevertheless be an indebtedness of the applicant customer. Should the customer be a corporation or partnership, for good and valuable consideration, including the extension of credit to Buyer, the applicant, whether officer, partner, agent or otherwise agrees to be personally liable, joint and severally with the principal, as a guarantor for payment of all indebtedness or liabilities incurred pursuant to these terms and conditions. Demand for payment and notice of indebtedness and default are expressly waived. The terms and conditions hereof and the guarantee herein given shall continue in full force and effect until such time as Seller receives from the undersigned written notice of revocation, and such revocation shall not in any way relieve the undersigned from indebtedness or liability incurred prior to the actual receipt by Seller of such notice of revocation.

Credit balances must be applied within 12 months or they will be cancelled without liability.

Seller retains title and security interest in all products, and in all materials until such shall lose its character as personal property, regardless of delivery or possession, until paid for, said payment including all associated late and collection fees.

4. **INSPECTION AND ACCEPTANCE OF PRODUCTS:** Delivery to and receipt by Buyer shall constitute irrevocable acceptance of product.

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5. **WARRANTIES, LIMITATION OF LIABILITY:** Seller warrants that the material and craftsmanship of its product is free from manufacturing defects for a period of one (1) year from the original invoice/shipment date from Seller. Seller's sole responsibility in fulfilling this warranty shall be to repair or replace, at Seller's discretion, any products providing such defective products are returned to Seller's facility, freight prepaid, through a valid Return Material Authorization number issued by the Seller. *Lamps are excluded from this warranty.*

Seller makes no warranty with respect to products supplied by us that were not manufactured by Seller. This warranty does not cover any Seller's products improperly installed, used or damaged by accident or neglect, including failure to follow proper maintenance, service and cleaning procedures. Products which are damaged as a result of (i) modification or alteration by anyone other than Seller, or (ii) operation under conditions beyond the specific operating parameters, are not covered by this warranty. Seller bears no responsibility for cost associated with labor for product replacement, lift equipment, site delays, loss of profits or revenues, incidental, special or consequential damages. Those costs are the sole responsibility of the buyer unless specifically contracted for in a purchase order to Seller. Seller reserves the right to examine all supplied product and components to determine the cause of failure and patterns of usage and reserves the right to be the sole judge as to whether any product or component is defective and covered under this warranty. Replacement of Seller's components with any other manufacturer will void the entire warranty.

Product Suitability: Many states and locations have codes and regulations governing sales, construction, installation, and/or use of product for certain purposes, which may vary from those in neighboring areas. While Seller attempts to assure that its products comply with such codes, it cannot guarantee compliance, and cannot be responsible for how the product is installed or used. Before purchase and use of Seller's product, Buyer is instructed to review the product application and local codes and regulations to be sure that the product, installation, and use will comply with them.

THERE ARE NO OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

Seller is not responsible for any indirect, incidental or coincidental damages arising from the breach of any warranty.

6. **LIMITATIONS OF ACTIONS:** Any action for breach of this contract must be commenced within one (1) year after the cause of action has occurred.
7. **GENERAL PROVISIONS:** This contract shall be governed by and construed in accordance with the laws of Florida without regard to principles of conflicts of law, shall be binding on the successors and assigns of the parties, and shall constitute the entire understanding between the parties and shall not be varied or modified unless done in writing and signed by both parties.
8. **CANCELLATION POLICY:** To cancel an order, Buyer must give at least twenty (20) days written notice prior to the shipment date. If Buyer cancels, reduces, or refuses order within twenty (20) days of shipment, then Buyer must pay for (a) all products released for shipment, (b) cost of materials (all unique parts and/or material in stock or on order that Seller or its Affiliates cannot cancel without liability, and (c) work in progress (all parts and materials, direct labor, and overhead for work in progress).
9. **CHANGE ORDERS:** Seller reserves the right to charge for change orders.

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10. **LEAD TIME:** Lead-time requirements may change based on production requirements and Seller will notify Buyer of this time at the time the order is placed. If it is necessary to break into the production cycle to meet a rush order request, for which Seller is not given the minimum lead time required, Seller reserves the right to charge an expediting fee. Seller reserves the right to refuse expediting requests based on our production demands. Standard lead-times for made-to-order products range from 2 to 8 weeks depending on order size and product type.
11. **RETURN POLICY:** Seller does not allow the return of custom, made-to-order products or linear lighting products cut to special lengths. However, Seller may, at its sole option, agree to allow Buyer to return products for credit subject to a minimum 20% restocking charge. Buyer agrees that any authorized return must be shipped with a valid RMA number issued by the Seller marked on EACH carton returned. All authorized returns are subject to inspection before acceptance by Seller and issuance of credit less restocking charges. Returns for credit may be considered for up to 2 months from original invoice/ship date from manufacturer for products in original packaging, unopened, and returned in good condition. Credits issued shall not exceed the total extended purchase price. Buyer agrees to comply with the following instructions.
- a. Notify Seller's customer service representative within 30 days of receipt for instructions for the disposition of the part(s) in question.
 - b. If the part(s) are approved to be returned to Seller, a Return Material Authorization (RMA) number will be issued. This number must be clearly marked on all product boxes returned. Buyer is responsible for full amount of transportation fees on all returning product. Defective or damaged parts must be returned in their original shipping cartons to assist in the inspection process. **PLEASE NOTE: UNAUTHORIZED RETURNS WILL NOT BE ACCEPTED AND WILL BE RETURNED TO SENDER AT THEIR EXPENSE.**
 - c. Upon inspection of returned part(s), we will notify you of our findings and the warranty, if any, according to the Warranties, Limitations of Liability section of this contract. Credit consideration and warranty coverage are contingent upon the final inspection and are not guaranteed at the time a return authorization is issued.