



TERMS AND CONDITIONS [rev 1.0]

Luxtech, LLC

1. **CONTRACT.** This document shall constitute the entire contract between Buyer and Luxtech, LLC (“Luxtech”), with offices at 325 Chestnut Street, Suite 1212, Philadelphia, Pennsylvania, with respect to the subject matter thereof, and said contract shall not be amended, modified, or rescinded except by written agreement from an authorized official of each party, expressly referring to this contract. Submission of a purchase order by Buyer constitutes specific acceptance of this contract. In the event of any inconsistency between a purchase order and this document, the terms herein will control, regardless of the submission and acceptance of a varying purchase order or any other course of conduct resulting from a varying purchase order. This contract is subject to change by Luxtech at any time.

2. **WARRANTY.** All products manufactured by Luxtech (doing business as “Lightly”) are warranted to be free from defects in material and workmanship for a period of five (5) years, unless otherwise specified, from date of shipment to Buyer and to conform to applicable specifications, drawings, blueprints and/or samples, and environmental conditions before, during, and after installation. Luxtech’s sole obligation under these warranties shall be to issue credit, repair or replace any item or part thereof which is proved to be other than as warranted; no allowance shall be made for any labor charges of Buyer or end user for replacement of parts, adjustment or repairs, or any other work, unless such charges are authorized in writing and in advance by Luxtech.

Luxtech maintains a standard 5 year warranty on installations whose conditions meet our environmental requirements. Wood is a beautiful, natural material that reacts to the surrounding environment, most importantly the temperature and relative humidity, due to its hygroscopic properties. Because of this, acclimating the luminaires in a controlled environment prior to installation and maintaining this controlled environment throughout the product lifecycle are imperative to maintain the warranty and stability of the

product. A “controlled environment” is defined as space whose relative humidity (RH) is maintained between 25-55% at a temperature of 55-85°F. Environmental conditions outside of this range can alter the equilibrium moisture content (EMC) of the wood, and in turn, the aesthetic qualities of the wood luminaire including warpage.

It is Luxtech’s responsibility to ship the product within the acceptable tolerances for moisture content, geometry, grade, and finish. It is the responsibility of the general contractor, subcontractors, architect, and owner to ensure a controlled environment is maintained throughout the acclimatization and lifecycle of the product. This can be accomplished through the monitoring of relative humidity (RH) of the installation site prior to and during installation, in addition to the wood equilibrium moisture content of the fixtures.

If Luxtech’s products are claimed to be defective in material or workmanship or not to conform to specifications, Luxtech shall, upon prompt notice thereof, issue a RETURN MATERIAL AUTHORIZATION (RMA) with shipping instructions for return to Luxtech (transportation charges prepaid by Buyer). For items that can be returned via shipping, Luxtech will evaluate the item and determine if the failure is covered by our warranty and if covered, repair or replace the item at Luxtech’s expense. Return shipment of reworked warranty items to Buyer will be at Luxtech’s expense. The above warranties shall not extend to any products or parts thereof which have been subjected to any misuse or neglect, damaged by accident, rendered defective by reason of improper installation, altered by external conditions outside of a “controlled environment”, or by the performance of repairs or alterations outside of our facility, and shall not apply to any goods or parts thereof furnished by Buyer or acquired from non-franchised distributors (brokers) at Buyer’s request and/or to Buyer’s specifications. In addition, Luxtech’s warranties do not extend to the premature failure of electronic and/or counterfeit components or to other equipment and parts manufactured by others, except to the extent of the original manufacturer’s warranty to Luxtech.

This warranty is in lieu of and excludes all other warranties, guarantees, representations, express or implied, by operation of law or otherwise. Luxtech may, at our option, refund the purchase price applicable to defective material or material not meeting specifications. However, Luxtech shall not be obligated for such charges when material returned proves to be free from defect that affects functionality and meets specifications. Material which proves to be free from defect that affects functionality and meets specifications shall be held by Luxtech for shipping instructions and Buyer shall furnish such instructions promptly upon request. Luxtech shall not be liable for any consequential damages nor for loss, damages, or expenses directly or indirectly from

the use of the product. Because it may be essential for Luxtech to stop ongoing production of additional product, Buyer agrees to notify Luxtech of any defects in material and workmanship within five (5) working days of receipt of any product that appears to show such defects.

3. DELAYS. Luxtech shall not be responsible for any failure or delay in delivery due to fires, floods, raw material and components not delivered as promised by a vendor, components on allocation or unexpected long lead items, equipment breakdown caused by power failure, earthquake, weather disturbances or other natural disasters, wars, acts of terrorism, riots, civil unrest or acts of God, labor troubles whether or not due to fault of Luxtech, breakdowns, delays of carriers, total or partial failure for any reason of usual sources of supply or transportation thereof, or any similar or dissimilar cause beyond Luxtech's control. Under these special circumstances, Luxtech will make every reasonable effort to fulfill its commitment to the client. In the event or inability of Luxtech, for any cause beyond Luxtech's control to supply the total demands for any material specified in this order, Luxtech may allocate its available supply among any or all buyers, including new customers, subsidiaries, affiliates and departments of Luxtech, on such basis as Luxtech, in its sole discretion, may decide upon, without liability for any failure to perform the contract which may be a consequence thereof.

4. LIABILITY. Luxtech's liability shall be limited to actual damages sustained by Buyer, but in no event to exceed the purchase price of the products involved in the occurrence giving rise thereto.

5. ADVICE BY Luxtech. The giving or failure to give advice of any character by Luxtech shall not impose any liability by Luxtech nor grant to Buyer any license to the use of any of Luxtech's patents, trademarks, or trade names.

6. ASSIGNMENT. Luxtech is expressly permitted to assign this contract and all rights hereunder, and to delegate all liabilities and obligations hereunder, in whole or in part, to any subsidiary or affiliate of Luxtech. Luxtech is also expressly permitted to assign this contract and all rights hereunder, and to delegate all liabilities and obligations hereunder, in whole or in part, in connection with an asset sale, stock sale, merger or other combination, or any other transfer of: (a) Luxtech's entire business; or (b) that part of Luxtech's business that exercises the rights granted under this contract.

7. DELIVERY SCHEDULE. The delivery date of any order resulting from a Luxtech quote shall not exceed 12 months, unless stated otherwise on the quotation. Deliveries quoted are based upon receipt (with valid purchase order) of Buyer technical documentation and a down payment equal to at least Fifty (50) percent of

the quoted Net Invoice Price acceptable to Luxtech. Buyer is responsible for accepting delivery of all products ordered via purchase order by the originally specified delivery date(s). Luxtech will review on an individual basis, requests for delivery date modifications by Buyer. In no instance, will delivery date changes be accepted for products within thirty (30) days of the originally specified delivery date (s) without Luxtech's written approval. Luxtech may accept up to one delivery date change of no more than ninety (90) days later than the originally specified delivery date(s), if in Luxtech's estimation, material and labor can be rescheduled with minimum impact. Buyer is responsible for all costs associated with such delivery date changes. Delivery date changes will not be deemed valid until Buyer receives written approval from an authorized officer of Luxtech.

8. **PRODUCT PACKAGING.** Unless otherwise specified in the quotation, standard packaging materials will be used to ship products. If custom packaging is required, Luxtech can, at additional cost to Buyer, offer package engineering services to design, develop, and implement a custom package design.

9. **PRODUCT REVISIONS.** Luxtech assumes no responsibility for any changes in the specifications outlined in the original order, unless such changes are confirmed in writing by Buyer and accepted in writing by Luxtech. Any price variation resulting from such changes shall become effective immediately upon acceptance of such changes. Luxtech assumes no responsibilities for additional costs which result from changes made by the Buyer in shipping or production schedules, if such changes cause an increase in Luxtech's cost or in the time of performance of this order, unless such changes are confirmed in writing by the Buyer and accepted in writing by Luxtech. Additional costs which result from changes which have not been accepted in writing by Luxtech will be incurred at the expense of the Buyer. Such additional costs are to be payable per the terms on the invoice.

10. **PRICE.** The price specified in the quote document may be changed by Luxtech upon notice to Buyer. Buyer will be responsible for any additional costs associated with, but not limited to, an increase in costs for the raw materials of the product, configuration changes, delivery schedule changes, or PO cancellation requested by the Buyer.

11. **CUSTOMER SUPPLIER.** In the event material is purchased for production by Luxtech from the customer, customer accepts and is bound by Luxtech's supplier agreement.

12. **CREDIT APPROVAL.** All shipments made hereunder shall at all times be subject to the approval of Luxtech's Credit Department and, if the financial responsibility of the Buyer is unsatisfactory, or becomes

impaired, or if Buyer fails to make any payment in accordance with the terms of the contract, then, in any such event, Luxtech may defer or decline to make any shipments hereunder except upon receipt of security satisfactory to Luxtech or cash payments in advance, or it may terminate the contract and invoice the buyer for excess materials and/or work in process.

13. POINT OF DELIVERY. Delivery to carrier at point of shipment shall constitute delivery to Buyer, and Buyer shall assume all risk for subsequent loss or damage. The fact that in some instances a different "F.O.B." point may be shown on the Buyer's PO, or that all or a part of freight charges may be prepaid, assumed, or allowed by Luxtech, is for Buyer's convenience only, and does not change the point of delivery to Buyer. If damage occurs during shipment, it is solely the responsibility of Buyer to make claim in a timely fashion against the carrier. All shipments are F.O.B. Luxtech, unless quoted otherwise. The Buyer will be liable for all transportation expenses, unless quoted otherwise. Shipments will be insured at the Buyer's expense unless the Buyer's PO indicates no insurance is required.

14. PAYMENT. The terms of payment are strictly net 30 days from the date of invoice: on all overdue payments the Buyers will pay interest until actual payment at the rate of one and one half percent (1½%) per month. Buyer shall not withhold, delay, or otherwise reduce payment for goods for which there is a claim pending unless specifically authorized to do so by Luxtech. If a claim is accepted by Luxtech, Luxtech will issue a credit to the Buyer, and Buyer may not take a credit against other orders from Luxtech.

15. PATENTS. Buyer agrees to defend, protect, and save harmless Luxtech against all suits at law or in equity and from all damage, claims, and demands for actual or alleged infringement of any patent and to defend any suits or actions which may be brought against Luxtech for any alleged infringement arising from the manufacture, sale, or combination of the product by the Buyer.

16. WAIVERS AND SEVERABILITY. No waiver by Luxtech or any breach of any provision hereof shall constitute a waiver of any object to provisions contained in any communication from Buyer and shall not be deemed an acceptance of such provisions or as a waiver of the provisions of this contract. The items listed within this contract will be severable, and in the event any item is held to be unlawful or unenforceable, the remaining items will remain in full force and effect.

17. CANCELLATION. This contract is subject to cancellation only upon Luxtech's accepting such cancellation in writing, and the effective date of such acceptance. The date of acceptance notwithstanding,

Luxtech shall have articles affected to the point at which the processing can be halted with the least inconvenience to Luxtech under the circumstances. Payment of cancellation charges shall be made by Buyer upon receipt of invoice of same. Typical types of costs, for which Buyer will be responsible, are: vendor cancellation charges of undelivered raw materials, raw material received and not used, work-in-process (labor and/or material), finished product in distribution, shipping charges, standard profit, and overhead.

18. CLAIMS. Notwithstanding any claim remedied at Luxtech's election, any claim for breach of warranty, failure or delay in delivery, or otherwise shall be deemed waived by Buyer unless presented in writing to Luxtech within sixty (60) days from date of agreed delivery, or within the specified warranty period in the case of claims of breach of warranty.

19. ARBITRATION. Any claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules. The number of arbitrators shall be one. The place of arbitration shall be Philadelphia, Pennsylvania. Pennsylvania law shall apply. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

20. GOVERNING LAW. The validity, interpretation, and enforceability of this order shall be governed in all respects by the laws of the County of Philadelphia and State of Pennsylvania. In the event of any litigation arising out of this agreement, Luxtech shall be entitled to recover costs and expenses incurred including all attorney's fees, court fees, and any business-related settlements including business loss due to time away from business. These terms are subject to change without prior notice.