

SCHEDULE (B)

ILIGHT STANDARD TERMS AND CONDITIONS

1. **DEFINITIONS:** As hereinafter used in this schedule, words shall have the following meaning:
 - a) **iLight Technologies** - The Company (iLight Technologies, a Delaware Corporation).
2. **TERMS OF PAYMENT**

Company terms of payment are 30 days net.
3. **SHIPMENTS:** All shipments are F.O.B. our factories. In all cases, domestic freight will be prepaid by the Company and charged to the customer. Foreign freight methods vary. Export packaging may be charged as an extra.
4. **DISTRIBUTOR TERRITORIES:** When using a distributor, distributor's trading area for the distribution of Company products shall be limited to the area assigned to and serviced by the Company's field Representative. The Company reserves the right to refuse to make direct shipments to destination points outside the Distributor's trading area as herein defined.
5. **MINIMUM ORDERS:**
 - a) Because of the high cost of handling small orders, orders for less than \$100.00 net value will be subject to a minimum billing of \$100.00. This does not apply to samples or replacements orders.
 - b) UPS shipments may include a special handling charge per crate in addition to normal charges.
 - c) Orders for special merchandise other than described in the Company's Buyer's Guide are subject to a minimum billing of \$1,000.00 per each "special" line item on order, unless otherwise quoted in writing. Replacements or additions shall not be considered as new orders. Company may choose to waive this requirement.
6. **WARRANTY:** COMPANY MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OTHER THAN THOSE SET FORTH ON SCHEDULE (G) AND SPECIFICALLY DISCLAIMS THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE.
7. **LIMITATION OF LIABILITY:** See iLight warranty information. Schedule (G)
8. **PRICE AND QUOTATIONS:**
 - a) Prices for standard, special or modified items must be issued in writing from the Company and are firm for thirty (30) days. Purchase orders for standard, special or modified items received and acknowledged with this 30 day period will be price protected for shipment within ninety (90) days from the date of the order or December 15th of the year entered, whichever comes sooner.
 - b) Only prices issued in writing in quotations authorized by Company may offer price protection for a different period.
 - c) Releases for shipments beyond the price protected period (standard or non-standard) will be increased in price in accordance with the Company's next published price list.
 - d) Possession of a Price Sheet does not entitle one to purchase at prices shown, and possession of a Price Sheet is not in itself an offer to sell.

9. PURCHASE ORDERS: Company hereby gives notice of its objection to any different or additional terms and conditions other than as stated herein. Acceptance of a buyer's order is expressly made conditional on the buyer's assent to the terms and conditions set forth herein. Buyer's acceptance of the provisions of the front and rear sides of the acknowledgment form shall be conclusively presumed if no written objection to the acknowledgment is received by Company within fifteen (15) days from the date on said acknowledgment. It is the buyer's responsibility to communicate any objections directly to Company, not through its Representatives.

10. RETURNED GOODS:

- a) All defective returned goods must be accompanied by a "Return Materials Authorization" (RMA). Non-defective surplus material is not subject to return.
- b) Requests to return defective materials under warranty must be made not later than 10 days following the end of the warranty period. The end user is responsible for shipping charges for return of defective materials to iLight's plant under warranty. It will be Company's decision to repair or replace defective warranty materials.

11. TITLE: Title to the goods described herein shall remain in Company until paid in full by buyer; however, risks of loss shall vest in the buyer at the time of delivery of the products to the carrier at shipping point.

12. SPECIAL ITEMS: On special or modified fixtures not listed in current Buyer's Guide, Company reserves the right to sell only to the distributor, if a distributor is used, who assisted the Company in the development of the business for a specific customer. Orders for special items are not cancelable except on full payment for work performed. There is a minimum billing of \$1,000.00 per each "special" or "modified" line item on order. Replacements or re-orders shall be considered as new orders.

13. STANDARD CONDITIONS OF SALES

a) **PAYMENT:**

- i) Buyer shall make payment as specified herein and Company may suspend shipment of delivery until such payment is made.
- ii) Company reserves the right to charge interest and handling charges if buyer is delinquent in payment of invoices.
- iii) If, in the opinion of Company, the financial condition of the buyer becomes impaired or unsatisfactory, Company may at any time, limit or cancel the credit of buyer and may require from buyer payment in cash before delivery for future deliveries within ten (10) days after demand in writing shall constitute a breach of this agreement by buyer. Approval of credit of one or more deliveries shall not be deemed a waiver hereof.
- iv) If any shipment made in accordance with the buyer's instructions is refused for whatever reason, the buyer shall be responsible for payment of such merchandise, in accordance with the terms of this agreement, as though such merchandise had been accepted at the time of original delivery. Buyer shall also be responsible for reasonable storage, handling and redelivery charges and shall pay charges as invoices are rendered.
- v) Company shall be entitled to reimbursement for all expenses (including reasonable attorney's fees and other costs) incurred by it in connection with collection of any amounts for goods sold hereunder in the event payment therefore shall not be made when due.
- vi) If the buyer notifies Company not to deliver merchandise after said merchandise has been produced in accordance with buyer's instructions, then buyer shall pay reasonable storage charges until such merchandise is delivered and accepted.

b) PACKAGING AND SHIPMENTS:

- i) Method of packaging is Company's option.
- ii) Company will use its own discretion in routing all shipments and reserves the right to select carrier and truck size. If any shipment made in accordance with buyer's instructions shall incur additional labor or carrier costs, said costs shall be paid by the buyer as invoices are rendered.
- iii) Shipment date mentioned on Company's order acknowledgment, if any, is Company's best approximation of the probable shipment date and shall not be deemed to represent a fixed or guaranteed shipment date. Shipment of the merchandise herein is subject to any and all delays due to any condition of happening whatsoever beyond Company's control, including but not limited to other conditions, strikes, fires, riots, wars, act of God, inability to obtain materials, government regulations or restrictions. Company shall not be responsible for any damage or loss resulting from delayed shipments or its inability to ship as above.
- iv) Company reserves the right to make shipment in installments unless otherwise expressly stipulated by the buyer in writing. All such installments shall be separately invoiced and paid for when due, without regard to subsequent shipments. Buyer's requests for advance shipment of transformers and clips are subject to additional freight charges. Delay in the shipment of any installment shall not relieve buyer of its obligation to accept remaining shipments.

c) CLAIMS AND ADJUSTMENTS

- i) The carrier accepts shipments covered by buyers order in good condition and quantity as noted on freight bills. Any claim for damage or shortage lies between the buyer and the carrier.
- ii) It is the buyer's responsibility or his/her designated consignee to check shipment carefully and note any visible damage or shortage on freight bill before signing to facilitate a possible claim against the carrier.
- iii) Concealed loss or damage must be reported to carrier in writing immediately upon discovery, but not later than 72 hours after signing for shipment.
- iv) Buyer agrees not to return any merchandise to Company for any reason without prior written authorization.
- v) Buyer is responsible for insuring the conformance of delivered material to his/her order or governing specifications. Installation of improper equipment is done at his own risk and expense. No backcharges are applicable or will be honored.
- vi) Claims for shipping errors or concealed shortages will be waived unless made in writing directly to Company, at its Home Office in Chicago, Illinois, within three (3) days after receipt of the merchandise.
- vii) Where a return of merchandise is allowed, it must be authorized in writing by Company. Failure to secure such authorization in advance will result in refusal by Company of such returned merchandise.

d) PRICE

- i) The prices shown in our Price Sheet are prices prevailing at the present time. Company reserves the right to change these prices at any future date. Unless otherwise specifically provided in writing, the order will be billed at prices prevailing at time of shipment.
- ii) Additions to orders already processed shall be considered separate orders and shall be priced accordingly.

e) SPECIFICATIONS

- i) Merchandise will be shipped in accordance with the standard styles, sizes and specification as described in Company's catalogs and specification sheets.
- ii) In the event of a conflict between a customer's written order and a Company drawing or specification sheet marked "Approved," the Company drawing or specifications sheet shall prevail.

- iii) Company reserves the right to change details of design, materials and finish in any way which may alter installed appearance or reduce function performance.
- iv) Every effort is made to avoid errors in catalogs, price sheets, specifications sheets and other data. Company will not accept responsibility of labor charge backs in connection with errors of measurements, prices, descriptions, etc.
- v) Standard variations as described in Company's Buyers' Guide in the section headed "Special Electrical Equipment and Accessories," if any, will not be covered by its acknowledgment as described in buyer's purchase order.
- vi) Company will not be bound by general or blanket instructions not contained within the buyer's order. Each transaction must be accompanied by full instruction on the order itself.
- vii) Orders containing such phrases as "all materials to be supplied as per project plans and specifications," etc. are subject to separate written acceptance by Company.
- viii) Most units in this price schedule are UL/CSA or MetLabs listed. However, the additions of some accessories will negate this listing or UL/CSA listed. Please consult factory for appropriate listing on any specific unit.
- ix) It is the buyer's responsibility to ascertain the correct voltage for each order, and to mark each order with the voltage. Some voltages may cost more than do other voltages. When Company is requested to furnish catalog sheets for submittal, Company will furnish Standard Sheets unmarked. It is the buyer's responsibility to mark up the submittal sheets as it sees fit.

f) **GENERAL**

- i) All additions, deletions or other charges to an order are subject to the terms and conditions as specified above.
- ii) In the event of a conflict between the buyer's terms and conditions and Company's terms and conditions, the buyer, by virtue of the acceptance of shipment of merchandise ordered, acknowledges and agrees that the Company terms and conditions shall take precedence and shall apply.
- iii) Company's field representatives are independent sales contractors. They have no authority to assume or create any obligation, express or implied, nor do they have any authority to accept service or legal process on its behalf.