

TERMS AND CONDITIONS OF SALES

The purpose of this document is to cover terms and conditions of commercial sales by Forest Lighting to its customers, effective on March 1, 2018.

1. Purchase Orders; Delivery; Payments.

(a) Purchase Orders. Buyer shall issue written purchase orders for the purchase of Products (the "Purchase Orders") to Forest Lighting, specifying the Products, the unit price and quantity of each Product it desires to purchase, the total purchase price for such Purchase Order, the shipment date and place of delivery for the Products. Forest Lighting shall have five (5) business days after the receipt of the Purchase Order to confirm, or change, such Purchase Order. Acceptance, or changes to, any Purchase Order have to be in writing sent to Buyer either electronically or by facsimile. If a Purchase Order is accepted, Forest Lighting shall send a written acceptance notice to Buyer. If Forest Lighting changes any Purchase Order by delivering a written notice of such changes (the "Revised Purchase Order") to Buyer, Buyer will confirm acceptance of the Revised Purchase Order within five (5) days upon receipt of such notice. Orders can be cancelled before shipment free of charge. If Buyer sends a cancellation request after the shipment, Buyer is responsible for outbound and return freight charges and a 15% restock fee.

(b) Purchase Prices. The purchase prices for the Products shall be the U.S. dollar prices published periodically and made available to Buyer by Forest Lighting. Any price changes shall be delivered to Buyer at least five (5) business days prior to the effective date of such changes, and the new prices will only be applicable to Purchase Orders delivered after such new prices become effective. The purchase prices shall be FOB point of shipment. Buyer shall be responsible for all relevant taxes, insurance, shipping and other charges relating to the purchase of the Products from Forest Lighting.

(c) Delivery. Buyer shall specify the common carrier for the shipment of the Products in the Purchase Order. In the event Buyer fails to specify such common carrier, Forest Lighting may, at its option, deliver the Products to the destination specified in Buyer's Purchase Order via common carrier reasonably acceptable to Buyer, or delay shipment of the Products until Buyer identifies such common carrier. Title to, and risk of loss to, the Products shall pass to Buyer upon delivery of the Products to the common carrier. Forest Lighting will assist Buyer in filing claims and replenish products when damages or loss occurs during transit.

(d) Case Quantity/Minimum Order Quantity ("MOQ") - **A minimum order of \$200 is required for any purchase order.** The case quantity stated in Forest Lighting Price List is the minimum order quantity per item for T8, T8 Integrated and T5 Integrated. A \$15 fee will be applied for order below \$200. A \$10 surcharge will still be applied to each item where the order is less than the minimum order quantity.

(e) Freight Allowance. Forest Lighting offers free shipping (lowest freight via a carrier of Forest's choice) for any single PO in the **\$1,500 or higher** to anywhere in the 48 continental states of USA.

(f) Payment. In the event the total purchase price set forth in the Purchase Order, plus all unpaid invoice amounts outstanding as of the date of such Purchase Order, exceeds the credit

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limit to be established by Forest Lighting for Buyer, Forest Lighting reserves the right to request an advanced payment of a portion of the total purchase price (the “Deposit”). Forest Lighting shall submit an invoice for the Products ordered to Buyer within five (5) business days after the Purchase Order or Revised Purchase Order is accepted. Buyer shall pay to Forest Lighting the amount of such invoice, or the balance of such invoice taking into account any Deposit paid, within **thirty (30) days** of the date of such invoice. In the event the invoice amount is not paid in full within such **30-day** period, Forest Lighting may hold off shipping further Products or reduce the amount of the Products to be shipped to Buyer; or if the Products ordered have been shipped, such unpaid amount shall carry interest at the rate of 18% per annum until paid in full. Forest Lighting offers **2%** discount of invoice amount (excluding freights, fees, taxes and etc.) for payment made within 10 calendar days from the date of invoice.

(g) Returns. Authorized Forest Lighting distributors may return unsold, unused and re-sellable product in their original packaging with return freight paid by authorized Distributors for up to 6 months from the invoice date. Forest Lighting reserves the right to inspect all returned product to ensure it meets above conditions prior to issuing credit. Return policy does not include any obsolete/discontinued or product purchased as a clearance item. Credit of the returned products will be assessed based on the price at the time of the return.

2. Covenants of Buyer.

(a) Local Office; Subcontracting. Buyer shall maintain one or more offices in the Territory and shall conduct all of its business in its own name. Buyer may appoint sub-Buyers to make sales of the Products within the Territory on such terms and conditions as Buyer determines to be necessary to fulfill its obligations under this Agreement; provided that no such appointment or delegation shall relieve Buyer from any obligations hereunder.

(b) Quality Control of Trademarks. Buyer shall conduct its business in a manner designed to enhance the reputation and integrity of the Trademarks and the goodwill associated therewith. Forest Lighting reserves all rights of approval necessary to achieve this result. Without limiting the foregoing, Buyer shall:

- i. adhere to all such trademark notices and legends as Forest Lighting may reasonably require from time to time or as required by applicable law;
- ii. use the Trademarks only as provided herein;
- iii. not use the Trademarks in violation of any law, statute, government regulation or standard;
- iv. not use the Trademarks in any way that could impair its validity as a trademark; and
- v. not register any domain name containing the Trademarks or any confusingly similar variation thereof.

Upon request by Forest Lighting, Buyer shall provide to Forest Lighting samples of corporate identity materials, marketing materials, and promotional materials on or in connection with which the Trademarks are used for Forest Lighting to review for quality control purposes. Buyer shall abide by any reasonable requests of Forest Lighting with respect to changes to such materials.

(c) Other Covenants. In addition to the obligations set forth elsewhere herein, during the Term of this Agreement, Buyer shall:

- i. cooperate with Forest Lighting in making sure that the Products comply with all applicable safety and other regulatory requirements;
- ii. use its best efforts to promote and sell the Products in the Territory;
- iii. maintain sufficient staffing and financial resources for the performance of this Agreement;
- iv. provide all customer support and post-sale services to customers;
- v. bear all the expenses incurred in connection with the performance of its obligations hereunder;
- vi. promptly notify Forest Lighting of any material dispute of which it becomes aware relating to the Products; and
- vii. fully comply with all laws applicable to the performance of its obligations under this Agreement and maintain all approvals and make all filings which may be required to perform its duties hereunder.

3. Covenants of Forest Lighting.

In addition to the obligations set forth elsewhere herein this Agreement, during the Term of this Agreement, Forest Lighting shall

- i. promptly provide Buyer written notice in the event the price list of Products is changed;
- ii. notify Buyer of any addition or cancellation of any Products sold by Forest Lighting, and unless such cancellation of any Product is a result of any recall or caused by safety or other regulatory concerns, such cancellation is not effective with regard to the outstanding Purchase Orders;
- iii. provide Buyer with information regarding the Products, including warranty information, for Buyer's advertisement of the Products;
- iv. comply with all laws and regulations applicable to the sale of the Products.

4. Warranties.

(a) Standard Warranties. Forest Lighting shall make available to Buyer its standard warranties, and shall promptly notify Buyer in writing if such warranties are amended. If Buyer receives any claim from a customer during the warranty period that the Product is defective, Buyer shall promptly notify Forest Lighting in writing of such claim, specifying in reasonable detail the nature of the defect, together with supporting evidences. After the receipt of such notice and information to Forest Lighting's satisfaction, at Forest Lighting's option, it may (a) replace the defective Product with conforming Product and have the defective Product returned to it at its cost, or (b) have Buyer repair the Product and reimburse Buyer for the costs of such repair. The part(ies) responsible for any labor charges related to re-

removal and reinstallation due to a warranty claim shall be negotiated by both parties in good faith only if the failure rate exceeds the industry norm.

(b) No Implied Warranties. EXCEPT AS EXPRESSLY PROVIDED HEREIN, Forest Lighting MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PRODUCTS, INCLUDING, WITHOUT LIMITATION, REPRESENTATION OR WARRANTY AS TO FITNESS FOR ANY PURPOSE OR MERCHANTABILITY. Buyer AGREES NOT TO MAKE ANY REPRESENTATIONS AND/OR WARRANTIES IN RESPECT OF THE PRODUCTS EXCEPT AS EXPRESSLY STATED IN THE APPLICABLE WRITTEN WARRANTY, IF ANY, ISSUED BY Forest Lighting.

5. Confidentiality.

(a) Definition. As used herein, “Confidential Information” means any data or information, oral or written, that Forest Lighting treats as confidential that relates to Forest Lighting, the Products or Forest Lighting’s past, present, or future research, development or business activities, including any unannounced product(s) and service(s), and any information relating to services, developments, inventions, processes, plans, technical know-how, financial matters, customer and supplier lists and related agreements, price list, forecasts, and projections. Confidential Information shall also include the terms of this Agreement. Notwithstanding the foregoing, Confidential Information shall not be deemed to include information that (1) is publicly available or in the public domain at the time disclosed, (2) is or becomes publicly available or enters the public domain through no fault of Buyer, or (3) is approved for release or disclosure by Forest Lighting without restriction.

(b) Confidentiality Obligations. During the Term of the Agreement and for a period of one year after the termination of this Agreement for any reason, Buyer agrees to maintain the confidentiality of Forest Lighting’s Confidential Information received by it. Buyer agrees not to disclose or use, directly or indirectly, except as permitted or required for performance by Buyer of its rights or duties hereunder, any Forest Lighting Confidential Information. Buyer further agrees to take appropriate measures, including the insertion of relevant clauses in employment and other contracts, to prevent any such prohibited disclosure by its present and future employees, officers, agents, subsidiaries, sub-Buyers or consultants in violation of this Section. Buyer shall be liable for all damages sustained by Forest Lighting for any breach of this Section.

(c) Injunctive Relief. Buyer acknowledges and agrees that irreparable harm would be suffered by Forest Lighting in the event of a breach of this Section and that Forest Lighting shall have the right to seek injunctive relief in the event of a breach or threatened breach of this Section. Buyer agrees that the rights of Forest Lighting provided in this Section shall be in addition to, and not in lieu of, all other rights Forest Lighting may have at law or in equity to protect the Confidential Information.

(d) No Vested Rights. Except as expressly provided herein, Buyer will not acquire any right, title or interest in the Trademarks or the Confidential Information by virtue of the execution or performance of this Agreement. It shall not at any time describe or represent itself to others as having such right, title or interest. Should any law or regulation in the Territory vest Buyer with any rights in the Trademarks or the Confidential Information except as expressly provided herein, Buyer hereby assigns and agrees to assign to Forest Lighting all such rights contemporaneously with their vesting. Buyer shall promptly notify Forest Lighting of any and all unauthorized use or disclosure of the Trademarks or the Confidential Information of which it becomes aware, and will assist Forest Lighting in taking action against any such unauthorized use or disclosure.

6. Representations and Warranties.

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(a) Due Organization; Authority. Each party hereby represents and warrants to the other party that such party is duly organized under the laws of the jurisdiction in which it is organized, and that such party has the power and authority to enter into this Agreement and to perform its obligations hereunder. Each signatory of this Agreement has the authority to execute this Agreement on behalf of the party he or she represents.

(b) No Conflict. Each party represents and warrants to the other party that the execution and delivery of this Agreement and the performance of such party's obligations under this Agreement (a) do not and will not conflict with or violate any applicable laws or regulations existing as of the Effective Date and (b) do not and will not conflict with, violate, breach or constitute a default under any contractual obligations of such party existing as of the Effective Date.

(c) Enforceability. Each party represents and warrants to the other party that this Agreement is a legal and valid obligation binding upon it and is enforceable against it in accordance with its terms.

(d) Non-Infringement. Forest Lighting represents and warrants that it has the right to grant the Trademark License hereunder and that to its best knowledge, the Products do not infringe upon any intellectual property rights of any third party.

7. Indemnification.

(a) Indemnification by Buyer. Buyer shall indemnify, defend and hold harmless Forest Lighting and its officers, directors and employees from and against and in respect of any and all demands, claims, actions or causes of action, assessments, losses, damages, liabilities, interest and penalties, costs and expenses (including, without limitation, reasonable legal fees and disbursements incurred in connection therewith and in seeking indemnification) ("Losses") resulting from, arising out of, or imposed upon or incurred by any person to be indemnified hereunder by reason of (i) a breach of any representation, warranty or covenant of Buyer under this Agreement; or (ii) an act, omission, or negligence of Buyer in the performance of its obligations under this Agreement.

(b) Indemnification by Forest Lighting. Forest Lighting shall indemnify, defend and hold harmless Buyer and its officers, directors and employees from and against and in respect of any and all Losses resulting from, arising out of, or imposed upon or incurred by any person to be indemnified hereunder by reason of any breach of any representation, warranty of Forest Lighting under this Agreement or any act, omission or negligence of Forest Lighting in the performance of its obligations under this agreement.

(c) Notice and Defense of Indemnified Claims. In each case, the party receiving the indemnity (the "Indemnified Party") will notify the party providing the indemnity (the "Indemnifying Party") promptly of any claim against Indemnified Party to which any such indemnity may apply and, if Indemnifying Party chooses adequate counsel and makes adequate provision to compensate Indemnified Party in the event of an adverse result, Indemnified Party will allow Indemnifying Party to have control of the defense of any action relating thereto and negotiations for its settlement, provided Indemnified Party is allowed to participate at its own expense.

8. Limitation of Liability.

(a) FOREST LIGHTING'S LIABILITY IN RESPECT OF THE PRODUCTS IS LIMITED TO THAT SET FORTH IN THE WRITTEN WARRANTIES, IF ANY, ISSUED BY FOREST LIGHTING.

(b) THE PARTIES AGREE THAT NO PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, EXEMPLARY OR INCIDENTAL DAMAGES (INCLUDING LOSS OR ANTICIPATED LOSS OF REVENUES OR NET PROFITS RELATING TO THE SAME), ARISING FROM ANY CLAIM RELATING TO THIS AGREEMENT OR THE PRODUCTS, WHETHER SUCH CLAIM IS BASED ON CONTRACT, TORT, (INCLUDING NEGLIGENCE) OR OTHERWISE, EVEN IF AN AUTHORIZED REPRESENTATIVE OF SUCH PARTY IS ADVISED OF THE POSSIBILITY OR LIKELIHOOD OF SAME.

9. Insurance

Forest Lighting provides and maintains liability and property damage insurance in connection with the Products and/or services which is the subject of this Agreement. Forest Lighting shall furnish to Buyer certificates issued by insurance companies acceptable to Buyer showing policies carried and the limits of coverage as follows:

(a) Workers' Compensation Insurance for Forest Lighting's employees to the extent of statutory limits and Occupational Disease and Employer's Liability Insurance for not less than \$1,000,000 each accident.

(b) Commercial General Liability Insurance, including but not limited to Products and Completed Operations and Blanket Contractual Liability, as applicable to Forest Lighting's obligations under this Agreement with limits not less than \$2,000,000 per occurrence and \$2,000,000 general aggregate. Coverage must be on an occurrence form. Limits may be satisfied with a combination of primary and excess coverage.

(c) Automobile Liability Insurance for all owned, non-owned and hired automobiles with limits not less than \$1,000,000 combined single limit.

(d) Excess/Umbrella Insurance in the amount of \$5,000,000.

Buyer shall be named as Additional Insured on all policies of insurance required in subsections (b) through (d), and a waiver of subrogation in favor of Buyer shall be provided.

10. Miscellaneous.

(a) Set Off. Forest Lighting reserves the right to set off any amounts Buyer owes to Forest Lighting against any amount Forest Lighting owes to Buyer. The existence of any claim by Buyer against Forest Lighting or any affiliates of Forest Lighting, whether predicated upon this Agreement or otherwise, shall not entitle Buyer to withhold or set-off any payments due to Forest Lighting under this Agreement. If any governmental agency prevents payment of any sum owed to Forest Lighting or performance of any other Buyer duty under this Agreement, Forest Lighting may immediately terminate this Agreement or, alternatively, be excused from further performance of its obligations under this Agreement.

(b) Complete Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matters hereof and thereof and supersede all prior agreements whether written or oral relating hereto.

(c) Survival. The representations, warranties, covenant and agreements contained in Sections 5(c) and 6 through 11 shall remain in full force and effect during the Term of this Agreement and thereafter.

(d) Waiver, Discharge, Amendment, Etc. The failure of any party hereto to enforce at any time any of the provisions of this Agreement shall not, absent an express written waiver signed by the party making such waiver specifying the provision being waived, be construed to be a waiver of any such provision, nor in any way to affect the validity of this Agreement or any part thereof or the right of the party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach. Any amendment to this Agreement shall be in writing and signed by both parties.

(f) Independent Contractor. The relationship of the parties is that of independent contractors. Nothing contained in this Agreement shall be deemed or construed to recreate an employer/employee, principal/agent, joint venture, partnership, or fiduciary relationship between the parties. Neither party has any authority, right or ability to bind or commit the other party in any way, express or implied, and will not attempt to do so or imply that it may do so, except as expressly authorized in writing by the other party.

(g) Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without giving any effect to any conflict of laws principles. Buyer irrevocably agrees and consents to the exercise of jurisdiction over it by the courts of the State of Texas. All legal actions relating to this Agreement shall be filed in one of such courts. Service of process provided to Buyer in accordance with Section 10(e) above shall be effective and sufficient to establish jurisdiction and venue in such court in any such action.

(h) Titles and Headings; Construction. The titles and headings to the Sections herein are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. This Agreement shall be construed without regard to any presumption or other rule requiring construction hereof against the party causing this Agreement to be drafted. As used herein, "business day" shall mean any day on which the banks in Atlanta, Georgia, are open for business.

(i) Assignment. The parties hereto agree and acknowledge that the obligations herein are personal in nature and may not be assigned, transferred, or conveyed by any of the parties hereto to any third party without the prior written consent of the other party.

(j) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed as original and all of which together shall constitute one instrument.

(k) Severability. If any provision of this Agreement is held invalid by a court of competent jurisdiction, the remaining provisions shall nonetheless be enforceable according to their terms. Further, if any provision is held to be over broad as written, such provision shall be deemed amended to narrow its application to the extent necessary to make the provision enforceable according to applicable law and shall be enforced as amended.

(l) Force Majeure. Upon giving notice to the other party, a party affected by an event of Force Majeure shall be released without any liability on its part from the performance of its obligations under this Agreement, except for the obligation to pay any amounts due and owing hereunder, but only to the extent and only for the period that its performance of such obligations is prevented by the event of Force Majeure. During the period that the performance by one of the parties of its obligations under this Agreement has been suspended by reason of an event of Force Majeure, the other party may likewise suspend the performance of all or part of its obligations hereunder (except for the obligation to pay any amounts due and owing hereunder) to the extent that such suspension is commercially reasonable. As used herein, “Force Majeure” means any event or condition, not existing as of the Effective Date, not reasonably foreseeable as of such date and not reasonably within the control of a party, which prevents in whole or in material part the performance by one of the parties of its obligations hereunder, such as an act of government, war or related actions, civil insurrection, riot, sabotage, strike, epidemic, fire, flood, windstorm, shortage of raw materials, and similar events.