

## Standard Terms & Conditions of Sale

These terms and conditions govern the sale of all products and services ("products") by Pro-Lite Technology Ltd ("Seller") and apply notwithstanding any conflicting, contrary or additional terms and conditions in any purchase order or other document or communication ("purchase order") from buyer. These terms and conditions may only be waived or modified in a written agreement signed by an authorised representative of seller. Neither seller's acknowledgment of a purchase order nor seller's failure to object to conflicting, contrary or additional terms and conditions in a purchase order shall be deemed an acceptance of such terms and conditions or a waiver of the provisions hereof.

**1. ORDERS.** All orders received are subject to acceptance by Seller. Orders for standard products, if cancelled by Buyer may be subject to a cancellation fee or restocking charge at the sole discretion of the Seller. Orders for special or custom products shall be non-cancelable.

**2. PRICES.** Prices shall be as specified by Seller and shall be applicable for the period specified in Seller's quote. If no period is specified, prices shall be applicable for thirty (30) days. Notwithstanding the foregoing, prices shall be subject to increase in the event of an increase in Seller's costs or other circumstances beyond Seller's reasonable control unless a fixed contract price is tendered or agreed in writing by Seller prior to acceptance of order. Prices are inclusive of import duties, insurance and shipping charges unless specified otherwise in the quotation. All quoted prices exclude VAT. Purchase orders accepted in a currency other than GB pounds sterling will be invoiced in the currency of the order and payment must be remitted in same and not converted into GB pounds sterling unless agreed otherwise in writing by Seller.

**3. TERMS OF PAYMENT.** Payment shall be net thirty (30) days from date of invoice or as otherwise specified by Seller. Buyer agrees to pay the entire net amount of each invoice from Seller pursuant to the terms of each such invoice without offset or deduction. Orders are subject to credit approval by Seller, which may in its sole discretion at any time change the terms of Buyer's credit, require payment in cash, bank wire transfer or by official bank cheque and/or require payment of any or all amounts due or to become due for Buyer's order before shipment of any or all of the Products. If Seller believes in good faith that Buyer's ability to make payments may be impaired or if Buyer shall fail to pay any invoice when due, Seller may suspend delivery of any order or any remaining balance thereof until such payment is made or cancel any order or any remaining balance thereof, and Buyer shall remain liable to pay for any Products already shipped and all Non-Standard Products ordered by Buyer. Buyer agrees to submit such financial information from time to time as may be reasonably requested by Seller for the establishment and/or continuation of credit terms. Cheques are accepted subject to collection and the date of collection shall be deemed the date of payment. Any cheque received from Buyer may be applied by Seller against any obligation owing from Buyer to Seller, regardless of any statement appearing on or referring to such cheque, without discharging Buyer's liability for any additional amounts owing from Buyer to Seller, and the acceptance by Seller of such cheque shall not constitute a waiver of Seller's right to pursue the collection of any remaining balance. Buyer shall pay interest on any invoice not paid when due from the due date to the date of payment at the rate of one and one-half (1-1/2%) percent per month or such lower rate as may be the maximum allowable by law. If Buyer fails to make payment when due, Seller may pursue any legal or equitable remedies, in which event Seller shall be entitled to reimbursement for costs of collection and reasonable legal fees.

**4. DELIVERY AND TITLE.** All shipments by Seller are C.I.F. ( carriage, insurance, freight and import duty ) paid unless stated F.O.B. point of origin whereby all transportation charges, duties and other costs shall be paid by Buyer in addition to the price of the Products. Seller retains title to goods until Seller has received full payment. Buyer irrevocably agrees that Seller or Seller's agents can enter Buyer's premises to remove goods for which Buyer is in payment default. Demand for the return or recovery of goods shall not discharge the Buyer's liability to pay the whole of the invoice or the right of the Seller to sue for the whole invoiced amount plus legal costs and expenses. Risk of loss passes to Buyer upon delivery of Product to Buyer. Seller shall make selection of the carrier and delivery route. Seller shall use reasonable efforts to initiate shipment and schedule delivery as close as possible to Buyer's requested delivery dates. Buyer acknowledges that delivery dates provided by Seller are estimates only and that Seller is not liable for failure to deliver on such dates. Seller reserves the right to make deliveries in installments. Delivery of a quantity that varies from the quantity specified shall not relieve Buyer of the obligation to accept delivery and pay for the Products delivered. Delay in delivery of one installment shall not entitle Buyer to cancel other installments.

**5. ACCEPTANCE OF PRODUCTS AND PRODUCT RETURNS.** Inspection and acceptance of the Products shall be Buyer's responsibility. Buyer is deemed to have accepted the Products unless written notice of rejection is received by Seller within five (5) days after delivery of the Products. Buyer waives any right to revoke acceptance thereafter. Buyer shall report any discrepancy in shipment quantity or damage within five (5) days after delivery. Buyer accepts that Seller is not responsible for damage due to Seller's non compliance with special handling or inspection warnings on packages containing optical components, electrostatic sensitive products or products requiring specialist inspection techniques or environments. In the event Buyer receives damaged packages, Buyer may reject the package back to the Carrier or if accepting the package must advise the Carrier in writing no later than 3 days after receipt that the package was damaged upon receipt and the contents were unexamined at the time of receipt. Buyer should retain all packing materials and containers for examination by Seller's insurers and provide a damage assessment report in writing to Seller within 5 days. Seller will not be liable to compensate Buyer for transit damaged goods or otherwise where Carrier can produce evidence that the goods were received in good condition. No return of Products will be accepted by Seller without a Return Material Authorization ("RMA") Number, which may be issued by Seller in its sole discretion. Returned Products must be in original manufacturer's shipping cartons complete with all packing materials. All Products for return shall be returned freight prepaid in the manner specified in the RMA. If returned Products are claimed to be defective, a complete description of the nature of the defect must be included with the returned Products. Products not eligible for return shall be returned to Buyer, freight collect.

**6. FORCE MAJEURE.** Seller shall not be liable for failure to fulfill its obligations herein or for delays in delivery due to causes beyond its reasonable control, including, but not limited to, acts of God, natural disasters, acts or omissions of other parties, acts or omissions of civil or military authority, Government priorities, changes in law, material shortages, fire, strikes, floods, epidemics, quarantine restrictions, riots, war, acts of terrorism, delays in transportation or inability to obtain labour or materials through its regular sources. Seller's time for performance of any such obligation shall be extended for the time period of such delay or Seller may, at its option, cancel any order or remaining part thereof without liability by giving notice of such cancellation to Buyer.

**7. SELLER'S LIMITED WARRANTY.** Seller warrants to Buyer that upon delivery to Buyer the Products purchased hereunder shall conform to the applicable manufacturer's specifications for such Products. Seller makes no other warranty, express or implied, with respect to the Products. **IN PARTICULAR, SELLER MAKES NO WARRANTY RESPECTING THE MERCHANTABILITY OF THE PRODUCTS OR THEIR SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE OR RESPECTING INFRINGEMENT.** With respect to Products which do not meet applicable manufacturer's specifications, Seller's liability is limited, at Seller's election, to (1) refund of Buyer's purchase price for such Products (without interest), (2) repair of such Products, or (3) replacement of such Products; provided, however, that such Products must be returned to Seller, within the manufacturer's warranty period, transportation charges prepaid. Seller shall transfer to Buyer whatever transferable warranties and indemnities Seller receives from the manufacturer of the Products.

**8. LIMITATION OF LIABILITIES.** **BUYER SHALL NOT IN ANY EVENT BE ENTITLED TO, AND SELLER SHALL NOT BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE INCLUDING, WITHOUT LIMITATION, BUSINESS INTERRUPTION COSTS, REMOVAL AND/OR REINSTALLATION COSTS, REPROCUREMENT COSTS, LOSS OF PROFIT OR REVENUE, LOSS OF DATA, PROMOTIONAL OR MANUFACTURING EXPENSES, OVERHEAD, INJURY TO REPUTATION OR LOSS OF CUSTOMERS, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. BUYER'S RECOVERY FROM SELLER FOR ANY CLAIM SHALL NOT EXCEED BUYER'S PURCHASE PRICE FOR THE PRODUCT GIVING RISE TO SUCH CLAIM IRRESPECTIVE OF THE NATURE OF THE CLAIM, WHETHER IN CONTRACT, TORT, WARRANTY, OR OTHERWISE. SELLER SHALL NOT BE LIABLE FOR AND BUYER SHALL INDEMNIFY, DEFEND AND HOLD SELLER HARMLESS FROM ANY CLAIMS BASED ON SELLER'S COMPLIANCE WITH BUYER'S DESIGNS, SPECIFICATIONS OR INSTRUCTIONS, OR MODIFICATION OF ANY PRODUCTS BY PARTIES OTHER THAN SELLER, OR USE IN COMBINATION WITH OTHER PRODUCTS.**

**9. USE OF PRODUCTS IN LIFE SUPPORT, NUCLEAR AND CERTAIN OTHER APPLICATIONS.** Products sold by Seller are not designed, intended or authorized for use in life support, life sustaining, nuclear, or other applications in which the failure of such Products could reasonably be expected to result in personal injury, loss of life or catastrophic property damage. If Buyer uses or sells the Products for use in any such applications: (1) Buyer acknowledges that such use or sale is at Buyer's sole risk; (2) Buyer agrees that Seller and the manufacturer of the Products are not liable, in whole or in part, for any claim or damage arising from such use; and (3) Buyer agrees to indemnify, defend and hold Seller and the manufacturer of the Products harmless from and against any and all claims, damages, losses, costs, expenses and liabilities arising out of or in connection with such use or sale.

**10. EXPORT CONTROL.** The sale, resale or other disposition of certain Products and related technologies or documentation may be subject to the export control laws, regulations and orders of the United Kingdom and may also be subject to the export and/or import control laws and regulations of other countries. Buyer agrees to comply with all such laws, regulations and orders and acknowledges that it shall not directly or indirectly export any Products to any country to which such export or transmission is restricted or prohibited. Buyer acknowledges its responsibility to obtain any license to export, re-export or import as may be required.

**11. STATEMENTS AND ADVICE.** If statements or advice, technical or otherwise, are offered or given to Buyer, such statements or advice shall be deemed to be given as an accommodation to Buyer and without charge and Seller shall have no responsibility or liability for the content or use of such statements or advice.

**12. INTELLECTUAL PROPERTY.** If an order includes software or other intellectual property, such software or other intellectual property is provided by Seller to Buyer subject to the copyright and user license, the terms and conditions of which are set forth in the license agreement accompanying such software or other intellectual property. Nothing herein shall be construed to grant any rights or license to use any software or other intellectual property in any manner or for any purpose not expressly permitted by such license agreement.

**13. GENERAL.** As used herein, terms appearing in the singular shall include the plural and terms appearing in the plural shall include the singular. No rights, duties, agreements or obligations hereunder may be assigned or transferred by either party, by operation of law, merger or otherwise, without the prior written consent of the other. Any attempted or purported assignment shall be void. Notwithstanding the foregoing, Seller's obligations under these Terms and Conditions may be performed by divisions, subsidiaries or affiliates of Seller. The obligations, rights, terms and conditions hereof shall be binding on the parties hereto and their respective successors and assigns. The waiver of any provision hereof or of any breach or default hereunder shall not be deemed a waiver of any other provision hereof or breach or default hereunder. Any provision hereof which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof in that jurisdiction or affecting the validity or enforceability of such provision in any other jurisdiction. These Terms and Conditions shall be governed by and construed in accordance with the laws of England excluding any law or principle, which would apply the law of any other jurisdiction. The United Nations Convention for the International Sale of Goods shall not apply.