

TERMS AND CONDITIONS OF SALE

PLEASE READ THE FOLLOWING CAREFULLY REGARDING YOUR RIGHTS AND OBLIGATIONS, AS WELL AS CONDITIONS, LIMITATIONS, AND EXCLUSIONS THAT MIGHT APPLY TO YOU. THESE TERMS & CONDITIONS CONTAIN AN AGREEMENT TO ARBITRATE THAT REQUIRES THE USE OF ARBITRATION ON AN INDIVIDUAL BASIS TO RESOLVE DISPUTES RATHER THAN JURY OR ANY OTHER COURT PROCEEDINGS OR CLASS ACTIONS OF ANY KIND.

1. AGREEMENT

This document shall set for the agreement ("Agreement") between you (hereafter referred as "you" or "Buyer") and California Accent Lighting, Inc., a California corporation (hereafter referred to as "CALI," "us," "we," or "our" as the context may require). These terms and conditions in this Agreement ("Terms") apply to the purchase and sale of products from CALI. These Terms are subject to change by CALI without prior written notice at any time, in our sole discretion.

You agree that the Terms are in lieu of any provisions, terms or conditions on Buyer purchase orders or other agreements submitted to CALI which are in any way inconsistent with, modify or add to the Terms unless a separate agreement is executed between you and an authorized representative of CALI. Sales representatives are not authorized to deviate from the Terms stated herein. Any deviation from the Terms must be approved by CALI's Chief Executive Officer.

The failure of us to exercise or enforce any right or provision of these Terms shall not constitute a waiver of such right or provision.

The Terms set forth herein shall constitute the entire agreement between you and CALI and supersede any and all prior agreements, communications, and understandings, whether oral or written (including, but not limited to, any prior versions of the Terms). Any ambiguities in the interpretation of these Terms shall not be construed against the drafting party, CALI.

2. PRICES AND PAYMENT TERMS

All prices, discounts, and promotions are subject to change without notice. Payment terms are within our sole discretion and, unless otherwise agreed by us in writing, your adherence to the below stated policy is a condition precedent to our acceptance of your submitted purchase order.

For new customers, your invoice must be paid in full before CALI will accept your submitted purchase order. As a new customer, you may be invited to submit a credit application for your subsequent purchases with CALI. If CALI approves your credit application, then the invoice must be paid Net-30 days from the date of the invoice. You represent and warrant that the information you provided in the credit application is accurate, correct, and complete, and you are duly authorized to submit the credit application for CALI's consideration. For customers with an approved credit application with CALI, no orders will be sent to production if your account is 45 days past due, or your account balance and incoming orders exceeds the credit limit. If your order is in production and your account becomes 45 days past due, the finished product will not be shipped until your account is in good standing as determined by CALI. In addition, if your submitted purchase order is greater than \$10,000 USD, without regards to the available credit line with CALI, CALI will require a 50% deposit of the invoiced amount before CALI ships your product. All payments must be made in U.S. Dollars only.

3. ORDER ACCEPTANCE PROCESS, NO-CANCELLATION POLICY

You agree that any quote received from CALI or through its agent is an estimate, not an offer to sell. You agree that your purchase order to CALI is an offer to buy CALI's products under these Terms. Accordingly, unless your purchase orders are accepted by us, we will not be obligated to sell the products to you. Your purchase orders are non-cancellable after CALI's acceptance. CALI's acceptance will be in writing, such as emailed acceptance or by invoice for payment.

Our acknowledgment of your order means that your purchase order request has been received; it does not mean that your purchase order has been accepted or shipped or that the price or availability of an item has been confirmed. Upon review, CALI may either accept or reject your purchase order, or issue a sales order, outlining counter-terms and conditions for your consideration.

You acknowledge that, CALI, in its sole discretion, may commence production process in anticipation of fulfilling your submitted purchase order in accordance with the Terms, or in separate terms and conditions to be agreed by you and CALI. In the former event, you agree and acknowledge that commencement of production process by CALI is an accommodation to you and CALI will incur costs associated with your submitted purchase order, which you will be responsible in the event that CALI does not accept your submitted purchase order. In the latter event, CALI will issue to you a sales order with counter-terms and conditions which you must respond within 10 calendar days from the issuance date with your objections. You agree that, because of an on-going business relationship between CALI and you, your silence (i.e., no objection or express rejection from you) shall constitute your acceptance of CALI's sales order and the counter-terms and conditions.

CALI makes a conscientious effort to describe and display its products and services accurately on CALI's website. Despite these efforts, a small number of items on the website may be described inaccurately, or unavailable, and we may experience delays in updating information on the website and in our advertising through our sales agents. As a result, we cannot and do not guarantee the accuracy or completeness of any information, including prices, product images, specifications, availability, and services. We reserve the right to change or update information and to correct errors, inaccuracies, or omissions at any time without prior notice. We apologize for any inconvenience. If an item's correct price is higher than our stated price, if the item is no longer available, or if we determine that there were inaccuracies in our product information, we will cancel your order and notify you of such cancellation via email.

We reserve the right to refuse any order you place with us directly or through our sales agent. We may, in our sole discretion, limit or cancel quantities purchased per order. These restrictions may include orders placed by or under the same customer account, the same credit card, and/or orders that use the same billing and/or shipping address. If we make a change to or cancel an order, we may attempt to notify you by contacting via the e-mail and/or calling the phone numbers provided at the time the order was made.

4. CATALOG AND PRICE LIST

Prices for our products are subject to change without notice. We reserve the right at any time to modify or discontinue the products (or any part thereof) without notice at any time. We shall not be liable to you or to any third-party for any modification, price change, suspension or discontinuance of the products. We reserve the right to discontinue any product at any time.

We have made every effort to display as accurately as possible the dimensions, colors, and images of our products that appear on our website and our catalog. We cannot guarantee that your computer monitor's display or printing of catalog will be accurate. We do not warrant that the quality of any products, services, information, or other material purchased or obtained by you will meet your expectations, or that any errors in them will be corrected. You agree that CALI is not responsible for any labor charge-back in connection with errors on our website or catalog, including, but not limited to, measurements, press, description, and color.

We reserve the right, but are not obligated, to limit the sales of our products to any person, geographic region, or jurisdiction. We may exercise this right on a case-by-case basis. We reserve the right to limit the quantities of any products that we offer. All descriptions of products or product pricing are subject to change at any time without notice, at the sole discretion of us. Any offer for any product made on CALI's website is void where prohibited.

5. FREIGHT, INSURANCE, EXPORTER'S CHARGES, DUTIES, TITLE, RISK OF LOSS

You agree to pay a minimum shipping charge of \$50 USD regardless of the quantity or the value of your order. You are responsible for all transportation-related costs, including, but not limited to, exporters charges, shipping charges, and insurance. CALI will either (a) add these



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charges to the prices specified herein, (b) add these charges to CALI's invoices as separate items, or (c) ship with charges to be collected by the carrier or exporter, whichever procedure Buyer timely directs. In the absence of timely direction, CALI's choice of procedure will be conclusively deemed to be acceptable to Buyer. Export/Import documentation and duties are the responsibility of the Buyer.

Title and risk of loss for products furnished by CALI shall pass to you upon delivery to a common carrier, or once the products are picked up by your designated carrier, at CALI's plant.

6. FREIGHT TERMS

Standard freights terms are F.O.B. factory "prepay and charge". Prepay shipping charges will be added to your invoice. It is your responsibility to submit claims for freight-related damages and shortages of packages to the carrier. This includes orders that have been quoted with freight expenses. You agree that the shipping dates given by CALI are estimates only, and do not constitute a fixed or guaranteed delivery date. You agree to release and waive CALI from claims for damages, penalties or back charges of any kind, resulting from, or related to, delayed shipments from CALI, your designated carrier's delay in the pickup of your order, or the carrier's inability to deliver by the delivery date.

7. TAXES

Prices stated do not include applicable taxes or duties for your jurisdiction. It is your ultimate responsibility to pay for any taxes or duties applicable to the goods purchased from CALI. Therefore, your invoice may include taxes or duties, including those taxes or duties required to be collected by CALI on your behalf, with the exception of a tax measured by the income of CALI.

8. LIMITED RETURNS, RMA PROCESS, RESTOCKING

Return requests resulting from (a) rework of product(s), (b) shipment of the incorrect product(s), or (c) shortage of ordered product must be made to CALI within ten (10) days of delivery to you. For defective products, your return request must be received within the period covered by the Limited Warranty. No other returns are authorized unless specifically agreed by CALI in writing.

To start your return, you must timely contact CALI's customer support department via phone or in writing. CALI's customer support department will provide you with the Return Materials Authorization ("RMA") form, which you must complete in full, sign and date, and submit to CALI's customer support department to receive an RMA number. The contact for CALI's customer support department can be found on our website, www.calilighting.com/info/contact-us.html. Once an RMA number is issued to you, your returned product must be received by CALI no later than 30 calendar days from the RMA number issuance date. Your RMA number must be shown on the exterior of the return package and a packing slip must be supplied with a copy of the approved and signed RMA form. No returns of any type will be accepted without an unexpired RMA number. CALI will not accept your returned products if the returned products show wear and tear, or the returns were received after the 30 calendar days. You are solely responsible for all shipping and handling charges on returned products unless otherwise agreed by CALI. Accordingly, you bear the risk of loss for returned products during the delivery and until the returned products are received and accepted by CALI for RMA processing. All returns must be delivered to CALI, freight prepaid, to the address shown on the RMA form.

You agree that all returned products shall be subject to inspection by CALI and you further agree that, at CALI's sole discretion, CALI may issue a credit to you, which shall be final. IN NO CASE SHALL A REFUND BE ISSUED TO YOU FOR RETURNED PRODUCTS. If a credit is issued for an accepted return, the credit shall apply only against future orders and not against any pending invoices. Restocking charges may apply unless waived in writing by CALI.

9. LIMITED PRODUCT WARRANTY AND DISCLAIMER OF WARRANTIES

These provisions constitute a part of the consideration for the products to be furnished by CALI, and set forth the entire agreement with respect to warranties and the remedies for their breach. CALI hereby warrants that for a period of 2 years from the time of shipment from

CALI's factory, the products shall conform to their description in agreed upon specifications, drawings or both, and shall be free from defects in material and workmanship ("Limited Warranty"). If the date of shipment cannot be identified, the warranty period starts from the invoice date.

The sole and exclusive remedies provided by this Limited Warranty are the obligations undertaken by CALI in this paragraph. Defective products covered by and within the 2 years Limited Warranty shall be repaired, reworked, or replaced as determined by CALI. The liability of CALI under this Limited Warranty is limited to replacing, reworking, or repairing such products in which there are defects. CALI's obligation hereunder do not include any responsibility of the costs occasioned by removal, transportation, or reinstallation of such products, nor any rights, claims, or remedies with respect to direct damage, loss of use, lost profits, or other secondary or consequential damage of any kind, however occasioned. A replacement will be made with a new or remanufactured product or component. If the product is no longer available, replacement may be made with a similar product of equal or greater value.

This Limited Warranty shall not apply unless all of the following conditions are met: (1) CALI is promptly notified in writing upon your discovery of the defects, (2) the defective product is returned, freight prepaid, to CALI's factory, with an unexpired RMA number (3) the written notification or the defective product is received by CALI within the warranty period and within the 30 days RMA window, and (4) CALI examination of the product discloses, to its satisfaction, that the defects have not been caused by accident, improper handling, storage or installation, neglect, misuse, alteration, repair or attempted repair by anyone other than CALI.

OTHER THAN THE LIMITED WARRANTY PROVIDED HEREIN, THERE ARE NO OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY RESPECTING THE PRODUCT OR ANY PARTS OR COMPONENTS THEREOF, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. BUYER'S SOLE AND EXCLUSIVE REMEDY IN CONTRACT, TORT OR UNDER ANY OTHER THEORY AGAINST CALI RESPECTING THE PRODUCT OR ACTIONS ARISING OUT OF THIS AGREEMENT SHALL BE NO MORE THAN THE TOTAL AMOUNT RECEIVED BY CALI FROM BUYER AND NO OTHER REMEDY (INCLUDING, WITHOUT LIMITATION, CONSEQUENTIAL DAMAGES) SHALL BE AVAILABLE TO BUYER. CALI SHALL HAVE NO FURTHER OBLIGATION OR LIABILITY WITH RESPECT TO THE PRODUCT OR ITS SALE, OPERATION AND USE, AND CALI NEITHER ASSUMES NOR AUTHORIZES THE ASSUMPTION OF ANY OBLIGATION OR LIABILITY IN CONNECTION WITH THE PRODUCT.

10. LIMITATION OF LIABILITY

In no case shall CALI, our directors, officers, employees, affiliates, agents, contractors, interns, suppliers, service providers or licensors be liable for any injury, loss, claim, or any direct, indirect, incidental, punitive, special, or consequential damages of any kind, including, without limitation lost profits, lost revenue, lost savings, loss of data, replacement costs, or any similar damages, whether based in contract, tort (including negligence), strict liability or otherwise, arising from your use of any of the products purchased from us, or for any other claim related in any way to your use of the products, including, but not limited to, any errors or omissions in any content, or any loss or damage of any kind incurred as a result of the use of any content, products, even if advised of their possibility. Because some states or jurisdictions do not allow the exclusion or the limitation of liability for consequential or incidental damages, in such states or jurisdictions, our liability shall be limited to the maximum extent permitted by law.

11. EXCUSABLE DELAY, FORCE MAJEURE

We will not be liable or responsible to you, nor be deemed to have defaulted or breached these Terms or the Agreement, for any failure or delay in our performance under these Terms when and to the extent such failure or delay is caused by or results from acts or circumstances beyond our reasonable control, including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest, national emergency,



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revolution, insurrection, epidemic, lockouts, strikes or other labor disputes (whether or not relating to our workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage.

12. CONTROL OF INFORMATION

Data (including designs, drawings, reports or other information) furnished by CALI in connection with your purchase order and identified as proprietary, restricted, or limited rights data shall not be disclosed by the receiving party outside of its own organization without the prior written consent of CALI except to the extent that such data is otherwise available to the receiving party on a less restricted basis or is in the public domain or where the information is utilized to make sales directly or indirectly, or to any governmental authority in response to an order. If the receiving party is required to make such disclosure, it shall first give CALI written notice of the required disclosure and fully cooperate with CALI in preventing such disclosure to the extent consistent with applicable law or in seeking a protective order or other means for limiting the extent of the disclosure, as CALI may deem appropriate.

13. INDEMNIFICATION AND INSURANCE

You agree to indemnify, defend and hold harmless CALI and our affiliates, partners, officers, directors, agents, employees, contractors, licensors, service providers, subcontractors, suppliers, interns and employees ("Indemnified Parties"), harmless from any claim or demand, including reasonable attorneys' fees, made by any third-party due to or arising out of your breach of these Terms or the documents they incorporate by reference or your violation of any law or the rights of a third-party. To the extent permitted under applicable laws, you hereby release the Indemnified Parties, as defined herein from any and all claims or liability related to any product or service of a merchant, any action or in-action by merchant, including merchant's failure to comply with applicable law, and any conduct or speech, whether online or offline, of any other user.

14. SEVERABILITY

In the event that any provision of these Terms is determined to be unlawful, void or unenforceable, such provision shall nonetheless be enforceable to the fullest extent permitted by applicable law, and the unenforceable portion shall be deemed to be severed from these Terms, such determination shall not affect the validity and enforceability of any other remaining provisions.

15. TERMINATION

The obligations and liabilities of the parties incurred prior to the termination date shall survive the completion of the transaction as contemplated in your purchase order. These Terms are effective unless and until terminated by either you or us. You may terminate these Terms at any time when you cease purchasing from CALI.

CALI may terminate this Agreement upon 5 days prior written notice for your un-remediated, material breach of any Terms of this Agreement. If such breach is not curable, CALI may terminate this Agreement and your outstanding purchase orders immediately upon providing written notice thereof to you. In addition, CALI, at its sole discretion, may terminate this Agreement and your outstanding purchase orders upon the occurrence to you of any act, determination, filing, judgment, declaration, notice, appointment of receiver, liquidator, examiner or trustee, failure to pay debts or other events under any applicable law indicating your insolvency or your bankruptcy. Nothing in this section shall in any way preclude CALI from asserting against you for any claim for the Indemnified Parties prior to or that results in the termination of this Agreement and purchase orders pursuant to this section.

16. BINDING ARBITRATION

Any controversy or claim arising out of or relating to this Agreement or breach thereof, shall be settled by arbitration in Los Angeles, California, by the decision of an arbitrator(s) may be entered in any court having jurisdiction thereof. The expenses of such arbitration shall be allocated between Buyer and CALI as the arbitrator(s) shall decide. The decision of the arbitrator(s) shall be binding upon both parties of this Agreement.

You agree that: (1) any claim, dispute, or controversy you may have against CALI arising out of, relating to, or connected in any way with this Agreement, or the purchase, use of any products or services, and/or any injury or damage arising out of the use of any purchased products shall be resolved exclusively by final and binding arbitration administered by the American Arbitration Association ("AAA") and conducted before a single arbitrator pursuant to the applicable Rules and Procedures established by AAA ("Rules and Procedures"); (2) the arbitration shall be held in the county of Orange, state of California, or at such other location as may be mutually agreed upon by you and CALI; (3) the arbitrator shall apply California law consistent with the Federal Arbitration Act and applicable statutes of limitations, and shall honor claims of privilege recognized at law; (4) there shall be no authority for any claims to be arbitrated on a class or representative basis; arbitration can decide only the end user's and/or CALI's individual claims; and the arbitrator may not consolidate or join the claims of other persons or parties who may be similarly situated; (5) if any part of this arbitration provision is deemed to be invalid, unenforceable or illegal, or otherwise conflicts with the Rules and Procedures established by AAA, then the balance of this arbitration provision shall remain in effect and shall be construed in accordance with its terms as if the invalid, unenforceable, illegal or conflicting provision were not contained herein. For more information on AAA and its Rules and Procedures, you may visit the AAA website at <http://www.adr.org>.

17. APPLICABLE LAW

All matters arising out of or relating to these Terms, the Agreement and your purchase orders are governed by and construed in accordance with the internal laws of the State of California without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of California.

18. NOTICES

Any notice required to be given under this Agreement shall be in writing and shall be delivered or sent by first class certified or registered mail, return receipt requested, e-mail, or by any traceable delivery express courier service. Notice shall be deemed received on the date delivered. Notices to CALI shall be delivered to the following address or e-mail:

CALIFORNIA ACCENT LIGHTING, INC.

2820 E. Gretta Lane
Anaheim, CA 92806
Tel: (800) 921-CALI (2254)
Fax: (714) 535-7902
sales@calilighting.com

19. SEVERABILITY

In the event that any provision of this Agreement or Terms is determined to be unlawful, void or unenforceable, such provision shall nonetheless be enforceable to the fullest extent permitted by applicable law, and the unenforceable portion shall be deemed to be severed from these Terms, such determination shall not affect the validity and enforceability of any other remaining provisions.

SIGNATURE: _____



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