

## RGBLase LLC

1. **General.** Unless otherwise provided in any general purchase agreement between RGBLase LLC ("Seller") and the customer whose name appears on the front side hereof ("Purchaser"), all sales of goods ("Goods") covered by this Order Acknowledgement between Seller and Purchaser shall be subject to these Terms and Conditions. These Terms and Conditions shall become binding when Seller accepts the order from Purchaser. Any terms and/or conditions stipulated by Purchaser which are in addition or in contradiction to these Terms and Conditions shall only be valid if accepted by Seller in writing.
2. **Taxes.** Unless otherwise provided herein, prices shown on this Order Acknowledgement do not include any tax which may be imposed upon the sale or use of the Goods, or any property or value added tax. If Purchaser is exempt from any taxes, Purchaser shall furnish to Seller an appropriate tax exemption certificate in a form acceptable to the competent tax authority.
3. **Shipment.** Unless otherwise stipulated on the front side of the Order Acknowledgement Form, the Goods shall be delivered F.O.B. Seller facilities. In the absence of special instructions by Purchaser, Seller shall select the carrier. However, Seller shall under no circumstance be liable for any delay in delivery caused by the carrier, nor shall the carrier be deemed an agent of Seller.
4. **Terms of Payment.** Unless otherwise agreed by Seller in writing, payment terms are net fifteen (15) days from date of invoice.
5. **Late Payment.** A service charge of 1.5% per month, to the extent that such rate does not exceed that which is legally permissible, shall apply to the portion of Purchaser's outstanding balance which is not paid when due.
6. **Delivery.** Purchaser's agreement to a delivery schedule shall be based solely on the conditions prevailing at the time. Compliance therewith shall be on best efforts only.
7. **Risk of Loss.** Delivery shall be complete upon transfer of possession to common carrier, FOB origin, where upon title and risk of loss, damage or destruction to the Goods shall pass to Purchaser.
8. **Changes or Cancellation.** Orders accepted by Seller may not be changed, rescheduled or cancelled after procurement or manufacturing is in progress unless Seller consents in writing and provided that Purchaser pays a reasonable charge to cover the cost/loss incurred by Seller.
9. **Warranty.**
  - (a). Unless otherwise noted, Seller warrants that all Optical Goods manufactured by Seller meet Purchaser's specifications and are free from defects in materials and workmanship for a period of six (6) months, all Electrical Goods manufactured by Seller meet Purchaser's specifications and are free from defects in material and workmanship for a period of twelve (12) months, from the date of shipment. This warranty does not cover any combination or assembly of the Goods or any defects, damage or malfunctions resulting from (i) use of the Goods in other than their normal and customary use; (ii) misuse, accident, neglect, improper storage or environment; (iii) unauthorized alterations or repairs, use of unapproved products with or parts in the Goods or servicing of the Goods by unauthorised personnel; (iv) an event of "Force Majeure". For the purpose of these Terms and Conditions, "Force Majeure" shall mean acts which are beyond Seller's control or occur without fault or negligence of Seller.
  - (b). **THE WARRANTY MADE IN PARAGRAPH (a) ABOVE IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE WARRANTY OF MERCHANTABILITY OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.**
  - (c). SELLER'S EXCLUSIVE OBLIGATION IN THE EVENT OF BREACH OF THE WARRANTY PROVIDED HEREIN IS TO, AT SELLER'S SOLE OPTION, REPAIR OR REPLACE THE DEFECTIVE GOODS OR TO REFUND TO PURCHASER THE PURCHASE PRICE PAID FOR THE DEFECTIVE GOODS.

(d). The warranty provided herein is effective conditional upon Purchaser giving Seller immediate notice of any defect and prompt access to the allegedly defective Goods and Purchaser's relevant records and data, and Seller determining from its inspection that Purchaser's claim is valid under the terms of the warranty provided herein.

(e). Seller will not accept any returns of allegedly defective Goods unless accompanied by Seller's Return Material Authorization (RMA), and Purchaser shall not be entitled to reimbursement for any labor or freight charges incurred thereby in connection with repair or replacement of any allegedly defective Goods unless such charges are approved by Seller in advance.

10. **Returns and Restocking.** All returns must be accompanied by Seller's RMA. Unauthorized returns will not be accepted. Requests to return Goods must be directed to Seller within fifteen (15) days of receipt of shipment. Any items returned are subject to a restocking charge.

11. **Limitation of Liability.** Claims arising from or in connection with the purchase and sale of Goods are covered exclusively by these Terms and Conditions. Claims not expressly mentioned for damages, including but not limited to, loss of production, loss of use, loss of orders, loss of revenue or profit, and other direct or indirect or consequential damages, are excluded. Purchaser's sole remedy for breach shall be compensation for costs repairing or replacing defective Goods, and Seller's liability for any Goods sold shall in no event exceed its contract price.

12. **Export.** The Goods may be subject to the export control rules and regulations of the government of the United States. Purchaser agrees to abide by and assist Seller in complying with any such export control rules and regulations.

13. **Change to Goods.** Seller reserves the right to change the design and specifications of the Goods when necessary; provided, however, the Seller shall not make such changes without Purchaser's consent if such changes would impair the performance or functionality of the Goods.

14. **Other Provisions**

(a). These Terms and Conditions constitute the entire agreement between Seller and Purchaser relating to the Goods and supersede all prior understandings, proposals or agreements between them. Any waiver or amendment shall be in writing signed by both parties.

(b). These Terms and Conditions shall be binding upon and inure to the benefit of Seller and Purchaser, their successors and assigns. Neither party shall assign this Agreement without the prior written consent of the other party.

(c). Unless otherwise agreed to by Purchaser and Seller in writing, these Terms and Conditions shall be governed by, interpreted and construed and performance hereunder shall be determined in accordance with the law of the State of California, without regard to its conflicts of law principles.

(d). In the event of dispute arising from these Terms and Conditions that cannot be amicably resolved shall be settled by arbitration in Fremont, California, the United States, pursuant to the Commercial Arbitration Rules of the American Arbitration Association then in effect.