

SALES AGREEMENT & GUARANTY

This agreement is between Elite Lighting ("Supplier") and the Applicant named on page 2 (also referred to as "Customer"). Applicant agrees that the following terms and conditions will apply to its purchases from Supplier:

PAYMENT: Applicant will pay for material and services purchased from Supplier ("Product") according to Supplier's payment terms as communicated to Applicant. Applicant will hold all funds owed to or received by Applicant from any source relating to the Products in trust for the benefits of Supplier, and will promptly pay all such funds to Supplier. Payments received by Applicant within Supplier's communicated payment terms will be applied to Applicant's outstanding invoices as directed by Applicant while payments received by Supplier outside of its communicated payment terms may be applied to any outstanding invoice of Applicant, at Supplier's sole discretion. Invoices must be paid in full on/before due date, no deduction to be made without Elite Lighting's consent, including pending credits, or terms could be unilaterally rescinded by Elite Lighting. All past due amounts are subject to a service charge equal to the lesser of 1.5% per month or the maximum rate permitted by law. Any payment by check to Supplier by Customer that is returned as uncollectible due to insufficient funds or a stop payment being issued is subject to an administrative fee imposed by Supplier. If Applicant fails to make any payment to Supplier when due, then all amounts owed by Applicant to Supplier will become immediately due and payable and Supplier may, without notice or demand, suspend delivery of any order from Applicant and repossess and remove any Product held by applicant, and, in addition to any other remedy, Applicant agrees to reimburse Supplier for all collection costs, including reasonable attorney's fees. In jurisdictions where a stated rate is required, reasonable attorney's fees will be 15% of the outstanding balance. Supplier will grant a lien waiver only to the extent payment is received, paid by the bank, and not avoidable as a bankruptcy preference. Applicant agrees that California law governs the interpretation of this Agreement and that Supplier may bring suit to collect amounts due in, and Applicant hereby consents to the jurisdiction of, Los Angeles County, California.

PRICING: Prices are subject to change without notice. Elite Lighting will ship merchandise at prices prevailing at the time of shipment. Prices are exclusive of sales, use, excise or similar taxes unless otherwise noted.

BILLING ERRORS, ADJUSTMENTS, & RETURNS: Customer agrees to make all claims for billing errors, shortages, adjustments, or improper delivery within 30 days from the invoice date, and that all such claims not delivered to Supplier in writing within this time period are waived. Delivery to the job site or Customer's requested delivery location constitutes delivery to Customer, regardless of whether Customer or its agent is at such location at time of delivery or signs a delivery receipt. Delivery dates given by Supplier are estimates. Supplier will not be responsible for failure or delay in delivery. Customer waives any claims for damages arising from delays in delivery, regardless of the cause. Supplier will accept the return for credit of new and unopened Products ("Returns") subject to its Returned Goods Policy, which requires a minimum 35% restocking fee, unless otherwise agreed to by Supplier. No other material, including special order items, may be returned for credit except as specifically agreed in writing by Supplier.

A signed copy of **Elite Lighting's RGA Issuance Term & Conditions** is required prior to each RGA issuance. No RGA will be granted without a return signed copy of this.

WARRANTY: Customer's sole and exclusive warranty on any Product is the express Limited Warranty provided with such Product. Supplier will provide a copy of any Product warranty to Applicant upon request.

SUPPLIER HERBY DISCLAIMS ALL OTHER EXPRESSED AND IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION ALL WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND OF WORKMANSHIP. UNDER NO CIRCUMSTANCE WILL SUPPLIER BE LIABLE FOR INDIRECT, LIQUIDATED, INCIDENTAL, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY KIND. SUPPLIER'S LIABILITY, IF ANY, TO CUSTOMER WILL BE LIMITED TO THE NET SALES PRICE RECEIVED BY SUPPLIER.

LABOR: Supplier is not liable to pay for any labor charges or back-charges to change out or replace defective products.

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Supplier is only responsible for sending out replacement parts.

FREIGHT LANGUAGE: Elite Lighting is NOT responsible for the costs associated with shipping an order to a customer when an order does not meet prepaid freight requirements.

Standard Pre-Paid Freight Allowance (PPA) is \$1500.00 for ELITE, MAXILUME, ELITE LED, and FUSION products and \$2000.00 for **ORACLE and any combination of ORACLE and the above-referenced brands**. PPAs may vary based on customer location and/or ship-to location (including but not limited to Alaska, Hawaii, Guam, Puerto Rico, Mexico). **The PPA for all Canada orders is \$2500.00.** ELITE LIGHTING reserves the right to increase PPAs at its own discretion and without prior notice.

Freight charges are based on criteria such as weight, dimensions and the destination zip code and vary amongst carriers. Rates may also vary amongst different accounts due to the volume shipped, and as such, Elite's estimate may reflect a more/less competitive pricing structure based on our shipping volume. It is Elite Lighting's policy to use the most cost-effective carrier when possible. If requested, we will as a courtesy provide freight estimates, however, each customer remains liable for the actual freight costs even if different from the estimate. Elite Lighting is not responsible for any differences between the estimate provided and the actual shipping costs, nor does Elite Lighting provide copies of freight bills/rates received directly from carriers or freight brokers. Elite Lighting shall have NO obligation to notify the customer in advance, of any extensive freight cost when the customer requests expedited freight shipping (i.e., Next Day Air, 2 day, UPS Red, Blue, Orange, etc.) either on a Purchase Order or verbally. Regardless of any estimate Elite Lighting may provide, expedited freight charges are the responsibility of the customer, unless otherwise written and agreed upon by both parties. It is strongly recommended that customers use their own freight account to directly schedule pick-ups for expedited freight orders in order to obtain the most accurate rates for expedited shipments, or dispute any freight claims/discrepancies with said contracted carrier. Elite Lighting will provide the necessary information for customers choosing to schedule their own pick-ups, and provide the weight, dimensions and number of boxes and/or pallets in a shipment.

On orders requiring prepayment via credit card on which a customer does not have a prepaid freight allowance (PPA), if the order does not meet the minimum PPA, or if the customer does not designate its own freight account, ELITE LIGHTING will charge the credit card twice: first to cover the products ordered, second to cover the freight costs, which can only be confirmed once an order is ready to ship. Freight costs may vary from carrier to carrier. Elite Lighting will not assume responsibility for the sum of a freight bill, and will not accept back-charges on shipping costs once an order has shipped. Elite Lighting strongly recommends all customers designate their own product pick-up or provide their preferred carrier account name and number.

By signing below, customer agrees to these terms and procedures.

(Customer Name) _____ agrees to the terms set:

Authorized Representative (Signature)	Printed Name and Title	Date

ENTIRE AGREEMENT: This Agreement, together with Supplier's Terms and Conditions of Sale (the "Sale Terms") and the terms and conditions of Supplier's quotation (with the Sales Terms, the "Terms") which are incorporated into this Agreement by reference, represents the entire agreement, and applies to all transactions, between the parties. Supplier's Sale Terms and Agreement are available on the Supplier's website or upon written request by Applicant. If the terms of this Agreement conflict with terms of any other existing or future contract between the parties (including Customer's oral or written offer to purchase), the terms of this Agreement will prevail unless such other contract specifically references this Agreement and is signed by an authorized officer of Supplier. Customer agrees that (1) any purchase terms on its

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documents which conflict with Supplier's Terms are null, void and unenforceable against Supplier and (2) Supplier's inclusion of Customer's purchase order number on any invoice or confirmation is provided solely for Customer's convenience.

CERTIFICATION: Applicant certifies that: (1) the information provided is true and correct and has been submitted as a material inducement to obtain commercial credit; and (2) the undersigned is authorized to execute applications and other documents required to establish commercial credit accounts on behalf of Applicant, and, on behalf of Applicant, has read and understands and agrees to all of the terms of this Agreement, including the Terms. Applicant agrees that (a) Supplier is authorized to investigate and verify any information provided and inquire of references or others as to ongoing credit worthiness; (b) Supplier's extension of credit is subject to continuous credit review and approval; (c) this Agreement is not an agreement by Supplier to extend credit and that Supplier may extend or withdraw credit from time to time; (d) Supplier may answer questions from others about its credit experience with the Applicant; and (e) it will notify Supplier, in writing via certified mail, of any change in its name, ownership, location or corporate status within five days of such change. If Customer is a partnership of sole proprietorship, the undersigned authorizes Supplier to obtain and use consumer credit reports on the undersigned to evaluate current and ongoing credit worthiness.

Authorized Representative (Signature)	Printed Name and Title	Date
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Personal Guaranty may be require by Elite Lighting subsequent to credit check.

PERSONAL GUARANTY: As consideration for Supplier extending credit to Applicant, each individual signing below (each a "Guarantor"), jointly and severally, personally guarantee the payment of any and all obligations of Applicant to Supplier. Therefore, each Guarantor agrees to pay Supplier on demand, without offset, any sum due to Supplier by Applicant and further agrees to pay all costs of collection, including reasonable attorney's fees. This Guaranty is a continuing and irrevocable guaranty and indemnity for indebtedness of Applicant. Guarantor agrees, to the extent permitted by law, to waive the homestead exemption, notice of acceptance, notice of presentment, demand, non-payment, dishonor and protest, along with the right to require Supplier to proceed against Applicant. Guarantor also consents to and waives notice of any modification, amendment or extension of the terms of the Agreement or the indebtedness due from Applicant to Supplier. Guarantor authorizes Supplier to obtain and use consumer credit reports from time to time on Guarantor for the purpose of evaluating current and ongoing credit worthiness relating to the extension of business credit to Applicant. This Guaranty will not exceed \$1,000,000 and will remain in force for 10 years from date of the last purchase of Product by Customer from Supplier. Guarantor may revoke this Guaranty only by providing Supplier written notice via certified mail of its intent to revoke, but such revocation will not relieve Guarantor of obligations incurred prior to receipt of such notice subject to the limit set forth above. Subsequent agreements and credit applications will not alter, supersede or modify this Guaranty.

Guarantor agrees that California law governs the interpretation of this Guaranty and that Supplier may bring suit to collect amounts due in, and Guarantor hereby consents to the jurisdiction of, Los Angeles County, California.

Guarantor 1 (Signature)	Printed Name	Date
Guarantor 2 (Signature)	Printed Name	Date