



Soraa Commercial Terms and Conditions
Version dated November 9th, 2015

1) QUOTATION, CONFIRMATION, OR AGREEMENT

- a) These terms and conditions (the "Terms and Conditions") of commercial sale for certain lamp products of Soraa Inc. ("Soraa") apply to and form part of all quotations made by Soraa, all acceptances, acknowledgements, and confirmations by Soraa of any purchase orders by Buyer and any agreements ("Agreements") regarding the sale by Soraa and purchase by Buyer of certain lamp products ("Products"), unless and to the extent Soraa explicitly agrees otherwise in writing.
- b) Any terms and conditions set forth on any document or documents issued by Buyer or Soraa either before or after issuance of any document by Soraa setting forth or referring to these Terms and Conditions are hereby explicitly replaced and superseded by Soraa, and any such terms shall be wholly inapplicable to any sale of the Products made by Soraa to Buyer and shall not be binding in any way on Soraa.
- c) Soraa's quotation is open for acceptance for thirty (30) days from the date of the -quotation, unless stated otherwise, but any quotation may be modified, withdrawn, or revoked by Soraa at any time prior to the actual receipt and confirmation by Soraa of Buyer's acceptance thereof.

2) CANCELLATIONS

- a) Standard product orders cannot be canceled within ten (10) business days (i.e., Mon.-Fri.) from the scheduled ship date.
- b) Buyer must submit cancellations for the standard product order in writing to be effective.
- c) Soraa cannot accept cancellations for the standard products after product shipment.
- d) Non-standard products are non-cancellable by Buyer.

3) PRICING

Pricing for the goods sold hereunder shall be determined by Soraa in its sole discretion and may be changed at any time by Soraa on notice to Buyer subject to these Terms and Conditions. Unless otherwise specified by Soraa, prices for such Products are for the quantity specified and do not include charges for transportation, insurance, special packaging, marking, applicable sale service taxes, value added taxes, export or import licenses, fees, taxes, duties and the like; Buyer shall bear the cost of such charges in addition to the prices invoiced. Price quotations are in U.S. Dollars and are valid for delivery only to locations within the United States or delivery as referenced in Soraa's sales order acknowledgment by Soraa. Soraa reserves the right to make substitutions and modifications in the specifications of Products sold by it if such substitutions or modifications do not cause a material adverse effect on overall performance. Soraa further reserves the right to discontinue any Products.

4) PAYMENT

Unless the Buyer's credit is pre-approved by Soraa in writing, Buyer will pre-pay for all accepted purchase orders for the Products invoiced by Soraa. For all credit approved invoices net payment is due within thirty (30) days of date of invoice. In the event of any default by Buyer in the payment of any fees or charges due, or any other default by Buyer, Soraa shall have the right to refuse performance and/or delivery of any Products for any purchase orders until payments are brought current and Soraa may suspend, delay or cancel any credit, delivery or any other performance by Soraa. Such right shall be in addition to, and not in lieu of, any other rights and remedies available under the Agreement or at law.

5) DELIVERY AND QUANTITIES

- a) Products shall be delivered in accordance to Soraa's sales order acknowledgement, unless otherwise agreed in writing. Delivery dates communicated or acknowledged by Soraa are approximate only, and Soraa shall not be liable for, nor shall Soraa be in breach of its obligations to Buyer, for any delivery made within a reasonable time taking into consideration current standards before or after the communicated delivery date. Soraa agrees to use commercially reasonable efforts to meet the delivery dates communicated or acknowledged by it on the condition that Buyer provides all necessary purchase

order and delivery information sufficiently prior to the delivery date.

- b) In the event of any delay in the delivery of the Products, Buyer will give Soraa written notice of such delay or failure to deliver and a mutually agreed upon time period within which to cure. If Soraa does not deliver within such time period, Buyer's sole and exclusive remedy is to cancel the affected and undelivered portions of the Agreement. Soraa will have no liability associated with the failure to deliver the Products.
- c) Title in the Products shall pass to Buyer upon the earlier of when the Products are made available to Buyer or upon shipment to Buyer.
- d) If Buyer fails to take delivery of Products ordered, then Soraa may deliver the Products in consignment at Buyer's cost.
- e) In the event Soraa's production is curtailed for any reason, Soraa shall have the right to allocate its available production and Products, in its sole discretion, among its various customers and as a result may sell and deliver to Buyer fewer Products than specified in the Agreement, as the case may be, which Buyer will accept.
- f) Soraa has the right to make full or partial delivery of the Products to the Buyer. All payments remain fully enforceable and due to Buyer regardless of any delay or state of the delivery or partial delivery of the Products. In addition to any other rights and remedies Soraa may have under applicable law, interest will accrue on all late payments at the rate of eighteen percent (18%) per annum, plus legal fees, or the applicable statutory rate, whichever is higher and to the extent permitted by applicable law, from the due date until payment has been made in full.

6) OWNERSHIP RIGHTS

Soraa's design, development, manufacture, or sale of the Products for Buyer shall not be deemed to produce a work made for hire and shall not give a Buyer any intellectual property right interest in the Products or any portion thereof. Such rights shall remain Soraa's sole property. All equipment, materials, software and other proprietary information of Soraa whether or not made for, obtained or developed by Soraa for the performance of this Agreement, shall remain Soraa's sole property. Buyer's payment of any costs or expenses relating to any of the foregoing shall not be deemed to grant Buyer any ownership interest therein. Any transactions related to the Products hereunder do not convey any license, expressly or by implication, estoppel or otherwise under any patent, copyright, mask work or the like with respect to which Soraa can grant license covering complete equipment, or any compilation, assembly, combination, method or process in which any such goods are used as components. Soraa reserves its rights under any such patent, copyright, mask work or the like.

7) FORCE MAJEURE

- a) Soraa shall not be liable for any failure or delay in performance if:
 - i) such failure or delay results from interruptions in the Product manufacturing and/or delivery process; or
 - ii) such failure or delay is caused by Force Majeure as defined below or by law.
- b) In case of such a failure as set forth above, the performance of the relevant part(s) of the Agreement will be suspended for the period such failure continues, without Soraa being responsible or liable to Buyer for any damage resulting therefrom.
- c) The expression "Force Majeure" shall mean and include any circumstances or occurrences beyond Soraa's reasonable control - whether or not foreseeable at the time of the Agreement - as a result of which Soraa cannot reasonably be required to execute its obligations including force majeure and/or default by one of Soraa's suppliers, strikes or other labor disputes, riots or civil unrest, any breakage, malfunction or delay in delivery of any machinery, equipment or materials, earthquakes, floods, acts of terrorism, or other unforeseeable or unexpected events that substantially influence performance of the Agreement.

8) LIMITED WARRANTY AND DISCLAIMER

- a) Soraa warrants that under normal use in accordance with the intended use, the Products, at the time of delivery to Buyer and for a period specified by the warranty, be free from defects in material or workmanship and shall substantially conform to Soraa's specifications for such Product or such other specifications as Soraa has agreed to in writing, as applicable.
- b) Buyer may ship Products returned under warranty to Soraa's designated facility only in conformance with Soraa's then-current return material authorization policy.
- c) Notwithstanding the foregoing, Soraa shall have no obligations under warranty if the alleged defect or non-conformance is found to have occurred as a result of environmental or stress testing, misuse, use other than as set forth in the user manual, neglect, improper installation or accident, or as a result of improper repair, alteration, modification, storage, transportation or improper handling.

9) LIMITATION OF LIABILITY

- a) IN NO EVENT SHALL SORAA BE LIABLE FOR COSTS OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES BY BUYER. EXCEPT AS OTHERWISE PROVIDED BY APPLICABLE LAW, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR RELIANCE DAMAGES (INCLUDING WITHOUT LIMITATION LOSS OF PROFIT, LOSS OF USE, PROMOTION OR MANUFACTURING EXPENSES, OVERHEAD, INJURY TO REPUTATION OR LOSS OF CUSTOMERS) HOWEVER CAUSED AND REGARDLESS OF THE THEORY OF LIABILITY AND WHETHER OR NOT SUCH PARTY WAS NOTIFIED OR AWARE OF THE POTENTIAL OF SUCH DAMAGES. WITHOUT LIMITING THE FOREGOING, THIS EXCLUSION INCLUDES LIABILITY THAT MAY ARISE OUT OF THIRD PARTY CLAIMS AGAINST BUYER. SUBJECT TO ANY OTHER LIMITATIONS ON SORAA'S LIABILITY IN THIS AGREEMENT, SORAA'S MAXIMUM LIABILITY, WHETHER RESULTING FROM BREACH OF CONTRACT OR NEGLIGENCE OR OTHERWISE, SHALL NOT EXCEED THE PRICE OF THE SPECIFIC GOODS AS TO WHICH THE CLAIM IS MADE. THE LIMITATIONS CONTAINED IN THIS SECTION SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED UNDER ANY TERM OF THIS AGREEMENT. SINCE SOME STATES/JURISDICTIONS DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR CERTAIN DAMAGES, THE LIMITATIONS CONTAINED IN THIS SECTION MAY NOT APPLY TO THE PARTIES.
- b) Any Buyer's claim for damages must be brought by Buyer within ninety (90) days of the date of the event giving rise to any such claim, and any lawsuit relative to any such claim must be filed within one (1) year of the date of the claim. After the one-year term, Buyer waives any and all rights to such claims and any claims that have been brought or filed not in accordance with the preceding sentence are null and void.
- c) The limitations and exclusions set forth above in this Section shall apply only to the extent permitted by applicable mandatory law.

10) ASSIGNMENT AND SETOFF

Buyer shall not assign any rights or obligations under the Agreement without the prior written consent of Soraa. Buyer shall have no right to withhold or reduce any payments or to offset existing and future claims against any payments due for Products sold under the Agreement or under any other agreement that Buyer may have with Soraa and agrees to pay the amounts hereunder regardless of any claimed offset which may be asserted by Buyer or on its behalf.

11) TERMINATION

- a) Without prejudice to any rights or remedies Soraa may have under the Agreement or at law, Soraa may, by written notice to Buyer, terminate with immediate effect the Agreement or any part thereof without any liability whatsoever, if:
 - i) Buyer violates or breaches any of the provisions of the Agreement;
 - ii) any proceedings in insolvency, bankruptcy (including reorganization) liquidation or winding up are instituted against Buyer, whether filed or instituted by Buyer,

voluntary or involuntary, a trustee or receiver is appointed over Buyer, or any assignment is made for the benefit of creditors of Buyer.

- b) Upon occurrence of any of the events referred to above, all payments to be made by Buyer under the Agreement shall become immediately due and payable.
- c) In the event of cancellation, termination or expiration of an Agreement the terms and conditions destined to survive such cancellation, termination or expiration shall so survive.

12) GENERAL

This Agreement constitutes the entire understanding between Buyer and Soraa with respect to the subject matter hereof and supersedes prior agreements, discussions and understandings between Buyer and Soraa relating to the subject matter hereof. This Agreement shall not be modified, supplemented, qualified or interpreted by any trade usage or prior course of dealing not set forth herein. The U.N. Convention on Contracts for the International Sale of Goods shall not apply to this Agreement, and this agreement shall be construed, enforced and governed in accordance with California state laws without giving effect to its choice of law provisions. The parties agree and submit to the exclusive jurisdiction of the Superior Court of California for the County of Santa Clara or the U.S. District Court for the Northern District of California. If any term or provision of this Agreement is held to be invalid or unenforceable, this agreement shall continue in force without such provision or as changed and interpreted to give best effect to the parties' intentions. Laws, regulations, orders or other restrictions on the export from the U.S.A. of any technology, products incorporating technology or information pertaining thereto that may be imposed by the U.S.A. government or any agency thereof apply. Notwithstanding anything else to the contrary, Buyer shall not export or re-export, directly or indirectly, any technology, products incorporating technology or information pertaining thereto to any country for which the U.S.A. government or any agency thereof requires an export license or other governmental approval at the time of export or re-export without first containing such license or approval. Soraa shall provide information under its control for Buyer to obtain any import or export licenses required for Buyer to receive or ship goods sold. If goods purchased are sold, or are incorporated into products that are sold, under a U.S. Government contract, Soraa rejects provisions or clauses required to be passed on to Soraa pursuant to said contract and such provisions or clauses shall not be deemed included or binding on Soraa unless accepted in writing by Soraa's authorized representative. This Agreement may be amended, changed, modified, waived or discharged only by a writing signed by the party against whom enforcement is sought. No delay or omission to exercise any right, power or remedy accruing to any party upon any breach or default of the other party under this Agreement shall impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach or default. Waiver, permit, consent or approval of any kind of character of any breach or default must be in writing signed by the party against whom enforcement is sought. If any dispute arises out of or related to this Agreement, the parties shall first to try in good faith settle the dispute by mediation in the County of Santa Clara. Either party may initiate mediation by delivering a written request to the other party. Within 10 calendar days of such request, the parties shall confer to select a mediator. If the parties fail to agree upon a mediator, either party may request that the Judicial Arbitration and Mediation Services (JAMS) appoint a mediator. The prevailing party in any action or proceeding to enforce or interpret this Agreement shall be entitled to recover its reasonable expenses including without limitation attorney's fees.