

GENERAL TERMS AND CONDITIONS
FOR THE SALE OR LEASE OF EQUIPMENT / FOR THE SALE OF SERVICES

1. **APPLICABILITY:**
 - a. **TERMS:** These terms and conditions for the sale or lease of equipment / for the sale of services (these "Terms") are the only terms which govern the sale or lease of the equipment ("Equipment") and/or the sale of services ("Services") by Intelligent Lighting Solutions, Inc. ("ILC") to the buyer ("Buyer") as more fully set forth in the Sales Confirmation (defined below) to which these Terms are attached. Notwithstanding anything herein to the contrary, if a written contract signed by both parties is in existence covering the sale of the Equipment and/or Services covered hereby, the terms and conditions of said contract shall prevail to the extent they are inconsistent with these Terms.
 - b. **SALES CONFIRMATION:** The accompanying quotation/confirmation of sale/invoice/purchase order/lease agreement (collectively the "Sales Confirmation") and these Terms (collectively, this "Agreement") comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations, warranties, and communications, both written and oral. These Terms prevail over any of Buyer's general terms and conditions of purchase or lease regardless whether or when Buyer has submitted its purchase order or such terms. Fulfillment of Buyer's order does not constitute acceptance of any of Buyer's terms and conditions and does not serve to modify or amend these Terms.
 - c. **ILC ABILITY TO CHANGE TERMS:** Notwithstanding anything to the contrary contained in this Agreement, ILC may, from time to time change the Terms without the consent of Buyer provided that such changes do not materially affect the nature or scope of the Services, or the fees or any performance dates set forth in the Sales Confirmation.
2. **ACCEPTANCE:** Buyer's acceptance of a Sales Confirmation constitutes Buyer's acceptance of these Terms. Buyer acknowledges and agrees to be bound by, and comply with, all
 - a. terms and conditions contained herein; and
 - b. all specific terms set forth in the Sales Confirmation agreed to by ILC; and
 - c. all of the foregoing as the same may be amended by ILC from time to time.Buyer shall have accepted each and every one of these terms and conditions when it does any of the following:
 - a. executes and delivers any Sales Confirmation;
 - b. when it delivers to ILC any payment pursuant to a Sales Confirmation; or
 - c. accepts any of the equipment or services ordered pursuant to a Sales Confirmation, whichever shall first occur.Any terms set forth by Buyer shall be deemed material and are specifically rejected in whole, unless accepted in a writing specifically accepting each such term and signed by ILC.
3. **LEASE SPECIFIC TERMS (If Applicable):**
 - a. **TITLE/UCC:** ILC has title to the Equipment at all times. Buyer acquires no ownership, title, property, right, equity or interest in the Equipment other than its leasehold interest solely as Buyer subject to all the terms and conditions of the Agreement. Buyer authorizes ILC to file precautionary Uniform Commercial Code ("UCC") financing statements and other similar filings and recordings with respect thereto. Buyer agrees not to file any corrective or termination statements or partial releases with respect to any UCCs or other similar filings or recordings filed by ILC in connection with any item of Equipment except if
 - i. ILC fails to file a corrective or termination statement or release on request from Buyer after the expiration or earlier termination of, or release from, any such item or items of Equipment pursuant to any applicable provision of the Agreement or
 - ii. if not permitted by clause (i), with ILC's consent.
 - b. **TERM:** The term of the lease shall be for the time specified in the Sales Confirmation. In the event all Equipment is not returned as set forth in the Agreement, Buyer agrees to pay daily rental charges on any and all Equipment not returned in full to ILC's place of business, until such equipment is returned to ILC or Buyer pays ILC for the purchase of the Equipment.
 - c. **LOCATION OF EQUIPMENT:** The Equipment shall be located at the Buyer's place of business or otherwise as indicated in the Sales Confirmation and shall not be removed from that location without ILC's prior written consent.
 - d. **OPERATION:** Buyer shall operate each item of Equipment exclusively in connection with its business.
 - e. **CARE OF EQUIPMENT:** The Buyer will keep the Equipment free from any adverse lien, security interest or encumbrance and in good order and repair, will not waste or destroy the Equipment or any part thereof and will not use the Equipment in violation of any applicable statute, ordinance or policy of insurance thereon. The Buyer agrees to protect, keep and maintain the equipment herein rented and agrees to return the same to ILC's premises upon the termination of the rental period in the same condition and good order as when received, ordinary wear and tear excepted. In no event shall injury or destruction of the Equipment release the Buyer from his obligations hereunder. Buyer understands that in the event the Equipment is destroyed or damaged by any means, or is lost, stolen or missing, the Buyer shall be liable to the ILC for the replacement value or cost thereof as determined in ILC's discretion.
 - f. **INSPECTION OF EQUIPMENT:** ILC may examine and inspect the Equipment at any reasonable time or times and shall have the right to enter on the premises where the Equipment may be located for the purpose of inspecting it or observing its use for any reason. At no time shall such inspection or observation by ILC relieve the Buyer from any duties under this Agreement, including, but not limited to the duty to indemnify the ILC for personal injuries or death of any person in connection with the use, operation or transportation of the Equipment.
 - g. **IDENTIFICATION OF EQUIPMENT:** The Buyer agrees not to deface, obliterate, remove or cover labels or tags indicating ownership or equipment provided by ILC. Charges for re-labeling and restoring Equipment shall be at one-and-one-half times the ILC's standard labor rates.

- h. DELIVERY AND ACCEPTANCE OF EQUIPMENT: Buyer acknowledges that Buyer has examined and tested the Equipment and that the same is in good, workable, mechanical condition, and accepts same in its present condition, and without any rental reduction or claims thereof, Buyer agrees to return all Equipment in the same condition, ordinary wear and tear excepted, as received.
- i. INSURANCE: Buyer will purchase and at all times maintain
 - i. insurance on the Equipment which, together with any insurance coverage provided for by the terms hereof, will insure against risks of loss or damage by collision, fire (including so called "extended coverage"), theft and other casualties as the ILC may reasonably require; and
 - ii. public liability and property damage insurance naming ILC as an additional insured.All insurance shall be in a form and amount and with companies satisfactory to ILC, losses in all cases to be payable to ILC. All policies of insurance shall provide for at least ten days prior written notice of cancellation to ILC. Buyer hereby authorizes ILC to act as attorney for the Buyer in making, adjusting and settling claims under and canceling such insurance and endorsing the Buyer's name on any drafts drawn by insurers of the Equipment.
- 4. INDEMNITY: Buyer shall indemnify, defend, and hold harmless ILC, its officers, shareholders, employee and any affiliates (collectively, "Indemnitees") against and hold ILC harmless from, any and all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities, including reasonable attorney's fees arising out of, connected with, or resulting from the Equipment or Buyer's use thereof incurred by Indemnitees/awarded against Indemnitees, relating to/arising out of or resulting from any claim of a third party arising out of or relating to:
 - a. any inaccuracy in or breach of any of the representations of Buyer contained in this Agreement;
 - b. any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Buyer pursuant to this Agreement; or
 - c. any claim for personal injuries or death of any person in connection with Buyer's use, operation, or transportation of Equipment.
- 5. ASSIGNABILITY: Neither party shall assign, transfer, pledge, or otherwise dispose of this Agreement or any rights or obligations hereunder, without the other party's prior written consent.
- 6. LIMITATION OF EFFECTS OF WAIVERS: No delay or omission to exercise any right, power or remedy accruing to ILC on any breach or default under this Agreement shall impair any such right, power, or remedy of ILC, nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of in any similar breach or default be deemed a waiver of any other breach or default occurring previously or subsequently. Any waiver, permit, consent, or approval of any kind or character on the part of the ILC of any breach or default under this Agreement, or any waiver on the part of the ILC of any provision or condition of this Agreement, must be in writing and shall be effective only to the extent in which such writing specifically sets forth. All remedies, either under this Agreement or by law, or otherwise afforded to ILC, shall be cumulative and not alternative.
- 7. ILC'S REMEDIES UPON DEFAULT: Upon the occurrence of any of the following events or conditions, namely:
 - a. default in the payment or performance of any of the obligations or of any covenant or liability contained or referred to herein;
 - b. the determination that a warranty, representation or statement made or furnished to ILC by or on behalf of the Buyer is false;
 - c. the loss, theft, substantial damage, destruction, sale or encumbrance to or of the Equipment, or the making of any levy, seizure or attachment thereof or thereon (if leased);
 - d. the insolvency, business failure, appointment or a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against the Buyer or any guarantor or surety for the Buyer thereupon, or at any time thereafter (such default having not been previously cured) ILC at its option, may declare all of the obligations to be immediately due and payable and/or terminated and, shall then have all remedies of a secured party under the UCC including, without limitation thereto, the right to take immediate and exclusive possession of the Equipment and for that purpose ILC may, so far as the Buyer can give authority thereof, enter upon any premises on which the Equipment may be situated and removed the same thereof if this can be done without breach of the peace. The remedies herein contained are cumulative, and not in limitation of other rights of ILC pursuant to the UCC or other applicable law, and exercise of any one or more of the remedies provided for herein or under the UCC shall not be construed as a waiver of any other remedies available to ILC so long as any part of the Buyer's obligations remain unsatisfied.
- 8. ATTORNEYS FEES: In the event of a dispute arising here from, the substantially prevailing party shall be entitled to recover all reasonable attorney's fees and costs incurred in relation thereto in addition to such other relief awarded therein.
- 9. TIME IS OF THE ESSENCE: Time is of the essence of this agreement.
- 10. GOVERNING LAW AND JURISDICTION: The parties hereto agree that this agreement shall be construed in accordance with the laws of the State of Illinois.
- 11. VENUE: Each party irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever against the other party in any way arising from or relating to this Agreement in any forum other than The District Court for the Northern District of Illinois, Eastern Division or, if such court does not have subject matter jurisdiction, the courts of the State of Illinois sitting in Cook County, and any appellate court from any thereof. Each party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts, agrees to bring any such action, litigation, or proceeding only in said courts and each party hereby waives any claims for forum non-convenes. Each party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.
- 12. DELIVERY CHARGES: Local delivery and pick up charges shall be paid by Buyer in addition to Buyer's other obligations and will be quoted upon request.

13. **WARRANTIES:** No warranty, either express or implied, shall apply to any Equipment and all such warranties are hereby specifically excluded, including, but not limited to, any implied warranty of merchantability or fitness for a particular purpose or any other type of warranty implied by law. Buyer specifically assumes all risk of loss, injury, destruction and any and all liability arising from the use of the Equipment. It shall be Buyer's responsibility to examine the equipment before use to determine the condition and suitability thereof for the intended use.
14. **SEVERABILITY:** If any provision of this Agreement is held invalid by a court of competent jurisdiction, it shall be considered deleted from this Agreement, but such invalidity shall not affect the other provisions that can be given effect in the absence of the invalid provisions.
15. **ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement between the parties. This Agreement shall not be amended except by written agreement signed by both parties.
16. **HEADINGS:** The headings or titles to sections or paragraphs of this Agreement are solely for the convenience of the parties and shall have no affect whatsoever on the interpretation of the provisions of this agreement.