

Zumtobel Lighting Inc.
Purchase Order Terms and Conditions
November 3, 2015

1. Acceptance-Agreement

- a. Seller's commencement of work on the goods subject to this purchase order or shipment of such goods, whichever occurs first, shall be deemed acceptance of this purchase order. Acceptance of this purchase order is considered acceptance of any terms contained on the purchase order submitted by Purchaser and the terms contained herein.
- b. Any proposal for additional or different terms, or any attempt by Seller to vary or contradict any of the terms of any Purchaser's purchase order or the terms contained herein without express, written consent of Purchaser is rejected.

2. Termination for Convenience of Purchaser

- a. Seller shall not be paid for any work done after receipt of the notice of termination, nor for any costs incurred by Seller's suppliers or subcontractors which Seller could reasonably have avoided.

3. Product Returns

- a. Purchaser may from time to time return to Seller overstock or other unused product from Purchaser's inventory. Seller agrees to make all reasonable efforts to accept returned Product and refund Purchaser the full amount of the purchase price.
- b. Return Material Authorization. ZLI may request Return Material Authorization (RMA) number for product that is found to deviate from purchase specifications. If RMA number is not provided to ZLI within 10 business days of request, ZLI may return such product to Seller without an RMA number.

4. Termination for Cause

- a. Purchaser may terminate this purchase order or any part hereof for cause in the event of any default by the Seller, or if the Seller fails to comply with any of the terms and conditions of this purchase order.
- b. Late deliveries, deliveries of products which are defective or which do not conform to this order, and failure to provide Purchaser, upon request, reasonable assurances of future performance shall all be causes allowing Purchaser to terminate this order for cause.
- c. In the event of termination for cause, Purchaser shall not be liable to Seller for any amount, and Seller shall be liable to Purchaser for any and all damages sustained by reason of the default which gave rise to the termination.

5. Proprietary Information-Confidentiality-Advertising

- a. Seller shall consider all information furnished by Purchaser to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than performing this contract, unless Seller obtains written permission from Purchaser to do so. This paragraph shall apply to drawings, specifications, or other documents supplied to Seller by Purchaser in connection with this purchase order.
- b. Seller shall not advertise or publish the fact that Purchaser has contracted to purchase goods from Seller, nor shall any information relating to the order be disclosed without Purchaser's prior, written permission.
- c. Unless otherwise agreed in writing, no commercial, financial or technical information disclosed in any manner or at any time by Seller to Purchaser shall be deemed secret or confidential and Seller shall have no rights against Purchaser with respect thereto.

6. Warranty

- a. Supplier represents and warrants that for a period of at least 60 months from the date of delivery to ZLI, the Items will be free from defects in workmanship, material, and manufacture and shall be suitable for the intended use. Should supplier commonly offer warranty protection to other customers

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beyond 60 months, ZLI and its customers will be covered for the full length of the Supplier-offered warranty as applicable.

- b. Seller expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Seller warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods, or services, and that any goods will be adequately contained, packaged, marked and labeled.
- c. Seller warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Seller knows or has reason to know the particular purpose for which Purchaser intends to use the goods or services, Seller warrants that such goods or services will be fit for such particular purpose.
- d. Seller warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance or use of the goods or services furnished hereunder shall not affect the Seller's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use.
- e. Seller's warranty shall cover Purchaser, its successors, assigns and customers, and end users of products sold by Purchaser.
- f. Seller agrees to replace or correct defects of any goods or services not conforming to the foregoing warranty promptly, without expense to Purchaser, when notified of such nonconformity by Purchaser, provided Purchaser elects to provide Seller with the opportunity to do so. In the event of failure of Seller to correct defects in or replace nonconforming goods or services promptly, Purchaser, after reasonable notice to Seller, may make such corrections or replace such goods and services and charge Seller for the cost incurred by Purchaser in doing so.

7. Price Warranty

- a. Seller warrants that the prices for the articles sold Purchaser hereunder are not less favorable than those currently extended to any other customer for the same or similar articles in similar quantities. In the event Seller reduces its price for such article during the term of this order to other purchasers, Seller agrees to reduce the prices hereof correspondingly.
- b. Seller warrants that prices shown on this purchase order shall be complete, and no additional charges of any type shall be added without Purchaser's express written consent. Such additional charges include, but are not limited to, shipping, packaging, labeling, custom duties, taxes, storage, insurance, boxing, crating.

8. Force Majeure

- a. Purchaser may delay delivery or acceptance occasioned by causes beyond its control. Seller shall hold such goods at the direction of the Purchaser and shall deliver them when the cause affecting the delay has been removed. Purchaser shall be responsible only for Seller's direct additional costs in holding the goods or delaying performance of this agreement at Purchaser's request.
- b. Causes beyond Purchaser's control shall include governmental action or failure of the government to act where such action is required, strike or other labor trouble, fire, or unusually severe, extraordinary weather.

9. Intellectual Property

- a. Any copyrightable works, ideas, discoveries, inventions, patents, products, or other information (collectively "Intellectual Property") developed in whole or in part by or on behalf of Seller in connection with or relating to the Products shall be the exclusive property of Purchaser. Upon request, Seller shall sign all documents and otherwise cooperate with Purchaser as necessary to assign, confirm and perfect the exclusive ownership of all Intellectual Property rights in the Products to Purchaser.
- b. Seller agrees upon receipt of notification to promptly assume full responsibility for defense of any suit or proceeding which may be brought against Purchaser or its agents, customers, or other vendors for alleged patent or intellectual property infringement, as well as for any alleged unfair competition resulting from similarity in design, trademark or appearance of goods or services furnished hereunder, and Seller further agrees to defend, indemnify and hold Purchaser, its agents and customers harmless

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against any and all expenses, losses, royalties, profits and damages including court costs and reasonable attorney's fees resulting from any such suit or proceeding, including any settlement.

- c. Purchaser may be represented by and actively participate through its own counsel in any such suit or legal proceeding if it so desires, and the costs of such representation shall be paid by Seller.

10. Insurance

- a. Seller shall maintain all necessary insurance coverages, including public liability and Worker's Compensation insurance. Seller shall defend, indemnify and hold Purchaser harmless from any and all claims or liabilities arising out of the goods to be supplied by Seller to Purchaser.

11. Indemnification

- a. Seller shall defend, indemnify and hold harmless Purchaser against all damages, claims or liabilities and expenses (including attorney's fees) arising out of or resulting in any way from any defect in the goods or services purchased hereunder, any breach of the terms and conditions of this order, or from any act or omission of Seller, its agents, employees or subcontractors. This indemnification shall be in addition to the warranty obligations of Seller.

12. Changes

- a. Purchaser shall have the right at any time to make changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation.
- b. If any such changes cause an increase or decrease in the cost, or the time required for the performance, an equitable adjustment shall be made and this agreement shall be modified in writing accordingly. Seller agrees to accept any such changes subject to this paragraph.

13. Inspection/Testing

- a. Payment for the goods delivered hereunder shall not constitute acceptance thereof. Purchaser shall have a reasonable right to inspect such goods and to reject any or all of said goods that are in Purchaser's judgment defective or nonconforming.
- b. Goods rejected and goods supplied in excess of quantities called for herein may be returned to Seller at Seller's expense and, in addition to Purchaser's other rights and remedies, Purchaser may charge Seller all expenses of unpacking, examining, repacking, and reshipping such goods.
- c. In the event Purchaser receives goods whose defects or nonconformity is not apparent on examination, Purchaser reserves the right to require replacement, as well as payment of damages.
- d. Nothing contained in this purchase order shall relieve in any way the Seller from the obligation of testing, inspection and quality control. Purchaser shall have the right, at reasonable times, to inspect Seller's premises and all Conflict Minerals (as defined below) traceability documentation related to Purchaser's supply chain.

14. Conflict Minerals

- a. Seller warrants that, to its knowledge after reasonable inquiry, no tantalum, tin, tungsten and/or gold ("Conflict Minerals"), contained in any good subject to this order, originated from Angola, Burundi, Central African Republic, Democratic Republic of the Congo, Rwanda, South Sudan, Uganda, United Republic of Tanzania, The Republic of the Congo or Zambia, unless the Conflict Minerals were processed by a facility listed as compliant pursuant to the EICC-GeSI Conflict-Free Smelter Program.
- b. Seller agrees to abide by the terms and conditions in Purchaser's Conflict Minerals Policy, and to define, implement and communicate to its sub-suppliers its own policy outlining its commitment to responsible sourcing, legal compliance and measures for implementation. Seller agrees to cooperate and work with its sub-suppliers to ensure traceability of Conflict Minerals at least to smelter or refiner level, to maintain and record all Conflict Minerals traceability documentation for five years, and to provide such documentation to Purchaser upon request.

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15. Audit Right

- a. Where appropriate, purchaser shall have the right to audit product quality at seller's premises.

16. Entire Agreement

- a. This purchase order, the Supply Agreement, and any other documents referred to on the face hereof, constitute the entire agreement between the parties with respect to the subject matter of the agreements and may not be modified or amended other than by a writing signed by both parties hereto. In the event of any conflict between or among any documents which are part of or related to this purchase order or the Supply Agreement, pricing on the purchase order shall take precedence over pricing on the Supply Agreement. For all other provisions, the following order of precedence shall apply: (i) Supply Agreement; (ii) Attachment 1; (iii) other Attachments; (iv) Specification; (v) Purchase Order.

17. Assignments and Subcontracting

- a. No part of this order may be assigned or subcontracted without the prior written approval of Purchaser.

18. Setoff

- a. All claims for money due or to become due from Purchaser shall be subject to deduction or setoff by the Purchaser by reason of any counterclaim arising out of this or any other transaction with Seller.

19. Shipment

- a. If in order to comply with Purchaser's required delivery date it becomes necessary for Seller to ship by a more expensive way than specified in this purchase order, any increased transportation costs resulting therefrom shall be paid for by Seller unless the necessity for such rerouting or expedited handling has been caused by Purchaser.

20. Waiver

- a. Purchaser's failure to insist on performance of any of the terms or conditions herein or to exercise any right or privilege or Purchaser's waiver of any breach hereunder shall not thereafter waive any other terms, conditions or privileges whether of the same or similar type.

21. Delivery

- a. Time is of the essence of this contract and if delivery of items or rendering of services is not completed by the time promised, Purchaser reserves the right, without liability in addition to its other rights and remedies, to terminate this contract by notice effective when received by Seller as to items not yet shipped or services not yet rendered and to purchase substitute items or services elsewhere and charge Seller with any loss incurred.

22. Limit on Purchaser's Liability-Statute of Limitations

- a. In no event shall Purchaser be liable for anticipated profits or for incidental or consequential damages. Purchaser's liability on any claim of any kind for any loss or damage arising out of or in connection with or resulting from this agreement or from the performance or breach thereof shall in no case exceed the price allocable to the goods or services or unit thereof which gives rise to the claim.
- b. Purchaser shall not be liable for penalties of any description. Any action resulting from any breach on the part of Purchaser as to the goods or services delivered hereunder must be commenced within one year after the cause of action has accrued.

23. Compliance with Laws

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- a. Seller agrees that all goods shipped to the Purchaser under this agreement will be produced in full compliance with all applicable federal, state and local laws and regulations including, but not limited to, the Fair Labor Standards Act.
- b. Seller further agrees that it shall not engage in the employment of child, forced, indentured, involuntary, prison or uncompensated labor.
- c. Purchaser may, upon notice, inspect Seller's plant and facilities at reasonable times to determine compliance with the provisions set forth herein. In addition to any other remedies contained herein, Purchaser shall have the right to immediately terminate this agreement and any other agreements with Seller if it determines that Purchaser is in violation of this section.

24. Choice of Law

- a. This Purchase Order, and any contract formed hereunder, shall be governed by, and construed under the internal laws of the State of New York, without regard to principles of conflict of law, as the same may be from time to time in effect, including, without limitations the Uniform Commercial Code as in effect in the State of New York.

25. Seller Compliance

- a. The Seller agrees to comply with the following:
 - i. Executive Order 11246 as amended and all regulations promulgated pursuant to that Executive Order including but not limited to the provisions of paragraphs (1) through (7) of the "Equal Opportunity Clause" and the "Certification of Nonsegregated Facilities", each of which is incorporated herein by reference,
 - ii. Section 503 of the Rehabilitation Act of 1973 including the applicable parts of the affirmative action clause entitled "Affirmative Action for Handicapped Workers" (41 CFR 60-741.4) incorporated herein by reference,
 - iii. the Vietnam Era Veterans Readjustment Assistance Act (30 USC §2012) including the applicable parts of the affirmative action clause entitled "Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era" (41 CFR 60-250.4) incorporated herein by reference,
 - iv. Executive Order 13496 "Notification of Employee Rights Under Federal Labor Laws" (29 CFR Part 471, Appendix A to Subpart A) also incorporated herein by reference, and
 - v. all applicable commercial and public anti- bribery laws, including, without limitation, the US Foreign Corrupt Practices Act and the UK Bribery Act.