

TERMS AND CONDITIONS OF SALE

The following Terms and Conditions and any other document of Control Laser Corporation (hereinafter refer as "CLC") attached hereto, and any other written or electronic communication of CLC that directed Buyer to, or incorporates, these Terms and Conditions, shall collectively constitute the "Contract" (and in the event of any conflict, these Terms and Conditions shall prevail) governing sale of the goods and services, including but not limited to the equipment, accessories, ancillary device(s) pre-sale risk free application testing, technical assistance, engineering services and processing crafts training before shipment furnished by CLC (hereinafter refer as "Product").

1. Contract Formation

Buyer shall be deemed to have accepted the provisions of the Contract, including these Terms and Conditions, by manifesting such acceptance by any of the following:

- (a) Signing and returning to CLC a copy of the Quotation/Sales Order; or sending to CLC a written acknowledgment of the Quotation /Sales Order;
- (b) Placing a purchase order or giving instructions to CLC respecting manufacture, assortment, or delivery of the Product (including instructions to bill and hold) following receipt of the Quotation/Sales Order;
- (c) Accepting delivery of all or any part of the Product;
- (d) Paying for all or paying deposit for any part of the Product; or
- (e) Indicating in some other manner Buyer's acceptance of the Contract.

The Contract shall become effective upon the earliest date (hereinafter refer as "Contract Effective Date") of above actions. CLC may revoke its offer to sell the Product at any time prior to Buyer's acceptance.

CLC HEREBY OBJECTS TO AND REJECTS THE PROVISIONS OF ANY PURCHASE ORDER OR OTHER DOCUMENT WHICH IS INCONSISTENT WITH OR IN ADDITION TO THE PROVISIONS OF THE CONTRACT. THE CONTRACT SHALL BE THE COMPLETE AND EXCLUSIVE AGREEMENT BETWEEN BUYER AND CONTROL LASER CORPORATION WITH RESPECT TO THE PRODUCT.

2. Prices

2.1 All prices are in US Dollars unless otherwise noted. Sales tax and any other applicable taxes or surcharges are not included, which CLC may be required to pay or collect will be charged to Buyer.

2.2 All prices are under trade term of ExW (Ex Works) defined by INCOTERMS 2010, with delivery point of CLC's shipping dock, exclusive of freight, insurance and handling, unless other trade term noted and the quotation price shall increase accordingly than standard ExW price.

2.3 All prices of shipping arrangement services quotation are not in effect until the time of shipment, unless the Buyer literally agreed to keep or to alter price and shipping means.

2.4 All the changes or additional requests initialized from the Buyer after CLC's production release of the customized Product, including but not limited to the further modification of specification and/or drawings, the replacement or additional samples in acceptance test criteria, if literally be agreed by CLC, shall cause additional price increase than original price in quotation/Sales Order; if literally be rejected by CLC, shall not prejudice of any right of CLC in the Contract.

3. Payment Title

3.1 Payment terms for equipment transaction in US Territory are within 15 calendar days paying 50% as deposit, paying 40% before shipment, and paying 10% net 30 days from shipment date; for equipment transaction internationally are within 15 calendar days paying 50% as deposit and paying 50% before shipment, unless otherwise noted.

3.2 Payment terms for spare parts, consumables, accessories and ancillary devices which less than unit price of \$2,000 are conditioned upon approval of the Buyer's credit and may be withdrawn or amended at any time by CLC at its sole discretion. Above \$2,000 shall be regarded as the same as equipment transaction.

3.3 If payments are not made in accordance with the terms, past due accounts shall: (a) bear interest at the rate of one and one-half (1½) per cent per month, an 19.56% annual rate, or if less the maximum rate permitted by Laws and Regulations, and (b) include reasonable collection costs (including legal fees and expenses) payable as incurred by CLC.

3.4 All Product delivered to Buyer under any INCOTERMS terminology shall remain the property of CLC, or if such retained title is not valid or enforceable under Laws and Regulations, CLC shall have and retain a security interest and lien in and against the Product until CLC shall have received payment in full therefor from the Buyer.

3.5 In the event of default by Buyer of any obligations to CLC, including delinquent in payment, or in excess of credit limits established by CLC, CLC shall be entitled to stop performance, cancel any pending order, terminate the warranty and/or Contract, withhold shipment or declare payable all undelivered Products under any contract with Buyer.

Buyer hereby irrevocably authorizes CLC to sign on behalf of Buyer and file in the appropriate lien documents, shall have no set-off or counterclaim rights whatsoever.

CLC will have the right to repossess the goods sold hereunder without liability to Buyer. Buyer shall make the Products available to CLC so that CLC can repossess them without breach of the peace.

3.6 CLC will retain title to all software delivered, or firmware embedded in the Products, and use of such software by Buyer or third parties shall be limited to a license agreement provided with the Products, the assent by Buyer or third parties to such license agreement being use of the Products.

4. Delivery Force Majeure

4.1 All periods stated for delivery or estimated shipping date from the Effective Date and are to be treated as reasonable estimates only not involving any contractual obligations. The failure to perform or ship on such dates shall not be considered a breach by CLC and CLC shall not be liable for any loss or damages (consequential or otherwise) due to delay in performance or shipment.

4.2 If CLC is delayed or prevented from performing any of its obligations under the Contract due to the actions or omissions by the Buyer or agents (including but not limited to failure to provide Acceptance Test Samples, and/or fixtures before the agreed date; to confirm specifications and/or drawings of the customized system, and/or such other information as CLC reasonably requires to proceed expeditiously with its obligations under the Contract), the delivery/completion period and the Contract Price shall be adjusted accordingly.

4.3 Upon the notification of the Buyer that the product is ready to dispatch, the Buyer fails to take delivery or provide adequate shipping instructions, CLC shall be entitled to place the Product into a suitable storage at Buyer's expense. Upon placing the Product into storage, delivery shall be deemed completed. The risk of Product shall pass to the Buyer and Buyer shall pay CLC accordingly.

4.4 If Buyer request shipping services from CLC, the quotation states ExW terms. Shipping shall be at the expense of the Buyer. CLC reserves the right to ship "freight collect" and to select the means of shipping and routing, unless otherwise advised. CLC may insure full value of the Products or declare full value thereof to the shipping company at the time of shipment. Insurance costs shall be at the expense of the Buyer. Risk of loss or damage shall pass to Buyer upon shipment of the Product(s). ExW is at point of delivery whether or not installation service provided or under supervision of CLC.

4.5 CLC shall not be liable for any loss or damage suffered by Buyer resulting directly or indirectly from, or through, or arising out of any delay in filling an order or in shipment or delivery of any Product, or resulting directly or indirectly from or through delay arising out of any of the following: fire, flood, strike, epidemic, accident, civil commotion, riot or war, shortage of labor, fuel, materials or supplies, regulations, priorities, orders or embargoes imposed by any civil or military government; or any other cause or causes (whether or not similar to the foregoing) beyond the reasonable control of CLC.

5. Inspection and Acceptance Test

5.1 The Criteria of inspection and acceptance test are limited within the pre-sales disclosed or mutual agreed specification data sheet and Acceptance Test Criteria, unless otherwise noted for customized system. The common practice is that Acceptance Test Criteria established through pre-sale risk free sampling, CLC's final Quality Control Test Criteria shall be the implied consent criteria if there is no pre-sale engaged criteria.

5.2 The location of inspection and acceptance test shall be CLC's facility only. If the Buyer cannot perform the onsite inspection and acceptance test for any reason, CLC shall implement the remote acceptance through images or video communication.

5.3 Buyer agrees that CLC will not have control over the design, testing or processing of any workpiece or product using CLC' Products, and that Buyer is not relying on any representation or statement made by, or on behalf of, CLC with respect to the suitability of any Product for any purpose, or on any advice, recommendation or information obtained from CLC' product literature or websites, including any design aid or other service made available by CLC. Buyer has tested and investigated the Products enough to form an independent judgment concerning their suitability of the use, conversion or processing intended by Buyer and will not make, and hereby waives, any claim against CLC based on CLC' advice, statements, information, services or recommendations.

6. Warranty Services

6.1 The Limited Warranty of CLC is the indispensable attachment of the Contract, no any changes shall be accepted by CLC in any circumstance.

6.2 No Product will be accepted for credit or return by CLC if it is substantially in accordance with the Specifications and Acceptance Test Criteria. CLC shall not be responsible for problems resulting from errors in drawings, and/or Specifications confirmed or supplied by Buyer.

6.3 The basic training of operation procedure is included at the Quotation/Sales Order price under ExW terms. The shipping arrangement service, preventive maintenance on-call field service, extended warranty of the Prioritized Assurance Agreement, field installation or start-up and commissioning service, advanced application training are separate after-sale service contracts.

6.4 Damage incurred at Buyer's location such as in the process of inspection, handling, and repackaging without CLC certified technician supervision shall be the sole responsibility of Buyer, unless the shipping arrangement service, field installation or start-up and commissioning service, and/or onsite relocation service are purchased.

7. Termination Indemnification

7.1 Requests by Buyer to cancel an order or to temporarily or permanently stop work or delivery must be made in writing, and any purported acceptance by CLC of any such request must be evidenced by the manual signature of an authorized officer of CLC in order to be enforceable against CLC. CLC reserves the right to accept or refuse any such request and to set additional charges and other conditions under which a request is granted. Any such additional charges will be due and payable 30 days after notification of Buyer by CLC.

7.2 All Products, parts or materials ordered or held by CLC at Buyer's customization request shall be at the risk and expense of Buyer. CLC, at its option, may invoice Buyer for all costs and expenses resulting from such a request. Such invoices shall be due and payable 30 days from issuance.

7.3 If Buyer makes an assignment for the benefit of creditors, or a petition shall be filed by or against Buyer under any bankruptcy or insolvency Laws and Regulations, or if Buyer admits its inability to pay its debts as they come due, or if Buyer is involved in any proceeding to liquidate its assets, or if CLC has reasonable grounds for insecurity as to due performance by Buyer, then CLC' obligation to perform hereunder shall immediately cease, unless CLC thereafter otherwise agrees in writing with Buyer or Buyer's representative. Charges to Buyer shall be governed by the provisions of 7.1 and/or 7.2.

7.4 CLC shall indemnify Buyer for damages for infringement of patents, trademarks or copyrights relating to Product sold hereunder which are solely the products of CLC's design, and Buyer shall so indemnify CLC for products that are solely of Buyers' design. Neither party shall be liable to indemnify the other unless the party seeking indemnification is determined by a court of competent jurisdiction to be liable for infringement as aforesaid.

No indemnity shall apply to liability resulting from the manner of use of the Product by Buyer or others or from combining the Product with any other items.

Each party shall give the other reasonable notice of any claim or infringement to which this indemnity applies and offer to allow the other to defend any suit resulting therefrom; otherwise, the party to whom notice of infringement is given shall not be liable, directly or indirectly, for any damages from such infringement.

Anything herein to the contrary notwithstanding, any claim for indemnification shall be subject to the provision of limitations of liability in CLC's limited warranty policy.

8. Miscellaneous

8.1 Proprietary Information

Unless mutually the special mutual agreed provisions in customized manufacturing order, the Drawings, Specifications, reports, photographs, materials, information and other data of CLC relating to regular sales order and all proprietary rights and interests therein and the subject matter thereof ("Proprietary Information") shall remain the property of CLC (which term, for purposes of this paragraph only, shall include any and all affiliates of CLC). Buyer agrees that it will not, without the prior written consent of CLC evidenced by the manual signature of an authorized officer of CLC: (i) use Proprietary Information for the production or procurement of Product covered by this order or any similar product from any other source, (ii) reproduce or otherwise appropriate Proprietary Information, or (iii) disclose Proprietary Information or make it available to any unauthorized third party, in each case without obtaining CLC's prior written consent evidenced by the manual signature of an authorized officer of CLC. Buyer shall cause its employees, agents and others having access to Proprietary Information to be aware of, and to abide by, the terms of this paragraph.

Buyer and CLC acknowledge that damages at law may be an inadequate remedy for the breach or threatened breach by this paragraph, and that in the event of such a breach or threatened breach CLC' rights hereunder may be enforced by injunction or other equitable remedy in addition to and not in lieu of its rights to damages at law.

8.2 Buyer assumes responsibility for compliance with all foreign, U.S. federal, state and local laws relating to the sale and use of the Products sold hereunder, including without limitation the laws governing laser resale permit, laser safety and safety in the workplace.

8.3 The validity, interpretation and performance of Contract shall be governed by the laws of Florida, as if performed wholly within the state and without giving effect to the principles of conflict of laws. The parties specifically disclaim the application of the United Nations Convention on Contracts for the International Sale of Goods. Buyer and CLC hereby irrevocably and unconditionally submit to the federal and state courts located in the Commonwealth of Florida and all courts competent to hear appeals therefrom.

8.4 To the extent jury trials are permitted under applicable law, Buyer and CLC hereby waives, to the maximum extent permitted by applicable law, its right to a jury trial in connection with any cause of action, claim, or suit arising out of or related to this Agreement. The foregoing shall constitute the written consent of each party to waive its right to a jury trial and either party may file a copy of this Agreement with the court as evidence of such written consent.

8.5 Buyer and CLC agree to conduct the transactions governed by these terms and conditions by electronic means except as to matters where a manual signature of an Authorized executive of CLC is required hereby or as to matters which would increase CLC's liability

hereunder, in which case an amendment or waiver complying with the terms of paragraph 8.6 bearing the manual signature of an authorized executive of CLC shall be required.

8.6 Any unenforceable provision hereof shall be reformed to the extent necessary to permit enforcement thereof.

Any amendment or waiver of any provision hereof may be made only by a written instrument executed or agreed to by Buyer and an authorized executive of CLC.

Any assignment, subcontract, or delegate, in whole or part of the Contract hereof may be made only by a written instrument executed or agreed to by Buyer and an authorized executive of CLC.

No delay or omission on the part of either party in exercising any right hereunder shall operate as a waiver thereof, and no single or partial exercise of any right shall preclude any other or further exercise thereof or the exercise of any other right.

No waiver of any breach shall operate as a waiver of any other breach or of the same breach on a future occasion.

Notices are deemed given when received, regardless of the means of transmission.