

1. **Acceptance of Orders:** All orders are subject to acceptance by Crescent/Stonco. Crescent/Stonco, at all times, reserves the right to suspend or withhold credit or to place an order on credit hold and thereby stop shipment.
2. **Terms of Payment:** Credit is to be determined by mercantile reports, references and industry reports and ratings. Unless we specify otherwise in writing, payment terms are 1%, 10 Days, Net30 from the date of the invoice. Shipments are invoiced no later than 2 days from actual ship date.
3. **Prices:** Prices are subject to change without notice. In the event of price increases, all orders on hand will be filled at lower prices provided such orders are released for shipping prior to the price increase. If the orders are not released for shipment prior to the price increase, the orders will be billed at prices in effect at the time of shipment. Special quoted orders which cannot be released for shipping prior to the price increase may be subject to an increase in price. Prices do not include lamps unless specified.
4. **Hold Orders:** All orders received must specify the desired shipping date that may be used as a basis for production scheduling. Production cannot begin on any order until a definite delivery date is furnished in writing. Delivery date is subject to approval by Crescent/Stonco. Hold orders, with or without delivery dates, are subject to renegotiation should quantity, option, accessory or other condition change from original order. Minimum hold order is \$1,000.00.
5. **Minimum Billing:** Due to the cost of handling small orders, minimum order charges have been established for such transactions, as follows:
 - a. From the factory: \$250 Net
 - b. From field warehouses: \$250 Net
 - c. Replacement parts: \$50 Net
 - d. **Factory orders under \$250 will be assessed a \$50 special handling fee.**
6. **Freight:** All shipments are made F.O.B. from any Crescent/Stonco warehouse or factory. Full freight is allowed on individual orders of \$3000 Net or more for shipment from the factory or warehouse location to any one destination within the continental U.S. Partial shipments and shipments made to more than one destination at customer's request must each total \$3000 to earn freight allowance. Crescent/Stonco orders are combinable to arrive at the \$3000 freight allowed minimum. Crescent/Stonco may make partial shipments at its own discretion, billing each shipment as it is made, but on terms applicable to the complete order. When freight is allowed Crescent/Stonco will use its own discretion in routing shipments. If a more expensive means of transportation is specified, the distributor assumes all extra transportation costs. Crescent/Stonco will not pay charges for cartage storage at destination. It is the Purchaser's responsibility to file claims with the carrier. Title to products passes to the Purchaser and products are at risks of the Purchaser from and after delivery to the initial carrier. Upon request, Crescent/Stonco will drop-ship individual orders of \$3000 or more to any one destination within the continental United States. Claims involving shortages or errors in material will not be considered unless noted on the delivery receipts which are returned to Crescent/Stonco in writing within thirty (30) days of shipment date.
7. **Additions:** Addition to orders already received will be considered a new order.
8. **Cancellations:** The Purchaser may cancel an order only upon written consent and upon payment to Crescent/Stonco of cancellation charges, if any, which shall take into account, among other things, expenses incurred and commitments already made to Crescent/Stonco. A minimum of five (5) days is needed to insure a cancellation. Stock item orders shipped after a cancellation is received, but before expiration of the five day requirement, will be subject to all Terms and Charges of the Returned Goods Policy. Non-stock items are not subject to cancellation without written consent from Crescent/Stonco. Necessary cancellation charges will be based upon costs incurred by Crescent/Stonco for work in progress.
9. **Changes:** All costs incurred, as the result of any changes requested, will be added to the invoice.
10. **Returns:** No return will be accepted unless bearing a "Return Permit Number" issued only by Crescent/Stonco. Approved return will be subject to a minimum 35% charge for handling and repackaging, plus transportation and any other costs incurred by Crescent/Stonco to make damaged or "shelf-worn" material saleable. (On shipments made in error or returns found on inspection to have manufacturing defects, the 35% charge will not apply and full credit will be issued to the distributor covering his cost for product, plus transportation charges.) Credit will be issued less any transportation expense allowed on original shipment. Request for permission to return Crescent/Stonco product must be made within one year of shipment date from factory. Material must be returned within 90 days or authorization becomes invalid.
 - a. **Return of Non-Stock items:** Not subject to return under any circumstances (except shipping error or manufacturing defect) are built-to-order fixtures; stock items with modified construction, special finishes, tapping, cord or stem lengths; ballast, poles, lamps and all other non-stock equipment. At the discretion of management certain non-stock items may be returned with a minimum of 50% restocking charge.
11. **Delivery:** Shipping dates are approximate and are based upon prompt and timely receipt of all necessary information. In the event of "Force Majeure," i.e., war, fire, epidemics, quarantine restrictions, flood, strike, labor trouble, breakage of equipment, accident, riot, the imposition of any government price control, regulation or any other act of government

authority, acts of God, or other contingencies (whether similar or dissimilar to the foregoing) beyond the reasonable control of Crescent/Stonco, interfering with the production, supply, transportation, or consumption practice of Crescent/Stonco at the time respecting the products covered by this contract, or in the event of inability to obtain on terms deemed by Crescent/Stonco at the time respecting the products covered by this contract, or in the event of inability to obtain on terms deemed by Crescent/Stonco to be practicable any raw material (including energy source) used in connection therewith, quantities so affected shall be eliminated from the contract without liability, but the contract shall otherwise remain unaffected. Crescent/Stonco may, during any period of shortage due to any of said causes, allocate its supply of such raw material among its various uses therefore (e.g., manufacturing and sales) in such manner as Crescent/Stonco deems fair and reasonable.

12. **Delivery Dates:** All orders received must specify an approximate shipping date that will be used as a basis for production scheduling. Production will not begin on any order until a definite delivery date is furnished in writing.
13. **Limited Warranty:** Crescent/Stonco fixtures and fittings are warranted against mechanical and electrical defects for a period of one year from date of delivery. Replacement or repair of authorized returns found upon inspection to be mechanically or electrically defective within the warranty period constitute fulfillment of all obligation under this warranty. Lamps, ballasts or other electrical products not fully manufactured by Crescent/Stonco are covered by manufacturers' trade warranties and are incorporated and sold by Crescent/Stonco "AS IS". Crescent/Stonco DISCLAIMS THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY.
14. **Limitation of Liability:** Crescent/Stonco shall not be responsible, obligated or liable for any injury or damage resulting from an application or use of its products, either singly or in combination with other products. CRESCENT/STONCO'S SOLE LIABILITY FOR BREACH OF WARRANTY OR ANY OTHER CLAIM SHALL BE LIMITED TO REPAIR OR REPLACEMENT OF THE PRODUCTS OR RETURN OF THE PURCHASE PRICE, AT CRESCENT/STONCO'S SOLE OPTION. CRESCENT/STONCO SHALL NOT BE LIABLE FOR DAMAGES, INCLUDING BUT NOT LIMITED TO CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THE PRODUCTS OR ARISING OUT OF ACCEPTANCE OF THIS ORDER. THE SOLE AND EXCLUSIVE REMEDY OF THE PURCHASER AND THE SOLE AND EXCLUSIVE LIABILITY OF CRESCENT/STONCO AS STATED ABOVE ARE IN LIEU OF ALL OTHER REMEDIES. **Important:** Crescent/Stonco assumes no responsibility for the improper selection or installation of its products, or for labor costs involved in repair or replacement. Distributors who deduct from remittances for unauthorized labor claims automatically are ineligible to act as a Crescent/Stonco Distributor pending settlement through litigation.
15. **Security Title:** Security title and right of possession to the products sold hereunder shall remain with Crescent/Stonco until all payments hereunder (including deferred payments whether evidenced by notes or otherwise) shall have been made in full in cash, and Purchaser agrees to do all acts necessary to perfect and maintain such security right and title in Crescent/Stonco.
16. **Reasonable Attorney's Fees:** In the event suit or other proceeding shall be brought for the recovery of the purchase price, or any unpaid balance, or the breach by Purchaser of any term herein contained, Purchaser shall pay to Crescent/Stonco, in addition to any damages provided by law, reasonable attorney's fees and costs of collection.
17. **Patents:** Crescent/Stonco shall defend any suit or proceeding brought against the Purchaser so far as based on a claim that the manufacture and sale of any product, or any part thereof, furnished under this contract, constitutes an infringement of any patent of the United States, if notified promptly in writing and given authority, information and assistance (at Crescent/Stonco's expense) for defense of same, and Crescent/Stonco shall pay damages or costs awarded therein against the Purchaser. The use of such products by the Purchaser is beyond the control of Crescent/Stonco, and Crescent/Stonco shall have no obligation or liability whatsoever in connection with any suit claiming infringement by reason of the use of the products. In case the manufacture or sale of said product, or any part thereof, is in such suit held to constitute infringement, Crescent/Stonco shall, at its own expense and at its option, either procure for the Purchaser the right to continue using said product or part, or refund the purchase price and the transportation costs. The foregoing states the entire liability of Crescent/Stonco for patent infringement by said product or any part thereof. Crescent/Stonco reserves the right to discontinue deliveries of any product the manufacture or sale of which in its opinion may involve patent infringement. Notwithstanding the provisions of the preceding paragraph, the Purchaser shall hold Crescent/Stonco harmless against any expense or loss resulting from infringement of patents or trademarks arising from compliance with Purchaser's designs, specifications or instructions. The sale of products, or parts thereof, by Crescent/Stonco does not convey any license, by implication, estoppel, or otherwise, under patent claims covering combinations of said products or parts with other devices or elements.
18. **Arbitration:** Any controversy or claim arising out of or relating to this agreement, or the breach thereof, shall be settled in New Jersey by arbitration in accordance with the Rules of the American Arbitration Association, and judgment upon the award rendered by the Arbitrator may be entered in any Court having jurisdiction thereof.

19. **General:** This agreement and matter connected with the performance thereof shall be construed in accordance with, and governed by, the law of the State of New Jersey as if it were executed and performed entirely within the State of New Jersey. Further, it shall be construed to be between merchants. Crescent/Stonco will comply with all applicable Federal, State and local laws, and specifically represents that any products to be delivered hereunder will be produced in compliance with the requirements of the Fair Labor Standards Act of 1938, as amended. Any assignment of this agreement, or any rights or obligations thereunder, by the Purchaser without written consent of Crescent/Stonco shall be void. Except as may be expressly provided to the contrary, in writing, the provisions of this contract are for the benefit of the parties hereto and not for any other person. This agreement contains all of the representations, stipulations, warranties, agreements and understandings with respect to the subject matter of this agreement, and its execution has not been induced by any representation, stipulation, warranty, agreement or understanding (including any course of prior dealings between the parties hereto) of any kind other than those herein expressed. No amendment, addition, to alteration, modification or waiver of all or part of this agreement shall be of any force or effect unless in writing and signed by Crescent/Stonco Division President. If the terms and conditions of this agreement conflict with those of any purchase order written in connection with the sale of the products or any portion thereof, then the terms of this agreement shall govern.
20. **Taxes:** Prices do not include foreign or domestic sales, use, excise, or similar taxes. Consequently, in addition to the prices specified herein, the amount of any present or future sales, use, excise, or other general or specific tax, or imports, duties or penalties or other governmental charges fixed or imposed by any lawful authority(s) upon or applicable to the production, sale, shipment, delivery, or use of the products sold hereunder shall be added to the price and be paid by the Purchaser or, in lieu thereof, the Purchaser shall provide Crescent/Stonco with a tax exemption certificate acceptable to the taxing authorities.
21. **Limitation of Actions:** Irrespective of whether Crescent/Stonco agreed to perform field start-up or any other service after the delivery of the product, all claims or actions for breach of warranty, contract or otherwise shall be brought within one (1) year of date of delivery, or if 18 months of date of this order, if no tender or delivery is made notwithstanding any statutory period of limitation to the contrary.
22. **Financial Responsibility:** In the event of a decrease in the market price, or if in the sole judgment of Crescent/Stonco, the financial resources of Purchaser become impaired or unsatisfactory at any time during the term of this contract, then Crescent/Stonco may require of Purchaser a deposit of suitable security or margin for performance by Purchaser in such amount or amounts from time to time as Crescent/Stonco shall specify not exceeding the difference between the market price and the contract price. Upon requirement of deposit, Purchaser shall make such deposit not later than the close of Crescent/Stonco's next business day. If Purchaser fails to make such deposit, then Crescent/Stonco may at its option: (1) cancel this contract of the undelivered portion thereof, in which case Purchaser agrees to pay Crescent/Stonco the difference between the market price on date of cancellation the contract price; (2) resell at any time for Purchaser's account all or any undelivered portion of this contract, in which case Purchaser agrees to pay Crescent/Stonco the difference between the resale price and the contract price; or (3) otherwise change the terms of payment herein specified. In the event Purchaser shall be or becomes insolvent, or admits in writing Purchaser's inability to pay his debts as they mature, or if Purchaser shall make an assignment for the benefit of creditors or any general arrangement with creditors, or if there are instituted by or against Purchaser proceedings in bankruptcy or under insolvency law or for reorganization, receivership or dissolution, Crescent/Stonco may terminate this Agreement at any time and without notice.
23. **Authorized Distributors:** Crescent/Stonco sells only to Authorized Distributors for shipment within their logical market area. Anyone placing an order who is not an Authorized Distributor will be referred to the nearest Authorized Stocking Distributor.