



### **Blue Hill Optical Technologies - Terms and Conditions of Sale**

1. General – The terms and conditions of sale contained herein (the "Agreement") shall apply to all quotations and offers to sell, purchase orders and credit card orders accepted by Blue Hill Optical Technologies LLC (hereinafter "Blue Hill"). Blue Hill's acceptance of any offer to purchase made by or purchase order issued by Buyer is expressly made conditional on the terms and conditions of sale as set forth in this Agreement irrespective of whether the Buyer accepts them in writing, by implication or by acceptance of and payment for the goods sold hereunder. These terms and conditions of sale shall govern the contractual arrangement entered into between Blue Hill and Buyer with respect to the goods and products sold hereunder to the exclusion of any terms or conditions of purchase proposed by Buyer. Buyer's pursuit of products and acceptance of shipment indicates Buyer's acceptance of this Agreement.
2. Quotations and Pricing – Unless otherwise specified in writing, all quotations are firm for, and expire, thirty (30) days after the date thereof. Budgetary quotations and estimates are for preliminary information only and shall neither constitute offers nor impose any responsibility or liability upon Blue Hill. Prices quoted relate only to the goods referenced in this Agreement and do not include intellectual property, industrial property, or patent rights of any kind, nor shall they include product testing not quoted explicitly. Quoted prices include packaging and apply only to the specific quantities of products stated, but do not include any taxes, transportation charges, insurance, customs fees or duties. All product specifications stated in product literature are subject to revision without notice. Quoted prices are subject to correction for error.
3. Order Acceptance – All purchase orders (hereinafter called "orders") shall be confirmed in writing and signed by an authorized agent of Buyer. All orders are subject to review and final acceptance by Blue Hill. In the event of any conflict between Buyer's order terms and Blue Hill's terms and conditions set forth herein, Blue Hill's terms and conditions shall prevail and the issuance of such order by Buyer shall be deemed to be the Buyer's assent to the foregoing. All orders shall not specify product release dates extending for more than a period of one (1) year, unless otherwise agreed to by Blue Hill. For orders where Blue Hill is to manufacture or supply custom products according to Buyer's specifications, Blue Hill assumes no responsibility whatsoever in regard to violations of patents or other rights and reserves the right to ship 10% more or less than the quantities ordered.
4. Order Termination or Modification – After acceptance by Blue Hill, Buyer's order is not subject to termination or modification, reduction in quantity or suspension or delay of shipment, except with Blue Hill's written consent. Wholly and partially cancelled orders consented to by Blue Hill are subject to full cancellation charges, based upon shipments made, work in process, and expenses incurred by Blue Hill up to the time of cancellation (including a reasonable profit on such expenses). Any such termination shall be subject to a minimum termination charge of twenty-five percent (25%) of the value of the sales terminated for standard products or fifty percent (50%) of the value of the sales terminated for custom products and services. If delivery of the goods referenced in this Agreement is delayed by Buyer, Blue Hill may invoice Buyer when Blue Hill is prepared to ship. Blue Hill may invoice Buyer immediately upon termination or cancellation or suspension of any order.
5. Taxes – Quoted prices are exclusive of all city, county, state and federal taxes, including, but not limited to taxes on manufacture, sales, receipts, gross income, occupation, use and similar taxes. Any tax or related charge that Blue Hill shall be required to pay to or collect for any government in connection with this Agreement, including, without limitation VAT, sales tax or use tax shall be billed to Buyer as a separate item and paid by Buyer, unless a valid exemption certificate is furnished by Buyer to Blue Hill.
6. Delivery, Title and Risk of Loss – For all shipments, the delivery term for products



sold, loaned or leased by Blue Hill to Buyer is FOB Norwood, Massachusetts, USA, unless explicitly stated otherwise by the quotation and sales acknowledgement. At Blue Hill's option, shipment may be made from any other location(s) inside or outside of the USA. Title and risk of loss passes to the Buyer at the time Blue Hill affects delivery to a package or freight carrier. Buyer shall bear all expenses for freight, insurance and the risk of loss in transit. Goods held by Blue Hill at Buyer's request beyond the scheduled delivery date shall be at Buyer's risk and expense. Freight and associated duties incurred by Blue Hill in shipping the goods, if agreed to by Blue Hill, shall be invoiced to Buyer. Buyer agrees it is responsible for expenses incurred by Blue Hill where, at Buyer's request, Blue Hill packages product in other than its normal manner.

7. Shipment Date – Quoted shipping dates and lead times are approximate and are based on factory conditions at the time of the quotation. All shipment dates quoted are after receipt of the written order (ARO) signed by Buyer and final acceptance of the order by Blue Hill, unless otherwise agreed to by Blue Hill. Blue Hill shall not be liable for any failure or delay in manufacture, or shipment of products resulting from any case including, but not limited to, provisions of the law or governmental regulations, accident, explosion, fire, windstorm, flood or other casualty, strike, lockout, or other labor difficulty, riot, war, insurrection and shortage of or inability to secure labor, raw materials, production or transportation facilities. In no case will Blue Hill be liable for loss of profits, or any special or consequential damages, on account of any delay in shipment, delivery, or non-delivery, whether or not excused hereby, or for failure to give notice of any delay.
8. Payment Terms – Blue Hill at its sole discretion allows, modifies and revokes credit. Credit is subject to approval and unless otherwise stated in the quotation or invoice, payment terms for products are net cash thirty (30) days from the date of invoice. Orders placed through Blue Hill's online store are credit card orders, payment is due at shipment. Late payments will be charged interest at the rate of one and one half (1½) percent per month, eighteen (18) percent per

annum, from maturity of invoice until paid in full. In the event that the stated interest rate is unlawful under the usury laws of any state, the effective interest rate in such state will be charged at the highest rate applicable to contracts permitted by the law of such state. In the event of litigation, Buyer agrees to pay Blue Hill's attorney's fees plus reasonable expenses.

9. Limited Warranty – Blue Hill distributes products purchased and/or imported from original equipment manufacturers (OEMs). Any warranty provided in connection with any of Blue Hill's products and services is provided by the manufacturer only, and not by Blue Hill. Blue Hill makes no additional warranty not offered by the Manufacturer. (Manufacturer warranty policies are available upon written request.) Warranties do not include upgrades to newer software releases. No claim under this warranty shall be honored unless (I) it is submitted to seller in writing within thirty (30) days of receipt and (II) buyer shall cease to use the goods and give seller a full written report including appropriate technical details supporting its claim. In no case is Blue Hill liable for any labor, transportation or other expense required to replace or repair defective goods nor in any event for any general, special or consequential damages arising out of or occasioned by a defect or failure of any goods sold to buyer, nor for any loss arising from the use or resale thereof. Any implied warranty of merchantability or of fitness in any other warranty not specified above is expressly excluded. BLUE HILL OPTICAL TECHNOLOGIES LLC SPECIFICALLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NONINFRINGEMENT. IN NO EVENT IS BLUE HILL LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES EVEN IF COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. The information and content provided by Blue Hill is compiled from a variety of sources and is subject to change without notice as are any products, programs, offerings, or technical information. Blue Hill makes no representation or warranty whatsoever regarding the accuracy, completeness,



quality, or adequacy of technical information describing products offered by Blue Hill.

for the International Sales of Goods shall not apply to this Agreement.

10. Warranty for Optics and component lasers – Laser diodes, laser components and laser optics (including lenses, mirrors, windows, beam expanders, prisms, filters and the like) are offered and sold by Blue Hill “as is” and without warranty.

15. Entire Agreement – Except for any written agreement between the parties relating to confidentiality of proprietary information, the terms and conditions contained in this Agreement supersede all prior oral or written understandings between Buyer and Blue Hill and shall constitute the entire Agreement with respect to the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing and signed by a duly authorized officer of Buyer and Blue Hill.

11. Order Returns – No returns will be accepted without Blue Hill’s prior authorization. Buyer shall bear all expenses for freight, insurance and the risk of loss in transit. Damaged or failed products including laser diodes, optics and laser optics may be returned to Blue Hill Seller freight prepaid for inspection and analysis by Blue Hill and/or the Manufacturer. No replacement or substitute products are offered during the inspection and analysis period. Manufacturers at their discretion examine returned products and issue their best judgment as to the cause of any damage or failure and warranty status. Such decisions are final. Manufacturers may opt to repair or replace products found to exhibit original defects in materials or workmanship at their sole discretion. Replacement parts supplied under warranty may be new or remanufactured. All shipping of warranty repaired or replacement parts is done at Seller’s discretion. Expedited delivery service is available at extra cost to the Buyer.

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12. Service – Prices quoted for products do not include expenses for transportation, food or lodging for Buyer to visit Blue Hill’s facility or premises for inspection of product, nor for services of Blue Hill for supervision of installation and/or initial operation, or instruction of operating personnel, unless explicitly described in writing by Blue Hill.

13. Assignment – Buyer shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of Blue Hill. Any attempted assignment without Blue Hill consent shall be void and ineffective.

14. Jurisdiction – This Agreement and the performance of Blue Hill’s and the Buyer’s obligations hereunder shall be governed by the laws of the Commonwealth of Massachusetts, the United States of America. The U.N. Convention on Contracts