

## LUTRON BZ DO BRASIL LTDA. TERMS AND CONDITIONS OF SALE

- 1. Acceptance Of Orders/Terms:** All orders are subject to acceptance by Lutron BZ do Brasil Ltda. ("SUPPLIER"). SUPPLIER reserves the right to reject any order. Possession of a price list does not constitute an offer to sell. Acceptance of any order by SUPPLIER is expressly conditioned on Customer's assent to the terms and conditions set forth herein ("Terms") and the waiver by Customer of any terms and conditions contained in any order form, confirmation, or any other communication of Customer, whether previously or hereafter delivered to SUPPLIER, which either add to, differ from, modify, conflict with or are otherwise inconsistent with any term or condition herein. SUPPLIER hereby gives notice of its objection to any additional or different terms or conditions in any such order form, confirmation or communication. Customer's failure to object in writing to these Terms prior to the earlier of Customer's acceptance of the products ordered or fifteen (15) days after delivery thereof to Customer will constitute agreement by Customer to these Terms. SUPPLIER hereby gives notice of its objection to any additional or different terms or conditions in any such order form, confirmation or communication.
- 2. Hold for Release Orders:** An order may be placed on a hold-for-release basis. Prices are firm for 3 months from date of order acceptance. The price of all hold-for-release orders not released by Customer for immediate shipment within 3 months from the date of order acceptance will be increased up to 10% increase over the initial order price to cover additional cost of labor and material. All hold-for-release orders not released for immediate shipment within 6 months from the date of order acceptance may be cancelled by SUPPLIER and subject to a 25% storage fee based on the price of the order.
- 3. Product Changes:** SUPPLIER reserves the right to discontinue the manufacture or sale of any product ("Supplier Product") at any time or to alter, modify or redesign the Supplier Products.
- 4. Use of Trademarks:** Customer shall use SUPPLIER'S trademarks, logos or other identifiers in accordance with SUPPLIER'S Corporate ID Guidelines and Style Guide found at [www.lutron.com/styleguide](http://www.lutron.com/styleguide), incorporated herein by reference and as may be updated and revised from time to time. Customer shall not use SUPPLIER's trademarks for any purpose other than those directly relating to the marketing and commercialization of Supplier Product in accordance with the foregoing. Nothing contained herein shall be interpreted as granting any right in relation to SUPPLIER's trademarks or other intellectual property rights except as expressly set forth herein
- 5. Price:** All prices are subject to change without notice. Should any governmental action or request prevent SUPPLIER from implementing any price or continuing any price already in effect, SUPPLIER may at its option cancel Customer's order or any part thereof.
- 6. Taxes/Duties:** All prices exclude Taxes (as defined in Section 14 below) and are the sole responsibility of the Customer.
- 7. Credit Approval:** Customer credit approval is required prior to any shipment. If SUPPLIER determines at any time that Customer's financial condition does not justify the extension of credit to Customer, then SUPPLIER may at its option require cash payments in advance or other satisfactory security prior to delivery.

8. Cancellation/Change Orders: Orders for standard Supplier Products may only be revised or canceled by Customer prior to the date of loading at the place of shipment, and only with SUPPLIER's prior consent. Orders for nonstandard or custom Supplier Products may only be revised or canceled by Customer prior to the commencement of production, and only with SUPPLIER's prior consent. Any product which SUPPLIER has the capability of producing but does not hold in its inventory is considered a nonstandard or custom product. All cancelled orders, whether for standard Supplier Products or nonstandard or custom Supplier Products, shall be subject to a storage fee of 25% of the order price. If not cancelled as provided herein, Customer shall be liable for the full order price.

9. Packaging/Shipping/Risk of Loss: Unless otherwise agreed by SUPPLIER in writing (i) SUPPLIER shall select the method of shipment and carrier, and (ii) costs for shipping shall be billed to Customer in accordance with the carrier's then current price list. The price list will be adjusted to include the packing and shipping costs and expenses as incurred. Section 14 below will apply to the price of the the Supplier Products after the adjustment as provided for in this clause. Costs for special packaging and/or handling requested by Customer shall be the responsibility of Customer and will be quoted by SUPPLIER and informed to Customer in advance for approval in writing. Unless the parties otherwise agree, risk of loss and the allocation of costs and expenses in connection with shipment shall be in accordance with the Incoterms set forth in the applicable purchase order.

**10. Title:** Title is deemed to transfer at the same point where risk transfers under the Incoterms used, unless otherwise stipulated in a sales contract. Upon delivery of the Supplier Product the respective price shall be considered due, certain and demandable debt of Customer and SUPPLIER shall be entitled to collect the compent amounts in court; provided, however, that SUPPLIER may charge the price for the Products prior to shipment or obtain other securities from Customer to guarantee payment.

11. Delivery: Quoted shipping and/or delivery dates are based on estimates at the time of order. SUPPLIER shall use reasonable commercial efforts to meet such shipping and/or delivery dates, but SUPPLIER shall not be liable for any direct or indirect costs or damages, including without limitation incidental or consequential damages, lost profits, loss of business opportunities and/or claims from third parties resulting from late deliveries. Except as expressly provided otherwise herein, Customer agrees to purchase and pay for all material ordered by Customer and accepted by SUPPLIER, as specified on SUPPLIER'S invoice.

12. Claims for Loss, Damage or Shortage: Any claims for damage, loss or shortage should be filed by Customer with the respective transportation carrier in writing immediately upon receipt of the Supplier Products. In no event shall SUPPLIER be liable for damage or loss to a shipment caused by a carrier. If shortage exists with respect to any shipment and it is not concealed, Customer shall secure a notation of such shortage from the carrier on the freight bill or delivery receipt. If shortage is concealed, Customer must notify the carrier and SUPPLIER within 15 days. No claims for damage, loss or shortage will be allowed unless they are accompanied by an inspection report or signed delivery receipt noting such damage, loss or shortage signed by a representative of the carrier and forwarded to SUPPLIER within 30 days of the invoice date.

**13. Return of SUPPLIER PRODUCT:** Customer may return new and unopened Supplier Product in accordance with Supplier's Returned Goods Policy in effect on the date each order is accepted and as authorized by SUPPLIER on a Return Good Authorization, with the exception of non-standard, custom

Products and metal wall plates which are not returnable. Customer will be charged a minimum restocking charge of 25% of the cost of the returned goods and shall be responsible for freight and duties to return the Supplier Product. SUPPLIER'S Returned Goods Policy may be found at <http://www.lutron.com/general/Terms-ConditionsofSale/Pages/Terms-Conditions-of-Sale.aspx>. SUPPLIER reserves the right to amend its Returned Goods Policy from time to time.

14. Payment: All invoices, whether partial or in full, shall be due and payable in full by Customer pursuant to the terms set forth thereon. Invoices not timely paid are subject to an interest charge of 1% per month on any unpaid balance or the maximum rate allowed by law, which interest charges shall accrue beginning on the invoice due date. If Customer (i) becomes insolvent, files or has filed against it a petition in bankruptcy, makes any assignment for the benefit of creditors, files for judicial or extrajudicial recovery proceedings or has a receiver or trustee appointed for it or its property, (ii) takes action to liquidate or otherwise cease doing business as a going concern, (iii) undergoes a change in ownership, (iv) fails to provide adequate assurance or security for credit extended, or (v) takes any other action that SUPPLIER determines in its sole discretion adversely impacts the conditions under which credit was extended, then all amounts outstanding from Customer hereunder shall at SUPPLIER's option become immediately due and payable. ALL PAYMENTS, WHETHER UNDER THE STANDARD PAYMENT TERMS OR OTHERWISE, SHALL BE CONSIDERED RECEIVED BY SUPPLIER AS FOLLOWS: FOR PAYMENTS BY CHECK AND BY ELECTRONIC FUNDS TRANSFER, THE BUSINESS DAY ON WHICH THE FUNDS ARE IMMEDIATELY AVAILABLE TO SUPPLIER. Customer shall pay all undisputed invoices regardless of any dispute that may exist as to other delivered or undelivered goods. With respect to any disputed invoice, Customer shall pay all amounts not in dispute.

Even though SUPPLIER will be responsible for the collection of the taxes imposed in the sale of Supplier Products, Customer shall be economically responsible for all taxes directly or indirectly imposed on the sale of the Supplier Product (including, without limitation, State Value Added Tax (" ICMS"), Federal Value added Taxes ("IPI, PIS and COFINS"), or any other taxes which in the future may replace them). The price of Supplier Products as provided for in section 9 above will be adjusted to bear the ICMS, IPI, PIS and Cofins, as applicable, as well as any other taxes that may be applicable on the date of the sale.

Whenever services are specifically contracted to be rendered by SUPPLIER the service price shall be adjusted to bear municipal service tax as well as PIS and Confins imposed on the service performance as contracted. If another Lutron entity located abroad (the "Lutron Goup Entity") is hired for the rendering of services, the payment of the services will be made by Distributor to the Lutron Group Entity as contracted, which payment shall be made free and clear of and without deduction or withholding for any present or future taxes, levies of import duties, fees assessment or other charges of whatever nature.

15. SUPPLIER Obligations/Limitation of Liability: SUPPLIER PRODUCT DELIVERED HEREUNDER AND ALLEGED TO BE DEFECTIVE OR OTHERWISE OPENED AND THEN RETURNED TO CUSTOMER BY AN END-USER MAY BE RETURNED BY CUSTOMER TO SUPPLIER FOR A PERIOD UP TO ONE (1) YEAR FROM THE DATE OF SALE BY CUSTOMER TO END-USER ALREADY INCLUDING THE LEGAL WARRANTY TERM. UPON RETURN OF SUPPLIER PRODUCT BY CUSTOMER, SUPPLIER MAY ELECT, AT ITS SOLE OPTION, TO RETURN THE CONSIDERATION PAID BY CUSTOMER TO SUPPLIER FOR SUCH RETURNED PRODUCT OR TO DELIVER CONFORMING PRODUCTS TO CUSTOMER. THE PRODUCT-SPECIFIC WRITTEN WARRANTIES PROVIDED IN OR WITH THE SUPPLIER PRODUCT ARE INTENDED EXCLUSIVELY FOR THE BENEFIT OF THE END-USER AND NOT CUSTOMER. THE FOREGOING IS THE ONLY OBLIGATION OF SUPPLIER TO CUSTOMER RELATING TO DEFECTIVE PRODUCTS AND IS IN LIEU OF ALL OTHER OBLIGATIONS OR WARRANTIES,

EXPRESSED OR IMPLIED, ORAL OR WRITTEN, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL SUPPLIER BE RESPONSIBLE FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT OR SPECIAL DAMAGES OF ANY KIND. THIS SECTION 15 SHALL APPLY TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.

16. Remedies of Customer and Supplier's Limitation of Liability: THE SOLE AND EXCLUSIVE REMEDY OF CUSTOMER AND THE SOLE AND EXCLUSIVE OBLIGATION OF SUPPLIER FOR ANY BREACH OF CONTRACT CLAIM THAT SUPPLIER PRODUCTS DELIVERED DO NOT OTHERWISE CONFORM TO THE ACCEPTED ORDER SHALL BE EITHER THE RETURN OF CONSIDERATION PAID BY CUSTOMER TO SUPPLIER RELATED TO THE ORDER AFFECTED BY THE BREACH, OR UPON SUPPLIER'S ELECTION, THE DELIVERY OF CONFORMING SUPPLIER PRODUCTS TO CUSTOMER. WITH RESPECT TO SUPPLIER'S NONCOMPLIANCE WITH ANY OTHER OBLIGATION OF SUPPLIER HEREUNDER, THE SOLE AND EXCLUSIVE REMEDY OF CUSTOMER AND THE SOLE AND EXCLUSIVE OBLIGATION OF SUPPLIER WILL BE AS SUPPLIER IN ITS DISCRETION WILL DETERMINE AS FOLLOWS: (1) SUPPLIER MAY ELECT TO CURE SUCH NONCOMPLIANCE WITHIN A REASONABLE PERIOD OF TIME, OR (2) IF SUPPLIER FAILS TO CURE SUCH NONCOMPLIANCE, CUSTOMER MAY RECOVER AN EQUITABLE AMOUNT NOT TO EXCEED SUCH CHARGES AS WERE PREVIOUSLY PAID TO SUPPLIER BY CUSTOMER RELATING TO THE ORDER AFFECTED BY THE BREACH. CUSTOMER WAIVES ALL OTHER REMEDIES, STATUTORY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, THE REMEDIES OF SPECIFIC PERFORMANCE AND REPLEVIN. SUPPLIER'S LIABILITY TO CUSTOMER, REGARDLESS OF WHETHER SUCH LIABILITY ARISES IN CONTRACT, TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE, SHALL IN NO EVENT EXCEED AMOUNTS PAID BY CUSTOMER TO SUPPLIER FOR THE SUPPLIER PRODUCTS INVOLVED, AND CUSTOMER RELEASES SUPPLIER FROM ALL CLAIMS AND LIABILITIES IN EXCESS OF THIS LIMITATION. IN NO EVENT SHALL SUPPLIER BE RESPONSIBLE FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT OR SPECIAL DAMAGES OF ANY KIND. THIS SECTION 16 SHALL APPLY TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.

17. Excused Performance: SUPPLIER shall be under no liability for any failure to perform any of its obligations under these Terms or any contract if and to the extent that the failure is caused by reason of any cause outside the control of the SUPPLIER, including but not limited Acts of God and force majeure events (each a "Force Majeure Event"). Delivery suspended or not made by reason of a Force Majeure Event shall be canceled without liability, but the Terms shall otherwise remain unaffected. Upon the occurrence of a Force Majeure Event, SUPPLIER may allocate its available supply of Supplier Products or materials among itself and its customers in its sole discretion and without liability to Customer. SUPPLIER shall make reasonable efforts to provide Customer with written notice of a Force Majeure Event within a reasonable period of time after its occurrence.

18. Compliance with Laws, Regulations & Orders: Customer warrants that it will comply at all times with all laws (including customs, import, and export laws), ordinances, rules, requirements, and regulations applicable to the Products and when requested, shall furnish evidence to SUPPLIER of such compliance, including without limitation U.S. laws and regulations relating to exports, export controls, and foreign corrupt practices. Specifically, Customer acknowledges and agrees that Supplier Products are subject to trade control laws, including the export control and economic sanctions laws of the United States and/or other jurisdictions, including but not limited to the Export Administration Regulations administered by the U.S. Department of Commerce's Bureau of Industry and Security ("BIS") and the economic sanctions programs administered by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC") (collectively, "Trade Control Laws"). Customer agrees to comply with all applicable Trade Control Laws that govern the import, export, re-export, shipment, transfer, sale, use, operation, maintenance, or repair of Supplier Products and any related technology and services. Customer hereby specifically

acknowledges and confirms that Customer will not distribute or otherwise transfer Supplier Products or engage in the provision of technical support or other services, directly or indirectly through third parties or otherwise, to jurisdictions that may now or in the future be subject to U.S. territorial sanctions, including Cuba, Iran, North Korea, Sudan, Syria, or the Crimea region of the Ukraine. Despite anything to the contrary in these Terms, Supplier shall not be required to act in any way that is prohibited by applicable Trade Control Laws. It shall be in the sole discretion of Supplier to refrain from being directly or indirectly involved in the provision of Supplier Products, services, and/or technology that may be prohibited by applicable Trade Control Laws. Customer represents and warrants that neither Customer, nor any parent, subsidiary, affiliate, or associate company of Customer, is included on any of the restricted party lists maintained by the U.S. Government, including the Specially Designated National List and Foreign Sanctions Evaders List administered by OFAC; Denied Parties List, Unverified List or Entity List maintained by BIS; or the List of Statutorily Debarred Parties maintained by the U.S. Department of State's Directorate of Defense Trade Controls (collectively "Restricted Party Lists"); and is not owned or controlled by any Restricted Party. Customer shall immediately notify Supplier if Customer, any parent, subsidiary, affiliate or associated company of Customer becomes listed on any Restricted Party List or owned or controlled by Restricted Parties. Customer hereby acknowledges and confirms that, unless specifically authorized in these Terms and under applicable trade Control Laws, Customer will not sell, export, re-export, transfer or re-transfer any Supplier Products or any related technology or services that are sold or otherwise provided hereunder (including samples), directly or indirectly through third parties or otherwise to any company or individual on the Restricted Party List. Customer shall comply with all national and local laws related to the sale, distribution and use of Supplier Products. Customer also shall comply with the Brazilian anticorruption laws in effect and with the United States Foreign Corrupt Practices Act in connection with the sale of Supplier Products. Customer shall further take all measures to cause its employees, sales representatives and subdistributors, when applicable, or installers to comply therewith. SUPPLIER hereby certifies that the Supplier Products sold hereunder that were produced in the United States were produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act, as amended, and of regulations and orders of the United States Department of Labor issued under Section 14 thereof.

19. Entire Agreement: The terms and conditions contained herein constitute the entire agreement between SUPPLIER and Customer and supersede any and all prior agreements, whether oral, written or implied. No modification of these terms and conditions shall be effective unless made in writing and executed by SUPPLIER.

20. General: This agreement shall not be assigned by Customer without the prior written consent of SUPPLIER, and any assignment made without such consent shall be null and void. This agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. This agreement shall be governed by and construed in accordance with the laws of Brazil. Customer hereby expressly consents to the exclusive jurisdiction of the City and State of São Paulo courts to settle any disputes arising from these Terms or the sale of Supplier Product to Customer.