

SALES TERMS AND CONDITIONS

These Sales Terms and Conditions (this “*Terms of Sale*”) entered into by and between **Forever Flowering LLC** (“*Seller*”), having a principal place of business at 15386 Little Valley Road, Grass Valley, CA 95949 and the buyer of Seller’s products that is listed as a signatory hereto (“*Buyer*”), having a principal place of business at the address listed below its signature, and is made effective as of the date it is executed by Seller after its execution by Buyer.

1. Acceptance: These Terms of Sale apply to all quotations made and purchase orders, order forms or similar documents or communications (collectively “*Order Form*”) received by Seller from Buyer. Seller’s acceptance of any Order Form is conditional on Buyer’s assent to these Terms of Sale in lieu of those in an Order Form, and any terms and conditions of an Order Form order that are inconsistent with or in addition to these Terms of Sale will be deemed stricken. Seller’s failure to object to provisions contained in any communication from Buyer shall not be deemed an acceptance of any such provisions or a waiver of the provisions of these Terms of Sale. Any changes to these Terms of Sale must be agreed in writing by an officer of Seller. All Orders Forms must be approved and accepted by Seller at its home office. These terms will be applicable whether or not they are enclosed with the products sold hereunder. Once an Order Form has been accepted by Seller, it shall be binding upon, and non-cancelable by, Buyer.

2. Shipment: Unless otherwise agreed to in writing by Seller, Seller will ship by the method it deems most appropriate and in Seller’s standard packaging. Buyer will be responsible for all shipping and other costs associated with delivery. Seller may require that shipping charges be collected from Buyer, or, if prepaid, may invoice such charges to the Buyer.

3. Passage of Title and Risk of Loss: **All sales are made EX WORKS. Title and risk of loss shall pass to Buyer, and Seller's liability for delivery shall cease upon delivery of products to carrier at Seller's facility, regardless of any provisions for the payment of freight or insurance on shipping or other documents. Buyer must file any claims for loss or damage with the carrier. Buyer waives any and all claims against Seller for shortages occurring before delivery to carrier that are not made within ten (10) days after delivery of shipment to Buyer.**

4. Delivery: All shipping dates and quantities set forth in any Order Form or other documents or communications from Buyer or Seller are approximate and not binding on Seller. In no event will Seller be liable for any procurement costs, delay or non-delivery or any other failure to perform an obligation due to causes beyond Seller’s control. In the event of any such delay, the date of delivery or other performance will at the request of Seller be extended for a reasonable period. Seller may cancel any Order Form at no liability to Buyer.

5. Inspection and Return: Upon receipt of a shipment of products from Seller, Buyer will inspect such shipment to determine that it conforms to Seller’s acknowledgment of the Order Form. If Buyer does not notify Seller in writing within seventy-two hours (72 Hours) after receipt of such shipment, such shipment will be deemed accepted by Buyer. At the discretion of Seller, rejected products shall be kept by Buyer in secured storage for inspection by Seller, or returned to Seller. If

Buyer so notifies Seller of a nonconformance, Buyer will afford Seller a reasonable opportunity to inspect such shipment. No products will be returned to Seller without Seller’s consent. Buyer must obtain from Seller a Returned Material Authorization, which must accompany any returned shipment. Freight must be prepaid by Buyer. All products must be returned in the same packing conditions in which it left Seller’s premises, unaltered, undamaged and unused form and matching the original Seller issued packing slip of the accompanying product. Returns are done on an even exchange basis. If an exchange does not occur, Buyer will be subject to a 20% restocking fee.

6. Payment:

a. Payment Terms: Unless otherwise agreed to in writing by Seller, all invoices are due as follows after customer has signed and returned the quote to Forever Flowering: For all quotes under \$10,000.00 - payment is 100% due at the time of accepting the quote. For orders between \$10,000.00 and \$20,000.00, we require a down payment of \$10,000.00 with the remaining balance is due in two weeks. For orders larger than \$20,000, payment is 50% down upon acceptance of quote and 50% due in two weeks. If Seller does not receive full payment or a letter of credit in the full amount of the invoice, which shall be reasonably acceptable to Seller, prior to the Due Date, Seller shall have the option to: (i) delay the scheduled delivery date and assess a late interest fee (as calculated below) until Seller receives payment in full, or (iii) ship the products to Buyer and assess a late interest fee until Seller receives payment in full. No discounts are authorized. Seller reserves the right to modify any credit terms. Amounts past due will incur interest at a daily rate equal to one and one-half percent (1.5%) per month or the highest rate permitted by applicable law, whichever is lower.

7. Security Interest: Buyer hereby grants to Seller, its successors and assigns, a purchase money security interest in the products and all proceeds (including insurance proceeds), replacement, accessions or substitutions for, to or from the products to secure payment of the purchase price of the products. Default of payment of such price or any part of the price when due shall permit Seller at its sole discretion, to declare all obligations of the Buyer immediately due and payable, and in such event Seller shall have all the rights and remedies of a secured party under applicable law. In connection with the security interest granted herein, Seller will have the right to file one or more financing statements or other notices under applicable law naming Buyer as debtor and Seller as secured party. Buyer agrees to execute such documents and take other action requested by Seller to allow Seller to record and otherwise perfect the security interest. In the event of default, (a) Buyer hereby agrees at Buyer's sole expense to collect the products and make them available to Seller at any

location designated by Seller and (b) Seller may sell the products in one or more sales.

8. Taxes: Any present or future sales, revenue, excise, withholding, or other tax, fees or charges of any nature imposed by any public authority, applicable to the transaction, will be added to the purchase price and will be paid by Buyer, or in lieu thereof, Buyer will provide Seller with an exemption certificate acceptable to the taxing authorities.

9. Warranties

10. Warranty: Seller warrants that the products purchased hereunder (other than third party products) will be free from defects of material and workmanship under normal use and service as set forth in the Product Warranty schedule attached hereto. Third party products have those warranties as specified in the third party documentation accompanying the product, and Seller does not warranty any third party products.

11. Procedures: Warranty obligations apply only to products returned to Seller at Seller's factory of origin, transportation charges prepaid, during the applicable warranty period and deemed defective by Seller. Further, the warranty obligations set forth in this Section are the sole and exclusive remedy to Buyer for breach of any warranty under these Terms of Sale.

12. Exclusions: This warranty will not apply to any products which have been repaired or altered other than by Seller, Buyer's failure to meet environmental specifications, or products which have been subjected to misuse, negligence, accident, unusual physical or electrical stress, or other causes other than the normal and intended use of the products, or as specified in the Product Warranty schedule.

13. Disclaimers: THE WARRANTY FOR THE PRODUCTS AS SET FORTH HEREIN IS IN LIEU OF, AND SELLER HEREBY DISCLAIMS, ALL OTHER WARRANTIES EXPRESSED, STATUTORY OR IMPLIED, WHETHER ORAL OR WRITTEN, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT.

14. Limitation of Liability: SELLER WILL NOT BE LIABLE FOR ANY LOST REVENUE, LOST PROFITS, COSTS OF PROCUREMENT OF SUBSTITUTE PRODUCTS OR OTHER CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES INCURRED BY BUYER OR ANY OTHER PARTY, WHETHER BASED ON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), PRODUCT LIABILITY, OR OTHERWISE, AND EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. IN NO EVENT WILL SELLER'S AGGREGATE LIABILITY UNDER THESE TERMS OF SALE EXCEED THE LESSER OF BUYER'S ACTUAL OUT-OF-POCKET DAMAGES OR THE FEES PAID BY BUYER TO SELLER FOR THE PRODUCT OR SERVICE UNDER THE ORDER FORM GIVING RISE TO SUCH LIABILITY. The limitations specified in this Section

will survive and apply even if any limited remedy specified in this Agreement is found to have failed of its essential purpose.

15. Product Changes and Discontinuance: Seller reserves the right to make substitutions, modifications and improvements to the products, provided that such substitutions, modifications or improvements shall not materially affect performance of the products. Seller reserves the right to discontinue production of any product at any time, without notice.

16. Breach of Agreement: Seller reserves the right to declare all sums immediately due and payable and to cancel any order or shipment, without liability to Buyer, in the event that Buyer is in breach of a material obligation hereunder, including but not limited to failure to comply with credit terms, or termination hereof. If Buyer is in breach, Buyer shall remain liable for all unpaid sums and reimburse Seller for all damages suffered or incurred by Seller as a result of Buyer's breach. The remedies provided herein will be in addition to all other legal means and remedies available to Seller.

17. Termination: Either party may terminate this Agreement if either files or has filed against it a petition in bankruptcy or otherwise for the protection of debtors, makes an assignment for the benefit of creditors, has a trustee or receiver appointed for all or substantially all of its assets, ceases to conduct business in the normal course or otherwise takes or has taken against it any action of similar import.

18. Arbitration and Venue: Except with respect to claims for injunctive relief as described below, the parties shall submit any and all disputes arising out of these Terms of Sale or products sold hereunder to arbitration before the American Arbitration Association (AAA) under its then-current commercial rules. The arbitration shall take place exclusively in Nevada County, California. One arbitrator shall be selected by the parties to hear the dispute. If the parties are unable to agree on such selection, the AAA shall choose the arbitrator under its rules. The arbitrator shall be experienced in hearing matters involving commercial disputes of a similar nature. The losing party shall pay the costs of the arbitration. No discovery shall be permitted, except an exchange of documents and up to five (5) days of deposition testimony for each side. Any arbitration hearing itself shall occur within sixty (60) days after appointment of an arbitrator and the maximum number of hearing days shall be five. The arbitrator shall issue a written opinion with findings of fact and reasoning within thirty (30) days of the last hearing date. The arbitrator shall award reasonable attorneys fees and costs to the prevailing party. Notwithstanding the above provisions relating to arbitration, upon adequate cause shown, Seller may seek and obtain equitable relief under this Terms of Sale for breach of its intellectual property rights, and either party may apply to any court for enforcement of any arbitration award rendered pursuant to this Section. The parties agree that the federal and state courts located in or having jurisdiction over Nevada County, California, shall have the exclusive jurisdiction over any action brought to enforce the rights and obligations in or arising from this Terms of Sale and each of the parties hereto

irrevocably submits to the jurisdiction of such courts to the exclusion of all other judicial forum(s).

19. General:

20. No Waiver: Failure of Seller to enforce at any time any of the provisions hereof will not be construed to be a waiver of the right of Seller thereafter to enforce any such provisions.

21. Assignment: Buyer will not assign this Agreement or any portion hereof without the prior written consent of Seller, and any such attempt at assignment will be void. Seller will be entitled to assign all or any portion of this Agreement.

22. Governing Law: This Agreement will be governed by and construed in accordance with the laws of the State of California applicable to agreements entered into, and to be performed entirely, within California between California residents. The United Nations Convention on the International Sale of Products will not apply.

23. Subcontractors: Buyer acknowledges that all or part of the products purchased hereunder may be manufactured and/or assembled at any of Seller's or its sub-contractors' facilities, domestic or foreign.

24. Export Restrictions: Buyer, by accepting these products, certifies that it will not export or re-export the

products furnished hereunder unless it complies fully with all laws and regulations of the United States relating to such export or re-export.

25. Modifications: No modification to this Agreement, nor any waiver of any rights, shall be effective unless agreed to in writing by both parties.

26. Severability: If any portion of this Agreement is held invalid, the parties agree that such invalidity shall not affect the validity of the remaining portions of this Agreement, and the parties shall seek in good faith to agree to substitute for the invalid provision a valid provision that most closely approximates its terms.

27. Entire Agreement: This Agreement supersedes all proposals, oral or written, all negotiations, conversations or discussions between the parties relating to this Agreement and past course of dealing or industry custom. Buyer represents and agrees that it has not relied on any representation or warranty other than those contained herein in entering into this Agreement. The terms and conditions of this Agreement contain the entire understanding and agreement of the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have caused their respective duly authorized representative to execute these Terms of Sale as of the dates set forth below.

SELLER:

FOREVER FLOWERING LLC

By: _____

Name: _____

Title: _____

Date: _____

BUYER:

By: _____

Name: _____

Title: _____

Date: _____

Address: _____
