

General Terms and Conditions of Sale and Services

STAR COOPERATION USA, Inc.

1. General

These Terms and Conditions of Sale and Services (“Terms and Conditions”) form an integral part of any acceptance by STAR COOPERATION USA, Inc. (“Star”) of any purchase order (“Order”) placed and sales or services transaction resulting therefrom (“Transaction”) and shall supersede all printed terms and conditions on any request for proposal, purchase order, or other form, if any, of or presented by a client of Star (“Client”) and any other inconsistent terms submitted by a Client prior to acceptance by Star of an Order. These Terms and Conditions may not be varied or supplemented unless agreed to in writing by a duly authorized representative of Star. No sales representative shall have such authority. Failure of Star to object to conflicting or different provisions contained in any Order or other writing of Client shall not be construed as a waiver of these Terms and Conditions nor an acceptance of any terms and conditions of Client. Except only as otherwise agreed in writing by a duly authorized representative of Star, the sale of any of Star’s products or services (such services to be referenced herein as “Services, and, together with the products, collectively the “Products”) shall be governed only by these Terms and Conditions. Client shall be deemed to have accepted these Terms and Conditions if Client accepts any shipment or provision of Products to which these Terms and Conditions relate. Star hereby expressly rejects any portion of any Order that attempts to modify these Terms and Conditions.

2. Offer and Acceptance

The Order is an offer to purchase upon these Terms and Conditions and shall be considered accepted upon (i) Star’s receipt of an Order from Client for the Products and Star’s acceptance (“Order Acceptance”) of the Order (such an Order is an “Accepted Order”), (ii) the mutual execution of a contract for sales and/or services (“Sales Contract”) or (iii) Star’s commencement of its performance as requested in the Order. Client acknowledges that Star shall have the right to (i) reject any Order for any reason or for no reason, (ii) to accept any Order within seven (7) days from receipt of such Order, and (iii) to request from Client written confirmation of its verbal declarations with respect to any proposed Transaction. After Order Acceptance, Client may not cancel any Accepted Order without Star’s written consent.

3. Scope

- 3.1 The scope of the Transaction (“Scope”) shall be determined, in that priority, by (i) the Sales Contract, (ii) the Accepted Order or (iii) Star’s solicitation of an Order from Client (“Order Solicitation”). Additional specifications or requirements beyond the terms of an Accepted Order or subsequently introduced to expand or limit the Scope must be expressly agreed upon by Star in writing to be valid.
- 3.2 Product descriptions, illustrations and technical data are mere descriptions of the Products for illustrative purposes and shall in no event be construed as a limited warranty.
- 3.3 Star reserves the right to make minor modifications to the Products (“Modifications”), provided that these modifications are of non-material nature and may be reasonably imposed on Client. In particular, Client shall be deemed to have accepted any commercially customary Modifications, including, but not limited to quality, quantity, or other deviations, even if Client referred to brochures, illustrations or pictures upon placing an Order, unless Star specifically agrees in writing to not make any Modifications.

4 Time of Performance, Delays, Partial Performances, Place of Performance

- 4.1 Any information with regard to time of delivery or performance shall be non-binding, unless otherwise expressly stated by Star in writing. All terms of delivery or performance shall be subject to correct and timely availability of supplies and raw materials.
- 4.2 The time of delivery or performance shall commence with Star’s dispatch of the Accepted Order,

but in no event before Client and Star have resolved all commercial and technical questions and Client has fulfilled all of its obligations associated with an Accepted Order.

- 4.3 The time of delivery or performance shall be extended by the period of time in which Client is in default of its obligations under the Accepted Order or for as long as it does not meet its contributory obligations thereunder, including, but not limited to the failure to provide information, grant access, or supply its employees.
- 4.4 If Client requests any changes to an Accepted Order, and Star agrees thereto in writing, then the time of delivery or performance with respect to such changed Accepted Order shall be extended by a reasonable period of time to accommodate the changes.
- 4.5 Star shall be in compliance with agreed-upon delivery dates (i) if the Products were released into the custody of the common carrier ("Carrier") on the agreed upon date of delivery or (ii) as soon as Star has communicated to Client its de facto readiness for shipment. Star shall be in compliance with the agreed-upon performance dates for Services as soon as Star has communicated to Client its de facto readiness for performance.
- 4.6 In the event that Star's supplier ultimately fails to deliver necessary parts or raw materials, despite Star's careful selection of such supplier, and Star's order with such supplier complies with the requirements of Star's delivery obligation to Client, Star shall be entitled to fully or partially withdrawal from the proposed Transaction, provided that Star notifies Client of the failed supply, and – as far as legally permissible – to offer the assignment of Star's claims against such supplier to Client.

5. Shipment; Risk of Loss; Shipping Schedule

- 5.1 Shipments shall be made F.O.B. Star's factory or warehouse, unless otherwise specified in writing.
- 5.2 Star's Products are packaged carefully, using standard approved methods. The shipment shall be deemed accepted in good and undamaged condition by the Carrier and title to, and the risk of loss or theft, damage or destruction to, the Products shall pass and shift to Client upon releasing the Products to the Carrier and upon that acceptance by the Carrier.
- 5.3 Star will use its commercially reasonable efforts to ship the Products as agreed upon by Star and Client. However, Client acknowledges and agrees that lead time will vary according to availability of supply, delays in transportation, manufacturing problems and other conditions, and, consequently all delivery dates communicated by Star are estimates and shall be subject to change without notice. Delay in delivery of any shipment of Products shall not relieve Client of its obligations to accept such shipment or any other shipment. Under no circumstances shall Star on account of late delivery or non-delivery be liable to Client, its agents or any other persons for any special or consequential damages, whether based upon lost goodwill, lost profits, work stoppage, impairment of or breach of contract, negligence or such other actions as may be deemed or alleged to be the cause of a loss or damage to such a person.
- 5.4 Star's shipments are NOT insured. Client must request insurance coverage, if required, and the insurance cost will be added to the freight charge. All uninsured shipments are the responsibility of Client. Star assumes no responsibility for any such loss or damage.
- 5.5 All shipments shall be made by a Carrier of Star's choice. Any special arrangements requested by Client shall be at Client's additional expense.
- 5.6 Star reserves the right to deliver in installments. Delay in delivery of any installment shall not relieve Client of its obligation to accept remaining deliveries.

6. Prices, Compensation, Payment

- 6.1 All prices are valid ex works unless otherwise agreed upon by Star in writing. All prices and compensations are in US\$ plus applicable transportation costs, expenses, packaging, dispatch and, if applicable, insurance of goods in transit.
- 6.2 Client shall pay the prices stated in the Accepted Order in accordance with the terms of this Section 6.

- 6.3 Unless otherwise agreed upon by Star in writing, payments are due without discount immediately after Star's delivery or performance of the Products and Client's receipt of invoice, and are payable within fourteen (14) days after invoice date.
- 6.4 Upon Client's default of payment, interest will accrue at a rate of the lower of (i) eight percentage (8%) points above the currently applicable legal interest rate or (ii) the maximum interest rate permitted by applicable law. Client shall pay all costs of collection, including legal fees. Star reserves the right to seek any additional remedies allowed by law.
- 6.5 If Client requests a change in time of delivery or performance, and Star agrees thereto in writing, Client shall pay Star at that time when such payment would have been due without such change.

7. Taxes

Client shall pay, in addition to any invoiced amount, all taxes, if applicable, upon the production, sale, shipment, provision or use of the Products, including, without limitation, all federal, state, or local property, license, privilege, sales, use, excise or gross receipts taxes or other like taxes and tariffs. In the event that Star is required to pay any such taxes, Client shall indemnify, pay or reimburse Star on demand for such payments and any penalties or fees related thereto.

8. Purchase Money Security Interest

With the submission of the Order, and Star's issuance of an Order Acceptance, Client grants a purchase money security interest in all Products delivered or provided by Star to Client and in all proceeds from the sale of the Products by Client to any third party, including accounts receivable, contract rights and cash receipts arising therefrom. Such security interest shall remain in Star until Star receives full payment of the purchase price for all Products. Client authorizes Star to timely prepare and file such financing statements or other writings as may be necessary to perfect such purchase money security interest. Client agrees that Star has the right to immediate possession to any Products that have not been paid for in full by Star.

9. Inspection; Claims; Return

- 9.1 Client shall inspect the Products immediately upon their delivery and shall give written notice in accordance with Section 21 below to Star of any damage to the Products ("Damage or Loss") within eight (8) business days from the date of their delivery. If Client does not provide such notice, the Products shall be deemed to conform to their description and the Products shall be deemed accepted by Client in accordance with the terms of the Accepted Order. Client expressly waives any rights Client may have to reject or revoke acceptance of the Products after such notification period has lapsed.
- 9.2 For any Damage or Loss not immediately apparent, Client shall notify Star within eight (8) business days of discovery of such Damage or Loss. If Damage or Loss is ascertainable by Client upon delivery, Client must immediately file a claim with the Carrier and notify Star in writing as set forth above within two (2) business days after delivery. Notations regarding any such claim shall be made on all copies of Carrier's waybill and the driver must sign all copies to acknowledge notification of the claim. Upon Star's request, Client shall furnish to Star all original delivery records so as to assist Star in assessing the validity of the claim.
- 9.3 Client shall not refuse acceptance of shipment because of transit damage as this causes unnecessary shipping expense and delay.
- 9.4 Time is of the essence for purposes of this Section 9.

10. Force Majeure

Neither party shall be in default or otherwise liable for any delay in or failure of its performance under this Agreement where such delay or failure arises by reason of any Act of God, or of any government or any governmental body, acts of the common enemy, the elements, strikes or labor disputes, or other similar or dissimilar cause beyond the control of such party, provided, however, that the delay or failure in performance could not have reasonably been foreseen or provided

against; and provided further that each party exercises such diligence as the circumstances may require.

11. Limited Warranty

Star may provide a limited warranty as per an Accepted Order or Sales Contract. **EXCEPT AS SET FORTH EXPRESSLY THEREIN, STAR MAKES NO WARRANTIES, EITHER EXPRESS OR IMPLIED, REGARDING THE PRODUCTS SOLD OR SERVICES PERFORMED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

12. Damages Disclaimer and Limitation

IN NO EVENT SHALL STAR BE LIABLE TO ANY CLIENT OR ANY OTHER PERSON FOR ANY (A) INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING LOSS OF PROFIT OR GOODWILL OR (B) DIRECT DAMAGES TO BODY, HEALTH OR PROPERTY FOR ANY MATTER ARISING OUT OF OR RELATING TO THE PRODUCTS, WHETHER SUCH LIABILITY IS ASSERTED ON THE BASIS OF CONTRACT, TORT OR OTHERWISE EVEN IF STAR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL STAR'S TOTAL AGGREGATE LIABILITY FOR DAMAGES EXCEED THE GREATER OF THE AMOUNT OF (A) TOTAL COMPENSATION PAID BY CLIENT TO STAR FOR THE PRODUCTS, OR (B) PROCEEDS AVAILABLE FROM ANY INSURANCE POLICY IN EFFECT AND APPLICABLE TO THE EVENT GIVING RISE TO SUCH LIABILITY.

13. Protection of Confidential Information, Proprietary Information and Trade Secrets

13.1 Confidentiality

In connection with any Transaction governed by these Terms and Conditions, each party has disclosed and/or may wish to disclose (a "Disclosing Party") certain proprietary information to the other party hereto (a "Receiving Party") on a confidential basis.

- (1) "Confidential Information" means any information (other than information that is a Trade Secret, as defined below) of the Disclosing Party that is not generally known or available to the public and that the Disclosing Party desires to keep confidential.
- (2) "Proprietary Information" means Confidential Information and Trade Secrets, collectively. Proprietary Information does not include any materials or information that (i) become publicly known through no fault of the Receiving Party, (ii) are known to the Receiving Party prior to disclosure by the Disclosing Party, having been lawfully received by the Receiving Party from parties other than the Disclosing Party, (iii) are furnished to others by the Disclosing Party with no restriction on disclosure or (iv) are required to be disclosed by judicial or governmental order without provision at law for the maintenance of confidentiality.
- (3) "Trade Secrets" means information not generally known about the Disclosing Party or its business that (i) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy or confidentiality and from which the Disclosing Party derives economic value from the fact that the information is not generally known to other persons who can obtain economic value from its disclosure or use or (ii) is treated as a trade secret under applicable law. Trade Secrets include, but are not limited to, technical or non-technical data, compilations, programs and methods, techniques, drawings, processes, financial data, research, pricing, information as to sales representatives and suppliers, lists of actual customers and potential customers, cards or lists containing the names, addresses, buying habits and business locations of past, present and prospective customers, sales reports, service reports, price lists, product formulae and methods and procedures relating to services, in each case to the extent not known or available to persons who can obtain economic value from its disclosure or use.

- 13.2 Protection of Proprietary Information: The Receiving Party hereby covenants and agrees that it will treat as confidential, will not use (other than as expressly contemplated by the parties in connection with the Relationship), and will not disclose in any manner any of the Disclosing Party's Proprietary Information, whether disclosed to the Receiving Party prior to, on or after the date of this Agreement. The Receiving Party further covenants and agrees that it will diligently protect all of the Disclosing Party's Proprietary Information against loss by inadvertent or unauthorized disclosure. The Receiving Party may disclose the Disclosing Party's Proprietary Information only to the Receiving Party's employees and advisors who have a need to know such information on a confidential basis and solely in connection with the use of such Proprietary Information as contemplated by the Relationship.

The Disclosing Party's Proprietary Information, and all documents and computer files evidencing the same, shall be and remain the sole and exclusive property of the Disclosing Party. The Receiving Party covenants and agrees that upon the Disclosing Party's request, the Receiving Party will immediately deliver to the Disclosing Party the originals and copies of any of the foregoing that have been provided to the Receiving Party or which the Receiving Party has provided to the Receiving Party together with any reports, notes, studies and analyses prepared by the Receiving Party regarding the Disclosing Party's Proprietary Information. In such event the Receiving Party will permanently delete all computer files containing such Proprietary Information.

- 13.3 Required Disclosures: If the Receiving Party (i) needs (for securities law purposes) to make disclosures of the Disclosing Party's Proprietary Information or (ii) becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoenas, civil investigative demands or otherwise) to disclose any of the Disclosing Party's Proprietary Information, the Receiving Party shall provide the Disclosing Party with prompt written notice so that in the case of subpart (i), the Disclosing Party can work with the Receiving Party to limit the disclosure to the greatest extent possible consistent with legal obligations, or in the case of subpart (ii), the Disclosing Party may seek a protective order or other appropriate remedy, or both. In the event that the Disclosing Party is unable to obtain a protective order or other appropriate remedy, or if the Disclosing Party so directs, the Receiving Party shall exercise its reasonable best efforts to obtain a protective order or other appropriate remedy at the Disclosing Party's reasonable expense. Failing the entry of a protective order or other appropriate remedy or receipt of a waiver hereunder, the Receiving Party shall furnish only that portion of the Disclosing Party's Proprietary Information that the Receiving Party is advised by opinion of its counsel that it is legally required to be furnished and shall exercise its reasonable best efforts to obtain reliable assurance that confidential treatment shall be accorded such Proprietary Information.

- 13.4 Secrecy: Star will not reveal Client's identity during the provision of the Services unless specifically instructed to do so by Client.

14. Indemnification

To the fullest extent provided by law, Client agrees to indemnify Star, its affiliates, officers, directors, employees and agents (the "Star Indemnified Parties") against any and all damages, losses, costs, claims, demands (including the cost, expenses, accountant and reasonable attorney fees incurred in connection with the defense of any such matter and the enforcement of this indemnification provisions) incurred by any of the Star Indemnified Parties as a result of any claim, lawsuit, action or proceeding (collectively, the "Star Claims"), which may be made or brought against any of the Star Indemnified Parties as a result of (i) the delivery or performance of Products as provided by Star, (ii) any breach of any representation, warranty, term or obligation of Client under any Sales Contract, or (iii) Client's failure to comply with all applicable laws, rules and regulations. Such indemnification shall specifically include, but shall not be limited to, any Client Claim made by a third party that is based on a negligence or any other tort theory, strict liability, products liability, incidental damages, consequential damages, indirect damages, special damages,

lost revenue, lost profits or, lost business theory. Client also agrees to indemnify the Star Indemnified Parties for any and all fines, charges, expenses, taxes and any other costs levied on Star by any agency or entity based on Star's delivery of performance of Products covered hereunder.

15. Default

Star reserves the right to cancel all or any part of a current Accepted Order and any other Accepted Orders outstanding, without liability to Client, if Client fails to perform under any applicable provision of these Terms and Conditions or of any applicable Accepted Order and the failure is not cured within ten (10) days after notice to Client by Star. In the event of termination, Star may exercise all rights and remedies available to it hereunder.

16. Bankruptcy or Insolvency

If Client files any petition under any bankruptcy reorganization, composition or insolvency law, or if any other person or entity files such petition with regard to Client, or if a receiver has been appointed to manage Client's affairs or property, Star, in its sole discretion, may terminate any Accepted Order or Sales Contract by written notice to Client. Star's termination shall not prejudice its rights to the amounts then due under an Accepted Order or a Sales Contract or to any other remedies available. In the event an action is brought by Star to collect the monies due hereunder, Client shall pay all cost of collection, including reasonable attorney's fees, and interest allowed by law.

17. Arbitration

All disputes, controversies, claims or differences which may arise between the parties hereto out of or in relation to or in connection with an Accepted Order or Sales Contract or the breach thereof, whether material or immaterial, or if either party commits a default hereunder, either party shall have the right to submit the matter to binding arbitration in accordance with the rules of the American Arbitration Association ("AAA"), as then in effect. If the matter or matters ("Matter") in dispute equals or exceeds Fifty Thousand Dollars (\$50,000), the Matter shall be considered by a panel of three arbitrators. Each party shall appoint one arbitrator within fifteen (15) days of receipt of notice of the other party requesting arbitration and the arbitrators so selected shall then select a third arbitrator. Upon failure of the parties to appoint an arbitrator (or of the arbitrators selected to appoint a third arbitrator) as contemplated in the foregoing sentence, AAA shall appoint an arbitrator. If the Matter in dispute is less than Fifty Thousand Dollars (\$50,000), the Matter shall be considered by a single arbitrator. The parties shall mutually agree to the single arbitrator, or if the parties are unable to so agree on an arbitrator within thirty (30) days following a request for arbitration by either party, the arbitrator shall be selected by AAA. The decision of the arbitrator(s) (by majority vote if there are three arbitrators) shall be binding upon all parties. If there are three arbitrators, each party shall bear the cost of its arbitrator and cost of the third arbitrator shall be borne by the non-prevailing party. If there is a single arbitrator, the non-prevailing party shall bear the cost of the arbitrator. Each party shall bear all of its own witness fees and attorneys' fees. The arbitration proceeding shall occur in Atlanta, Georgia.

18. Jurisdiction; Venue

For purposes of injunctive relief or should arbitration not be available, in any legal action relating to the sale and shipment of Products or the provision of Services under these Terms and Conditions, Client irrevocably agrees and consents (i) to the exercise of jurisdiction over it by the courts of the State of Georgia or the United States District Court for the Northern District of Georgia; and (ii) that if Client brings the action, it shall be instituted in one of the courts specified in Subsection (i) above. Service of process provided to Client in accordance with Section 21 below shall be effective and sufficient to establish jurisdiction and venue in such court in any such action. Should arbitration not be available, Star may institute legal action in any appropriate jurisdiction.

19. Governing Law

The Accepted Order, including these Terms and Conditions and any Transaction resulting thereof shall be governed by and construed in accordance with the laws of the State of Georgia, United States of America, but excepting any Georgia or United States rule, law or treaty which would result in the application of the law of a jurisdiction other than Georgia.

20. Severability

If any provision of an Accepted Order, including these Terms and Conditions shall be judged by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such adjudication shall not affect or modify any other provision of the Accepted Order, including these Terms and Conditions and the effect thereof shall be confined to the provision as to which such adjudication is made.

21. Notice

Any notice or other communication required or permitted by these Terms and Conditions to Star shall be sent postage prepaid, by certified mail, by courier such as United Parcel Service or e-mail, to the address set forth below: STAR COOPERATION USA, Inc., 303 Perimeter Center North, Suite 300 Atlanta, GA 30346, E-mail: info@star-cooperation.com. Notices shall be effective upon receipt.

22. Export

- 22.1 Star's Products are designed to remain in the country of delivery as agreed upon with the Client. The export of Products supplied hereunder by the Client may be subject to governmental approval. The Products are particularly subject United States export controls and embargo laws and regulations. It shall be Client's duty to independently gather information with regard to these laws and regulations from all appropriate authorities. Star shall not be liable for any export permission or export fitness.
- 22.2 It shall be Client's sole responsibility to obtain all necessary approvals from each respective export authority prior to exporting such Products. Any forwarding of Products governed hereunder by the Client to third parties, with or without Star's knowledge, shall require the transfer of the export licensing conditions. The Client shall at all times remain liable to Star for the correct adherence to this condition.

23. Assignment

Client shall not delegate any duties or assign any rights under any Accepted Order without the prior written consent of Star. Any such attempted delegation or assignment shall be void.

24. Third Party Rights

Nothing in any Proposal, Order Acceptance or Accepted Order is intended to confer any rights or remedies on any persons other than Client, Star, and their respective successors and permitted assigns.

25. Headings

The headings contained in these Terms and Conditions are included for mere convenience of reference and shall not affect the language included herein.

26. Amendment

Star reserves the right to change, modify, add, or delete portions of these Terms and Conditions from time to time without further notice. Any and all Products delivered and Services performed shall be pursuant to, and in accordance with, these Terms and Conditions as of the Effective Date

which is contemporaneous with, or in effect as of, the date of the applicable Order.

Effective as of April 1st, 2014

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