

Terms and Conditions of Sales: Textiles

PRICES

Purchase prices are listed on our website or as quoted by a McKinnon and Harris representative. Applicable taxes, shipping and handling charges are additional. All prices are subject to change without notice.

<u>TERMS</u>

We require full payment on all textile orders at time of order.

ORDERS

All textile orders placed by the customer are subject to acceptance by McKinnon and Harris and are not confirmed and accepted by McKinnon and Harris until full payment is received. Notification of our acceptance will be in the form of a sales invoice (the "Invoice"). Please review your Invoice very carefully. Accepted orders are subject to the terms and conditions set forth herein and on our Quotation, Invoice or listed on mckinnonharris.com, notwithstanding any variance in terms and conditions set forth on the customer's order form.

TAXES

All sales, use, excise, and other applicable taxes are to be paid by the customer. If a customer claims exemption from any tax, the customer shall submit to McKinnon and Harris the appropriate exemption certificates.

PRODUCTION LEAD TIME

Production lead times can vary and should be confirmed with a McKinnon and Harris representative. Many of our textiles ship within 1-2 weeks from time of order. The precise time of production and delivery is not a condition of sale.

FREIGHT

Italian Performance Fabrics ships FOB Italy. The delivery date communicated on our Invoice is only an indication and in accordance, any delays will not give the buyer the right to cancel orders, refuse merchandise or claim damages. We are distressed when something comes between our product and your satisfaction. Please contact our sales office and we will help you file a claim against the shipping company.

INSPECTION

The purchaser has 30 days to inspect the goods and notify McKinnon and Harris of any visible damage, defects, or nonconformity. Should the purchaser fail to notify McKinnon and Harris of any visible damage, defects, or nonconformity; or the purchaser uses or resells the goods; or the purchaser fails to inspect the goods; it shall be concluded that the goods delivered were conforming.

CHANGES AND CANCELLATION

Changes and cancellation must be requested in writing to our office and are not allowed without our written consent. Any cancellations authorized will incur a restocking charge of up to 100%. Changes are acceptable subject to our ability to comply and may involve extra charges and delays in delivery.

RETURNS

Any returns, regardless of reason, must be approved in writing by McKinnon and Harris and are not allowed without our written consent. Returns are subject to our shipping instructions.

OWNERSHIP OF INTELLECTUAL PROPERTY

Purchaser agrees that any and all creations designed, developed, produced, made, or supplied by McKinnon and Harris in connection with any arising contract shall remain the copyrighted property of McKinnon and Harris.

FORCE MAJEURE

Neither party shall be liable for any failure or delay in performance under this Agreement (other than for delay in the payment of money due and payable hereunder) to the extent said failures or delays are proximately caused by causes beyond that party's reasonable control and occurring without its fault or negligence, including, without limitation, failure of suppliers, subcontractors, and carriers, or party to substantially meet its performance obligations under this Agreement, provided that, as a condition to the claim of nonliability, the party experiencing the difficulty shall give the other prompt written notice, with full details following the occurrence of the cause relied upon. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

COMPLIANCE WITH LAWS

McKinnon and Harris complies with all federal, state and local laws, rules, regulations and ordinances applicable to the performance of the Work, including but not limited to all laws, rules, regulations and ordinances pertaining to occupational health and safety.

CONFIDENTIAL INFORMATION

Purchaser and McKinnon and Harris may have a proprietary interest in certain Confidential Information furnished to each other pursuant to this Agreement. Purchaser and McKinnon and Harris shall keep in confidence and shall not disclose, without the prior written consent of the disclosing party, any such Confidential Information, provided it is disclosed in writing and marked as Confidential Information at the time of disclosure.

GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by the laws of the Commonwealth of Virginia, without giving effect to the choice of laws principles thereof, and is deemed to have been executed, entered into and performed within Richmond, Virginia. The parties hereby irrevocably submit to jurisdiction in the Commonwealth of Virginia, and venue shall lie in the Circuit Court for the City of Richmond or the United States District Court for the Eastern District of Virginia, Richmond Division. The parties hereby waive any objection to such jurisdiction and venue.

NON-WAIVER OF RIGHTS

The failure of Purchaser to demand strict performance of the terms of, or to exercise any right conferred in, this Agreement shall not be construed as a waiver or relinquishment of its right to assert or rely upon any such term or right in the future, or a consent to any continuing or subsequent failure or breach.

SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the parties hereto and their directors, officers, employees, agents, successors, and assigns.

NOTICES

Notices to the parties concerning this Agreement shall be effective only when in writing and delivered via mail or electronic-mail to the authorized representative or corporate officer of the other party. The date sent shall be the effective date of such notice.

LIMITED WARRANTY

McKinnon and Harris (the "Company") warrants to the original residential end use purchaser ("Purchaser") and while owned by the Purchaser that (i) its Italian Performance Fabrics shall be free from defects in material and workmanship for six (6) years from the date of shipment under normal use and service. This warranty does not cover damage which results from neglect, accident, intentional misuse, normal wear and tear, commercial use, acts of nature, wind, stains resulting from suntan lotions, caustic chemicals, leaves, birds and the elements, unauthorized repair, alteration, abuse, or misuse.

The purchaser is expected to promptly inspect the products for defect upon delivery and prior to installation or other processing of the products. This warranty does not cover claims for conditions or damages caused by shipping, abuse, accidents, alterations, misuse, neglect, reverse crocking/dye transfer, normal wear and tear, or other physical damage, or from failure to exercise due care in the measurement, installation, cleaning or maintenance of the textile. This warranty also does not cover claims for scuffs, scratches, scrapes, tears and abrasive or excessive wear and will not cover claims for damage due to repair, alteration, or modification of the products by anyone other than Seller, unless such repair, alteration or modification is authorized by Seller in writing.

The obligation of the Company under this warranty is limited, in the sole discretion of the Company, to either replace the products with one of similar type and quality or reimburse the purchaser for the cost of the product, if, to the satisfaction of

the Company and in the Company's sole discretion, the products as manufactured proves defective under normal use and service and for the purpose for which it was intended and if the product was properly handled, stored, installed and maintained in accordance with written instructions and/or industry standards.

No products will be accepted by the Company for replacement under this warranty without the prior written approval from the Company. Returned textiles are subject to shipping instructions by the Company and all costs of shipping from the Purchaser to the Company and to the Purchaser from the Company, including, but not limited to, the cost of appropriate packaging and freight charges, are the sole responsibility of the Purchaser. Freight to be prepaid by Purchaser, no C.O.D. shipments will be accepted by the Company.

This warranty shall not apply after the products have been cut, installed, or otherwise processed.

TO THE EXTENT PERMITTED BY LAW, THIS WARRANTY AND REMEDIES SET FORTH ABOVE ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, REMEDIES AND CONDITIONS, WHETHER ORAL OR WRITTEN, STATUTORY, EXPRESS OR IMPLIED. AS PERMITTED BY APPLICABLE LAW, THE COMPANY SPECIFICALLY DISCLAIMS ANY AND ALL STATUTORY OR IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES AGAINST HIDDEN OR LATENT DEFECTS. IF THE COMPANY CANNOT LAWFULLY DISCLAIM STATUTORY OR IMPLIED WARRANTIES THEN TO THE EXTENT PERMITTED BY LAW, ALL SUCH WARRANTIES SHALL BE LIMITED IN DURATION TO THE DURATION OF THIS EXPRESS WARRANTY AND TO REPAIR OR REPLACEMENT SERVICE AS DETERMINED BY THE COMPANY IN ITS SOLE DISCRETION. SOME STATES AND COUNTRIES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

UNDER NO CIRCUMSTANCES SHALL THE COMPANY BE LIABLE OR RESPONSIBLE TO PURCHASER OR ANY OTHER PERSON FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER DIRECT OR INDIRECT, AND WHETHER ARISING OUT OF BREACH OF THIS LIMITED WARRANTY, BREACH OF CONTRACT, TORT OR OTHERWISE. SOME STATES AND COUNTRIES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU.

This warranty gives you specific legal rights, and you may also have other rights which vary from state to state and country to country. No Company reseller, agent, or employee is authorized to make any modification, extension, or addition to this warranty.

For further information about this limited warranty, call 804.358.2385.