



TERMS AND CONDITIONS OF SALE

Rubberlogix, Inc.

1. TERMS OF ACCEPTANCE

Acceptance by **Rubberlogix, Inc.** (“Seller”) of any order is expressly conditioned upon Buyer’s agreement to these Terms and Conditions of Sale (the “Agreement”). Buyer shall be deemed to have accepted this Agreement by: (a) failing to object in writing within five (5) days; (b) issuing a purchase order; or (c) accepting delivery of Products.

This Agreement supersedes all other terms, including Buyer’s purchase order terms, unless expressly agreed in writing by Seller.

2. DELIVERY; SHIPPING INSTRUCTIONS; ORDER CHANGES

All delivery dates are estimates only and are not guaranteed. Time is not of the essence. Seller shall not be liable for delays, early shipments, partial shipments, or failure to meet estimated dates regardless of cause.

Buyer must provide shipping instructions at least seven (7) business days prior to shipment.

No order changes will be permitted within five (5) business days of shipment without Seller’s written approval. Changes to shipping location or carrier must be made at least two (2) business days prior to shipment.

For custom or made-to-order Products, no changes to formula, quantity, drawings, or specifications will be accepted more than twenty-four (24) hours after order confirmation. Cancellation of custom orders will result in Buyer being financially responsible for all production completed, work in progress, and raw materials procured.

“Ship ASAP” or “Quickship” or rush orders may not be modified after twenty-four (24) hours.

3. PRICING AND CREDIT TERMS

Prices are those in effect at time of shipment. Payment terms are cash in advance unless credit is approved. Seller may revoke credit at any time.



Past due balances accrue interest at 1.5% per month. Buyer is responsible for all collection costs, including attorney's fees.

Seller retains a security interest in all Products sold and may file financing statements as necessary.

4. TITLE AND RISK OF LOSS

Risk of loss transfers as follows:

- FOB Origin: upon carrier pickup
- FOB Destination: upon delivery
- International: per applicable Incoterms

5. FREIGHT CLAIMS

Buyer must inspect shipments at delivery. Visible damage must be noted on the Proof of Delivery (POD). Concealed damage must be reported to seller within twenty-four (24) hours of delivery or is waived.

6. WARRANTIES AND DISCLAIMERS

Seller warrants only that Products meet Seller's specifications at time of shipment.

ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE DISCLAIMED.

Seller shall not be liable for indirect, incidental, special, or consequential damages.

Buyer's sole remedy is replacement, credit, or refund at Seller's discretion, not to exceed the purchase price.

7. FORCE MAJEURE AND PRODUCT ALLOCATION

Seller is not liable for delays or failure due to events beyond its control, including labor shortages, supply disruptions, transportation issues, government action, or raw material shortages.



If Seller cannot meet total demand, Seller may allocate available Product among customers in a fair and reasonable manner, with priority given to sole-sourced customers and Seller's own operational needs.

8. TECHNICAL ADVICE

Any technical advice or supervision is provided without liability unless agreed in writing.

9. INSTALLATION RESPONSIBILITY

Buyer is solely responsible for evaluation, selection, and retention of qualified installers.

10. DRAWINGS, PATTERNS, AND WORK PRODUCT

All drawings, formulas, patterns, samples, and related materials ("Work") remain the exclusive property of Seller. Buyer assigns all rights in such Work to Seller.

11. CLAIMS, INSPECTION, AND ACCEPTANCE

Buyer must inspect Products within three (3) days of receipt and before use. Failure to notify Seller constitutes irrevocable acceptance.

Use or installation of Product constitutes full acceptance and waiver of pre-installation claims.

All claims are limited to the purchase price of the Product in question.

Buyer is solely responsible for determining suitability and assumes all risk of use, including use with other materials, and shall indemnify Seller accordingly.

No action may be brought more than one (1) year after the cause accrues.

12. INDEMNIFICATION

Buyer indemnifies Seller against all claims arising from misuse, improper installation, resale, unauthorized representations, or violations of law.



13. TAXES

Buyer is responsible for all applicable taxes unless exemption certificates are provided.

14. CANCELLATION AND RETURNS

Orders may not be canceled, modified, deferred, or rescheduled without Seller's prior written approval.

Seller reserves the right, in its sole discretion, to reject any requested cancellation or modification after an order has been entered into production, scheduled for production, or materials have been procured.

For custom, specialty, made-to-order, non-standard, or specialty cut Products, Buyer shall be responsible for all costs incurred by Seller related to the order, including but not limited to:

- Raw Materials
- Production Labor
- Machine Time
- Packaging
- Storage
- Freight Arrangements
- Work in Progress
- Finished Goods
- Administrative Costs

If any portion of an order has been partially or fully produced at the time of cancellation, Seller reserves the right to invoice Buyer for up to one hundred percent (100%) of the full order value, regardless of shipment status.

Products manufactured specifically for Buyer may not be returned unless expressly approved in writing by Seller. Approved returns are subject to Seller's return policies, inspection, and applicable restocking, handling, freight, and repackaging charges.

Seller shall have no obligation to mitigate damages associated with canceled custom or made-to-order Products.



15. DISCONTINUATION

Seller may discontinue Products at any time without liability.

16. INSURANCE

Buyer shall maintain adequate insurance and name Seller as an additional insured upon request.

17. COLLECTION RIGHTS

Seller may suspend shipments, reclaim goods, demand cash in advance, or terminate this Agreement if Buyer fails to pay or Seller believes Buyer cannot meet obligations.

18. SUCCESSORS AND ASSIGNS

This Agreement is binding but not assignable without Seller's consent.

19. LIMITATION OF ACTIONS

All claims must be brought within one (1) year.

20. SEVERABILITY

Invalid provisions do not affect the remainder.

21. GOVERNING LAW AND VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina. Any dispute arising out of or relating to this Agreement shall be resolved by binding arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules. The arbitration shall take place in Mecklenburg County, North Carolina. The prevailing party shall be entitled to recover reasonable attorney's fees



and costs.

22. COMPLIANCE WITH LAWS

Buyer must comply with all applicable laws and regulations and shall not take any action that exposes Seller to penalties.

23. INTELLECTUAL PROPERTY

All intellectual property rights remain with Seller. No license is granted.

24. MISCELLANEOUS

Seller retains all rights available at law or equity.

25. INSTALLATION SCHEDULING; NO LIABILITY FOR DELAYS OR NONCONFORMING PRODUCT

Buyer acknowledges that all installation schedules are at Buyer's sole risk.

Seller shall not be liable for labor costs, travel, lodging, equipment rental, project delays, penalties, or third-party costs, regardless of cause, including any Seller error.

26. FIELD VERIFICATION; INSTALLATION CONSTITUTES ACCEPTANCE

Buyer must verify all Products prior to installation. Installation constitutes full acceptance and waiver of any claims for defects or nonconformance.

Seller shall not be liable for any costs incurred after installation begins.

27. COLOR, MATERIAL, AND DIMENSIONAL VARIATION

Buyer acknowledges that color, texture, thickness, dimensions, and formulation variations are inherent in rubber and EPDM products and are not defects. Such variations shall not justify rejection or claims.



28. Sample Disclaimer and Color Verification Responsibility

Product samples are provided by **Rubberlogix, Inc.** as a courtesy for general reference only. Samples are intended to represent approximate color, texture, and composition and may not reflect exact production lot characteristics.

When Buyer, distributor, dealer, or any third-party seller uses samples to market or sell Products to their customer, it is the sole responsibility of that party to ensure that the color, style, and Product selected by their customer exactly matches the Product ordered from Seller.

Seller shall not be responsible for any claims, rejections, returns, or costs arising from a mismatch between a sample viewed by a customer and the Product ordered, produced, or delivered. Verification of correct color and Product selection prior to order placement is the sole responsibility of Buyer and any third-party seller acting on Buyer's behalf.

29. Specialty Cut Products; Tolerances; Prepayment Requirements

Products requiring specialty cutting, custom dimensions, non-standard sizing, or processing outside Seller's normal production standards ("Specialty Cut Products") are subject to manufacturing tolerances and dimensional variation.

Buyer acknowledges and agrees that rubber flooring and EPDM products may shrink, expand, or vary after cutting due to material characteristics, temperature, handling, packaging, storage, or transit conditions. Any Product requested to be cut to a specific length, width, or dimension may be subject to reasonable dimensional variance and tolerance.

Prior to production, Buyer must review and approve all applicable dimensional tolerances in writing. Seller shall have no responsibility for claims relating to dimensional variation that falls within approved tolerances.

For all Specialty Cut Products:

- Buyers with approved payment terms shall pay fifty percent (50%) of the total order value prior to production.
- Buyers without approved payment terms shall pay one hundred percent (100%) of the order value prior to production.

Production will not begin until required prepayment has been received, and tolerances have been approved in writing by Buyer.



30. Storage Fees for Held Orders

Finished Product requested to be held beyond thirty (30) calendar days from the original production completion date shall be subject to storage fees of Ten Dollars (\$10.00) per pallet, per day until shipment occurs.

To avoid storage charges, Buyer must clearly specify any required delayed shipment date or hold-for-release instructions on the original purchase order prior to production.

Seller reserves the right to invoice and collect all accrued storage fees prior to release or shipment of Product. Failure by Buyer to arrange shipment of held Product within a reasonable period may, at Seller's discretion, constitute cancellation of the order, with Buyer remaining responsible for all Products produced, storage charges, and related costs incurred by Seller.
