



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

Seller shall issue an Order Confirmation for each accepted order. Upon Buyer's approval, the Order Confirmation shall constitute the final and controlling record of the Products ordered, quantities, pricing, specifications, shipping instructions, requested shipment dates, and other order-specific terms. The approved Order Confirmation supersedes all prior communications, quotations, purchase order notes, emails, verbal instructions, and other correspondence relating to that specific order, except as otherwise expressly agreed to in writing by Seller.

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.

Any dates shown on Buyer's Purchase Order are requested dates only unless expressly accepted in writing by Seller. Seller's approved Order Confirmation shall establish the governing shipment schedule.

Buyer shall review Seller's Order Confirmation promptly and notify Seller of any discrepancies prior to production or shipment. Seller shall be entitled to rely upon the approved Order Confirmation when manufacturing and shipping the Products.

No oral statements, prior dealings, course of performance, emails, text messages, or other communications shall modify these Terms and Conditions or an approved Order Confirmation unless expressly agreed to in writing by an authorized representative of Seller.

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

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.

Buyer shall inspect all shipments immediately upon delivery and shall note any visible damage, shortages, or irregularities on the delivery receipt, proof of delivery, or bill of lading before signing.

Buyer shall be responsible for timely reporting and filing all freight claims relating to loss, shortage, delay, damage, contamination, theft, or other transportation-related issues with the delivering carrier.

Failure to properly document damage or shortages at the time of delivery may result in denial of the claim by the carrier, and Seller shall have no liability for such denial.

At Buyer's request, Seller may provide reasonable documentation available to Seller in support of a freight claim; however, Seller shall have no obligation to pursue, manage, settle, or pay any freight claim on Buyer's behalf.

Buyer shall provide sufficient documentation to allow Seller to evaluate any claim, including photographs, measurements, lot numbers, packaging, and any other information reasonably requested by Seller. Seller reserves the right to inspect the Product or request samples before authorizing replacement, credit, or refund. Failure to provide requested documentation may result in denial of the claim.

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.

If Buyer refuses delivery, fails to accept delivery, or requests return of conforming Product for reasons other than Seller's breach, Buyer shall be responsible for all freight, return freight, storage, handling, administrative costs, and any other expenses incurred by Seller.

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.

31. Raw Material, Freight, and Energy Surcharge

Seller's quoted prices are based upon raw material, freight, fuel, packaging, labor, and energy costs in effect at the time of quotation.

Seller reserves the right to implement surcharges, adjust pricing, or revise quotations at any time prior to shipment if there is a significant increase in the cost of raw materials, freight, fuel, energy, packaging materials, labor, tariffs, duties, taxes, or other costs beyond Seller's reasonable control.

Any such surcharge or price adjustment shall be communicated to Buyer prior to shipment. Buyer may cancel any unproduced portion of the order within five (5) business days of notification of such adjustment. If production has commenced, materials have been procured, or Product has been completed, Buyer shall remain responsible for all costs incurred and any applicable cancellation charges.

Seller's determination of increased costs and resulting surcharge amounts shall be made in good faith and shall be final absent manifest error.

32. Packaging and Transit Damage

Buyer acknowledges that pallets, crates, stretch wrap, strapping, corner protectors, cartons, and other shipping materials are intended solely to facilitate transportation and handling of Products. Damage to packaging materials, pallets, or shipping aids during transit shall not constitute Product damage, Product nonconformance, or grounds for rejection of Product, provided the Product itself remains usable and conforms to Seller's specifications.

Seller shall have no obligation to retrieve, inspect, repack, replace packaging materials, reship, credit, refund, or otherwise incur costs associated with packaging or pallet damage caused during transportation when the Product itself is not damaged or rendered unusable.

If Buyer requests inspection, repackaging, replacement packaging, return freight, reshipment, or other corrective actions relating solely to packaging or pallet damage, Seller may provide such services at Buyer's expense. Buyer shall be responsible for all associated freight, labor, packaging, storage, and administrative costs.

Any claims relating to packaging damage occurring during transportation shall be pursued by Buyer against the carrier in accordance with applicable freight claim procedures.

Seller's responsibility ends when conforming Product is tendered to the carrier. Damage to packaging, pallets, or shipping materials occurring after tender to the carrier shall be the responsibility of the carrier and/or Buyer.

Seller's voluntary assistance with any freight claim shall not create a continuing obligation to do so and shall not constitute an admission of liability.

33. Credit Holds; Suspension of Production and Shipments

Seller reserves the right, at any time and in its sole discretion, to place any order on hold, suspend production, withhold shipment of completed Products, refuse acceptance of new orders, revoke previously extended credit, require payment in advance, or otherwise modify Buyer's credit terms without prior notice if:

- Buyer has any past due balance owing to Seller
- Buyer exceeds its approved credit limit



- Seller reasonably determines that Buyer's financial condition or creditworthiness has become impaired or unsatisfactory
- Buyer fails to comply with the payment terms of this Agreement
- Seller otherwise determines that continued extension of credit presents an unreasonable financial risk

Seller shall have no obligation to provide advance notice before implementing any credit hold or suspension under this Agreement. Any notice subsequently provided shall be deemed a courtesy only and shall not limit Seller's right to take immediate action.

Seller shall have no liability for any delay in production, shipment, delivery, project completion, labor costs, liquidated damages, storage charges, lost profits, or any direct, indirect, incidental, consequential, or special damages arising from the exercise of its rights under this Section.

Any order placed on credit hold shall remain on hold until Buyer has remedied the condition giving rise to the hold to Seller's satisfaction. Seller's release of any order following a credit hold shall be at Seller's sole discretion.

Seller's decision to extend credit, release an order, or waive enforcement of these provisions on any occasion shall not constitute a waiver of Seller's right to enforce these provisions on any future transaction.