CARNEGIE FABRICS TERMS AND CONDITIONS

1. BASIS OF SALE

1.1 We, Carnegie Fabrics, LLC (hereinafter "**Carnegie**"), shall sell, and you ("**Customer**") shall buy, the products (the "**Goods**") that Carnegie is supplying to Customer, in each case subject to these terms and conditions ("**Conditions**") and the Contract (as defined below) between Carnegie and Customer, to the exclusion of any other terms which Customer may ask Carnegie to sign or which Customer may supply.

1.2 "**Contract**" means, collectively, an Order that is accepted by Carnegie, these Conditions and the written agreement between Carnegie and Customer regarding the payment terms of such Order described in Section 3.3.

1.3 "**End User**" means (i) each agent of Customer authorized by Customer to use Goods on Customer's behalf, and (ii) any person to whom Customer sells, transfers, assigns, installs on behalf of or otherwise provides Goods.

1.4 "**Order**" means a written request by Customer to purchase Goods from Carnegie on Carnegie's form available at https://carnegiefabrics.com/media/document/order_forms/CARNEGIE_ORDER_FORM_-_REVISED_032620_OPEN_.pdf (or any successor website) that, when accepted by Carnegie, shall be part of a Contract.

1.5 "**Price Lists**" means Carnegie's price lists for Goods, available at carnegiefabrics.com/price-lists (or any successor website) or as otherwise provided by Carnegie to Customer.

1.6 Customer's commencement of any act consistent with ordering Goods, or ordering Goods in any manner, whichever is earlier, shall conclusively evidence unconditional acceptance of the Contract. The Contract constitutes the entire agreement between Carnegie and Customer for the supply of Goods. Without limiting the foregoing, any variation to these Conditions must be agreed in a writing signed by Carnegie's authorized representative that specifically references this Contract and the section(s) to be varied. Carnegie objects to, and is not bound by, any terms that Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing, that differs from or adds to the Contract. Any proposal, invoice, attempted acknowledgment of an order or similar document containing terms inconsistent with, or in addition to, these Conditions shall not be binding, and is expressly rejected, even if executed by an authorized Carnegie representative.

1.7 No quotation provided by Carnegie, including through its Price Lists, is an offer. Customer must provide an Order to Carnegie, which Carnegie may accept in its sole discretion, either in writing or by performance (*i.e.*, by supplying Goods). Customer is responsible for ensuring that Customer's Order is accurate and for giving all the information Carnegie needs to complete the Order.

2. CANCELLATION AND DELAY

Carnegie will not be liable to Customer or be in breach of the Contract by reason of delay or failure to perform any of Carnegie's obligations if the delay or failure was due to any cause beyond Carnegie's reasonable control. Orders are not cancellable by Customer (and amounts paid in respect of Orders are non-refundable). Without limiting the foregoing, Orders including non-standard or custom products may require additional advance payments and/or deposits or escrowed amounts to be provided to Carnegie prior to production; all amounts paid in respect of any such Order are non-refundable.

3. PRICE & PAYMENT

3.1 Carnegie reserves the right to increase the price of Goods to reflect any increase in cost by giving notice before delivery.

3.2 Prices quoted by Carnegie are exclusive of costs of delivery (including but not limited to transport, packaging, insurance and any taxes, duties or surcharges) and any applicable sales tax, unless otherwise stated.

3.3 Payment for Goods is due and payable as agreed upon by Carnegie and Customer in writing, in USD. Payment is due and payable immediately upon cancellation or termination of the Contract between Carnegie and Customer.

3.4 Carnegie is entitled to set off sums owed to Customer against sums owed by Customer to Carnegie.

3.5 If Customer fails to make payment on or before the due date, the total price of Goods becomes immediately due and payable and Carnegie may claim interest at the rate of 1.5% per month on any late payment, compounded, unless otherwise limited by law.

4. DELIVERY, PERFORMANCE, RISK AND PROPERTY

4.1 Unless otherwise set forth in writing by Carnegie or otherwise agreed between the parties, all Goods will be delivered to Customer EXW (Incoterms 2020), Carnegie's location, or at the address designated by Carnegie at the time of ordering, and Customer is responsible for duty, freight, and insurance which will be added to the invoice and paid by Customer. Customer shall be responsible for complying with any legislation or regulations governing the importation of Goods into the country of destination and for the payment of any duties on Goods. Any dates for delivery are approximate only and Customer shall not be entitled to refuse to accept Goods because of any change in delivery date.

4.2 Delivery occurs when Customer collects Goods from Carnegie or, if delivery is to be made by Carnegie (whether directly to Customer or indirectly to an intermediary), by Carnegie delivering or otherwise making available Goods to Customer or such intermediary.

4.3 Risk of loss with respect to Goods shall transfer to Customer once Goods have been delivered to Customer. Carnegie reserves a purchase money security interest in Goods until all amounts due to Carnegie in respect of such Goods have been paid in full by Customer.

4.4 Title to Goods passes to Customer upon delivery to address/location agreed to on Purchase Order.

5. LIMITED WARRANTY

5.1 Carnegie provides a warranty with respect to Goods purchased by Customer under a Contract, which warranty is in lieu of all other warranties (express or implied) and is set forth at carnegiefabrics.com/media/document/pricelists/Carnegie_Fabrics_Warranty.pdf (or any successor website) (the "**Warranty Statement**"), which Warranty Statement is hereby integrated into the Contract.

5.2 While Carnegie uses commercially reasonable efforts to provide suitable illustrations and descriptions relating to Goods in flyers, catalogs, brochures, or other descriptive matter provided by Carnegie, including but not limited to its Price Lists and the Warranty Statement (collectively, "**Documentation**"), Documentation does not form part of the Contract nor amount to any representation or warranty by Carnegie except as set forth in Section 5.3. Customer acknowledges that it is not relying on any representations made by Carnegie outside of the Contract. Any suggestions or advice given by Carnegie or its employees or agents to Customer or its employees or agents as to the application or use of Goods which is not contained in the written operating instructions provided by Carnegie shall not be construed as any representation or warranty of Carnegie and are hereby disclaimed in their entirety. If Customer acts on the foregoing, Customer does so at its own risk.

5.3 Carnegie warrants to Customer that, when installed in strict

accordance with the installation instructions included in the Documentation made available by Carnegie regarding particular Goods, such Goods will comply in all material respects with the applicable Documentation.

5.4 Other than the express warranties made by Carnegie in the Warranty Statement and in Section 5.3 of these Conditions, Carnegie hereby disclaims all other warranties, express and implied, including all warranties, conditions or other terms implied by statute, common law, trade usage or otherwise.

6. SUPPORT SERVICES

To the extent that Carnegie provides any support or maintenance services for Goods to Customer, such services are provided at Carnegie's sole discretion, without any obligation to Customer to provide or continue to provide such services, and on an "AS IS" basis, with all faults. Carnegie hereby disclaims all responsibility for any acts or omissions in connection with the provision of any such services.

7. CONFIDENTIALITY AND INTELLECTUAL PROPERTY

7.1 Customer acknowledges that, in connection with the Contract and its relationship with Carnegie, Customer may obtain information relating to Goods, or to Carnegie itself, which is of a confidential and proprietary nature ("**Confidential Information**"). Confidential Information includes, but is not limited to, any information about Goods, trade secrets, know how, inventions, techniques, processes, schematics, documentation, customer lists, financial information, or sales and marketing plans or information. Customer shall keep in trust and confidence all Confidential Information and shall not use such Confidential Information other than as expressly authorized by Carnegie under the Contract, nor shall Customer disclose any such Confidential Information to any third party without Carnegie's written consent. The obligations of confidentiality shall not apply to information which (i) has lawfully become publicly available except as the result of Customer's action or inaction; (ii) prior to disclosure hereunder was already rightfully in Customer's possession (without obligation of confidentiality) as evidenced by written records; (iii) subsequent to disclosure hereunder is obtained by Customer on a non-confidential basis from a third party who has the right to disclose such information to the Customer; or (iv) is independently developed by or for Customer without use of the Confidential Information disclosed hereunder. Without prejudice to any other rights or remedies Carnegie may have, Customer acknowledges and agrees that (i) if Customer breaches or threatens to breach this Section 7, Carnegie will suffer immediate, irreparable harm for which monetary damages would provide inadequate compensation; (ii) Carnegie shall be entitled to the remedies of injunction, specific performance and any other remedies available at law or in equity for any such threatened or actual breach; and (iii) Customer waives any requirement for the securing or posting of any bond in connection with any such remedy, in addition to waiving the adequacy of a remedy at law as a defense to such relief.

7.2 All patent, copyright, trademark, trade secret, or other intellectual property rights in all Goods are and shall remain vested in Carnegie and nothing in these Conditions shall be construed as granting to Customer a license to such intellectual property rights or any right of manufacture of Goods. In any cases where Customer supplies designs or specifications to Carnegie to enable the manufacture of non-standard or custom-made Goods, Customer warrants that such manufacture will not infringe the intellectual property rights of any third party and will indemnify and hold harmless Carnegie and its agents against any claim or loss arising in connection with the foregoing.

8. LIABILITY

8.1 Except to the extent prohibited by applicable law, this Section 8 out Carnegie's entire financial and legal liability (including any liability for the acts or omissions of Carnegie's employees, agents or subcontractors) to Customer in respect of any legal claim under any theory (breach of contract, tort, or other) in connection with the Contract. Customer acknowledges and agrees that this Section 8 forms an essential basis of the bargain in the Contract and that but for this Section, Carnegie would not have entered into the Contract.

8.2 Carnegie's total liability in connection with the Contract, whether in contract, tort (including negligence or breach of statutory duty) or otherwise, shall be limited to the amount paid by Customer to Carnegie under the applicable Order in the six (6) months prior to the event giving rise to the applicable claim. Carnegie is not liable to Customer for any loss of profit, commercial loss, depletion of goodwill or any indirect, special or consequential loss, damage, costs or expenses whatsoever.

8.3 Except with respect to Carnegie's breach of Section 5.3 and Carnegie's obligation to provide the warranty remedies set forth in the Warranty Statement for properly tendered, valid warranty claims under the Warranty Statement, Customer hereby voluntary release and forever discharges and covenants not to sue Carnegie and its officers, directors, employees, agents, affiliates, successors and assigns (collectively, "**Releasees**") from any and all liability, claims, demands, actions or rights of action, which are related to, arise out of, or are in any way connected with Customer's or an End User's use of Goods, including without limitation any and all negligence or fault of any Releasee. CUSTOMER UNDERSTANDS THIS IS A RELEASE OF LIABILITY THAT IS VALID FOREVER, and will apply to all current and future use of Goods. Customer understands that this release of liability will prevent Customer and any of its successors, assigns or affiliates from bringing any action at law, suit in equity, or other jurisdictional proceeding or making any claim for damages, injury, death or property damage arising from or relating to Customer's or an End User's use of Goods.

8.4 Customer shall indemnify and hold Carnegie harmless in respect of all claims, damages, and losses of any kind arising or in connection with: (i) any non-compliance by Customer with any provision in the Contract; or (ii) Customer's or an End User's use of Goods (except to the extent directly caused by Carnegie's breach of Section 5.3 or Carnegie's breach of its obligations under the Warranty Statement).

9. TERMINATION AND DEFAULT; MISCELLANEOUS

9.1 If Customer breaches any provision of the Contract and does not cure such breach (if capable of cure) within ten (10) days after having been made aware of it by Carnegie, Carnegie may, without limiting its other legal or equitable remedies, terminate or suspend any or all of its obligations to Customer and repossess Goods (and Customer shall fully cooperation to enable the foregoing), without being obligated to return any payments that may have been made to Carnegie. Customer shall reimburse Carnegie for all reasonable costs incurred by Carnegie in undertaking any such repossession.

9.2 If any of these Conditions is found to be unenforceable, the remaining Conditions shall remain in full force and effect, and any unenforceable Condition shall be replaced by a legally effective Condition that comes as close as possible to the purpose of the unenforceable Condition. Failure on any occasion by either party to enforce any Condition shall not prevent enforcement on any other Condition. The Contract is made in, governed by and shall be construed in accordance with the laws of the State of New York without reference to its principles of conflict of laws.