



Terms of Sales for Sefar Inc., USA **Applicable for Architecture Products**

Seller shall sell and deliver to Buyer and Buyer shall purchase and accept from Seller the goods described on the Sefar quotation or purchase order confirmation document (the "Goods") pursuant to the terms and conditions both on the face hereof and those specified below (the "Terms"), which taken together shall constitute the entire agreement between Seller and Buyer regarding the Goods. No other terms and conditions shall be of any effect unless otherwise specifically provided by separate written agreement duly signed by an officer of the Seller. Buyer will be deemed to have assented to all Terms if any part of the Goods is accepted by Buyer. If Buyer finds any Term not acceptable, Buyer must so notify Seller at once and must reject all Goods delivered under this document. Any additional or different terms or conditions contained in Buyer's order or response hereto shall be deemed objected to by Seller and shall be of no effect.

1. GOODS

Goods shall refer to (i) to goods in inventory and/or (ii) to goods specially made for Buyer (i.e. goods made for Buyer pursuant to Buyer's material specifications or manufacturing specifications or quantity specifications). Unless stated to the contrary, all Terms shall equally apply both to goods in inventory and to specially made goods for Buyer.

2. PRICE CHANGES; DELIVERY TERMS

- (a) Prices for goods will be governed by Seller's current prices which are available on request. Price quotations for specially made goods will be furnished by Seller on request.
- (b) Seller may change its prices and delivery Terms for Goods by giving Buyer prior notice that there will be a change. If Seller has given a price based on the need to meet competition, Seller may without notice to Buyer withdraw any meet-competition price or allowance and return to the price from which Seller departed.
- (c) Seller may without notice to Buyer increase the price of any Goods by the amount of any new or increased tax (excluding franchise, net income and excess profits taxes) which Seller may be required to pay on the manufacture, sale, transportation, delivery or use of any Goods or the materials required for their manufacture or which affects the cost of such materials.
- (d) Price changes shall be effective when adopted by Seller whether or not notice is required. Buyer's sole remedy shall be either (i) notice to Seller rejecting price received by Seller before shipment or (ii) if Buyer receives any required notice after shipment, then Buyer must reject all Goods.

3. TERMS OF PAYMENT

- (a) At Sefar's sole discretion Payment Terms may be extended to the Buyer upon completion of Sefar's Credit Application. Except as provided in paragraph 3(b) below, all invoices shall be due and payable by Buyer within thirty (30) days from the invoice date. Payments shall be by check or electronic transfer subject to collection and shall be received by Seller within said thirty (30) day period. Buyer shall make payments without a cash discount or offset and Seller shall not be required to incur any expense to receive timely payment in full as required by this Document.
- (b) Seller may without notice change or withdraw extensions of credit at any time. If Seller ceased to extend credit terms before shipment, Buyer's sole remedy shall be cancellation of its order. If Buyer does not receive notice before shipment, its sole remedy shall be rejection of the Goods immediately upon delivery.
- (c) If Buyer fails to make payment on or before the date required, Buyer shall pay interest to seller at the rate of one and one-half percent (1.5%) per month or such lesser amount permitted by law. The specification or charging of interest shall not be deemed an agreement to extend credit.

4. DELIVERY TERMS

- (a) Except as specified in this document, orders for Goods may not be cancelled without Seller's prior written consent and the payment of cancellation charges. Seller shall specify the cancellation charges upon inquiry by Buyer.
- (b) Goods shall be sold and delivered F.O.B. Seller's shipping point designated herein or at Seller's option F.O.B. any of its other shipping points with freight absorbed by Seller to the designated shipping point. If no shipping point is designated, Goods are sold and delivered F.O.B. actual shipping point of manufacture. Title to and risk of loss for the Goods shall pass to Buyer upon Seller's delivery thereof to carrier.
- (c) Buyer shall, subject to Seller's available facilities at the shipping point, determine the type of transportation and shall and shall notify Seller

thereof at the time Buyer places each order. If Buyer shall fail to so notify, Seller may select any commercial ship, motor or rail carrier or any combination thereof. Seller will, except as provided in Paragraph 7(a) with respect to specially made Goods, make deliveries of Goods in the quantities ordered as near as reasonably possible to Buyer's requested delivery dates.

- (d) Seller shall not be liable to Buyer for delays in delivery or damage to Goods while in transit, irrespective of whether Seller or Buyer determined the mode of transportation.
- (e) For freight that is "prepaid and add" (PPD&ADD):
 - (i) shipping charges may include shipping and handling and (ii) shipping carrier selection is at Sefar's sole discretion.

5. FORCE MAJEURE

Seller shall not be liable to Buyer or any other person for any failure or delay in the performance of any obligation under this Agreement due to events beyond its reasonable control, including, but not limited to fire, storm, flood, earthquake, explosion, accident, acts of the public enemy, wars, riots and public disorder, sabotage, strikes, lockouts, labor disputes, labor shortages, work slowdown, stoppages or delays, shortages or failures or delays of energy, materials, supplies or equipment, transportation embargoes or delays, acts of God, breakdown in machinery or equipment, acts or regulations or priorities of the federal, state or local governments. Buyer shall not be liable for delay or failure to take Goods as ordered due to any such event, except that Buyer shall be liable to Seller for such delay or failure with respect to Goods already in transit or specially made for Buyer which are not readily salable without loss to Seller. When the event operating to excuse performance by either party shall cease, this Agreement shall continue in full force until all deliveries have been completed.

6. GOODS

- (a) Whenever Buyer shall order Goods, then the parties shall work out mutually convenient quantities for each shipment and the delivery dates. Accordingly, Seller shall deliver and Buyer shall accept delivery of the specified shipment quantities on the agreed-on delivery dates, except that Seller may ship a quantity which is 10% greater or lesser than the quantity designated for shipment.
- (b) Back Orders. Sefar may in its discretion may either call the order complete within the shipping tolerances in 6(a) or ship remaining items when available under standard delivery terms.
- (c) If the parties fail to mutually agree upon quantities and delivery dates, Buyer shall accept Goods as and when reasonably shipped by Seller.
- (d) Upon any mutually agreed expiration date or prior termination of this Agreement in whole or in part for any reason Buyer shall accept prompt delivery of all completed, specially made Goods previously ordered and shall pay Seller at Seller's prices in effect on the date of delivery. In addition, Buyer shall reimburse Seller for any loss on incomplete orders which Seller at its option decides not to complete including but limited to materials or goods purchased to complete orders. Any and all deposits collected will be used to offset the costs incurred relating to the goods or services, including but not limited to the fair market value of the raw materials, in-process or finished goods and labor.
- (e) Irrespective of Seller's participation in design, preparation of or copying of Goods or furnishing of advice or information (i) Seller shall not be liable to Buyer or a third party or a third person if the preparation, assembly or manufacture of the Goods or the printed or graphic matter thereon in compliance with Buyer's specifications, request or approval either infringes the property rights of others whether acquired by usage, registration, copyright, letters patent or otherwise, or fails to comply with any federal, state or local law or regulation and (ii) Buyer shall indemnify and save Seller harmless against the liability described in (i) above and Buyer shall promptly pay or secure any judgment or recovery and shall pay Seller's reasonable costs and expenses, including attorney's fees and court costs incurred in investigating, settling or defending any claim or action in connection with any liability.

7. GENERAL CLAIMS, WARRANTIES AND LIMITATIONS OF LIABILITY

- (a) Seller hereby warrants that the products delivered are free from material and manufacturing defects. The product characteristics conform exclusively to those described in the respective technical documentation and as detailed in Section 7 herein.
- (b) Seller hereby warrants that the described goods are merchantable solely to the extent that they are free of defects beyond normal tolerances. THIS WARRANTY IS EXPRESSLY MADE IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES AS TO MERCHANTABILITY OR AS TO



THE FITNESS OF THE DESCRIBED GOODS FOR ANY PARTICULAR USE OR PURPOSE, AND SELLER SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE, DIRECTLY OR INDIRECTLY, ARISING FROM THE USE OF THE DESCRIBED GOODS OR FOR CONSEQUENTIAL DAMAGES.

- (c) The parties agree that Buyer's exclusive remedy and Seller's sole liability on any claim, whether tort, contract or warranty, shall be limited, at Seller's option, to replacement of the defective Goods or to reimbursement for the defective Goods as determined by the net price invoiced to and paid by Buyer.
- (d) Seller shall not be liable under any circumstances to Buyer or any other person where the Goods are not used for the intended purpose or are not warehoused, handled, packed, distributed in accordance with the customary good commercial practices of the trade or if the customer fails to take all the appropriate measures to minimize the loss and does not give Seller opportunity to rectify the defects
- (e) Any loss which is not demonstrably the fault of Seller, such as losses due to natural wear and tear, inadequate maintenance, failure to observe operating instructions, overloading, inappropriate operating material, chemical or electrolytic effects, acts of third parties etc., is excluded from the warranty and there is no liability for it on the part of Seller.
- (f) The customer shall inspect the goods immediately upon receipt. Complaints relating to quantity and visible defects must be made in writing within seven working days, while complaints relating to non-visible defects must be made within seven working days of discovery.
- (g) Any claim made under this warranty shall be made in writing by registered mail to the address listed below no later than thirty (30) days following the discovery of the alleged defect. Failure to notify Sefar within the thirty (30) day period following the discovery of any defect shall render this warranty null and void. Sefar shall be entitled to inspect the product in order to take timely and appropriate action. In the event Sefar representatives are denied access to inspection of material for alleged defect, this warranty shall be null and void.

(h) **Warranty, liability for defects for specific Architectural Products:**

SEFAR® Architecture Interior/ Exterior

Sefar warrants that SEFAR® Architecture Fabrics are at the time of delivery free from material defects, which might affect functional performance, and will not be damaged by exposure to sunlight, normal weather conditions or water which might affect functional performance. The warranty is limited to a period of ten (10) years from the date of delivery.

SEFAR® Architecture TENARA® fabric

Sefar warrants that SEFAR® Architecture TENARA® Fabric are at the time of delivery free from material defects, which might affect functional and structural performance. It will not be damaged by folding, exposure to sun, normal weather conditions or water, which might affect functional performance. The warranty is limited to a period of fifteen (15) years from date of delivery.

SEFAR® Architecture VISION

SEFAR® Architecture VISION is exclusively developed for the laminated application with glass. For other applications it is the sole responsibility of the processing company for the protection of the surface of dirt, discoloration etc. (e.g. by a lacquer system). The choice of laminating material and method of processing and protecting the fabric edge depends on the application and/or object location and is the sole responsibility of the converter. Sefar warrants that no damages arise, by observing all SEFAR® Architecture VISION guidelines and technical information, which might lead to a impairment of the performance. This warranty is limited on a period of fifteen (15) years after delivery date.

(i) **Warranty Exclusions:**

SEFAR® Architecture Interior/ Exterior and SEFAR® Architecture TENARA® fabric

This warranty shall be null and void and does not apply to any product or part thereof that, in Sefar's sole judgment has been subject to misuse, neglect, alteration or accident, abused by machinery, equipment or any persons, been exposed to excessive pressures, acts of God, falling objects, explosions, fire, riots, civil commotion, external forces, faulty or inadequate installation, abrasion, structural shrinkage or distortion of supporting structure, acts of war, radiation, foreign substances in the atmosphere, floods; further, where its use in architectural structures is not in accordance with accepted or recommended design, engineering and manufacturing standards, fabricated with unacceptable practices, or repaired or altered by

anyone other than a fabricator schooled in the practices of fabricating SEFAR® Architecture Fabric, so as, in Sefar's sole judgment, to affect the quality, efficiency or effectiveness of the product. Furthermore, this warranty shall be null and void and does not apply to any product or part thereof that in Sefar's sole judgment has been fabricated or installed improperly or maintained in a manner not recommended by Sefar, including the use of nonrecommended solvent-based cleaning agents, including but not limited to those containing MEK toluene, THF, MIBK butyl acetate, ethyl acetate, acetone. Light transmission color fastness (fading), and micro-organism growth due to poor air circulation are not warranted, unless specifically outlined in a separate provisional warranty.

SEFAR® Architecture Vision

This warranty shall be null and void and does not apply to any product or part thereof that, in Sefar's sole judgment has been subject to misuse, neglect, alteration or accident, abused by machinery, equipment or any persons, been exposed to excessive pressures or too high temperatures, acts of God, falling objects, explosions, fire, riots, civil commotion, external force faulty or inadequate installation, abrasion, structural shrinkage or distortion of supporting structure, acts of war, radiation, foreign substances in the atmosphere, floods; further, where its use in architectural structures is not in accordance with accepted or recommended design, engineering and manufacturing standards, fabricated using unacceptable practices, or repaired or altered by anyone other than a fabricator schooled in the practices of handling Visionfabric so as — in Sefar's sole judgment — to affect the quality, efficiency or effectiveness of the product. Furthermore, this warranty with respect to products or parts thereof is null and void if — in Sefar's sole judgment — they have been improperly stored or processed.

Any questions, inquiries or claims under this Warranty shall be directed to:

Sefar Inc.
111 Calumet Street,
Depew, New York 14043 USA
Phone: 716.683.4050
Attention: Warranty Claim

8. DEFAULT AND WAIVER

- (a) If Buyer fails with respect to this Agreement or any other agreement with Seller to pay any invoice when due or to accept any shipment of Goods as scheduled or to perform any other obligation, Seller may, in addition and without prejudice to its other lawful rights and remedies, defer further shipment until the default is corrected or terminate this Agreement on written notice. Upon Seller's sending of the notice, this Agreement shall be terminated.
- (b) No course of conduct, usage of trade, delay of Seller in exercising any rights hereunder, nor Seller's acceptance of a payment from Buyer with knowledge of a default or breach, shall waive any rights of Seller or modify this Agreement.

9. GOVERNING LAW

This Agreement shall be construed to be between merchants. Any questions concerning its validity, construction or performance shall be governed by the laws of the State of New York regardless of where any order was placed or filed, the place of the delivery of the Goods or where any other act or performance occurred.

10. MODIFICATION

The provisions of this Agreement, including any attached or future schedules, shall (i) constitute the entire Agreement between the parties as to the Goods described herein, (ii) govern all orders placed hereunder and (iii) be modified unless provided herein to the contrary only by agreement signed by an officer of the Seller.

11. REGISTERED TRADEMARKS

The following are Registered Trademarks of Sefar: SEFAR®, SEFAR CARBOTEX®, SEFAR® FLUORTEX, SEFAR MEDIFAB®, SEFAR NITEX®, SEFAR NYTAL®, SEFAR PECAP®, SEFAR® PETEX, SEFAR POLY THERM®, SEFAR PROPYLTEX®, SEFAR SHRINKTEX®, SEFAR TETEX®, SEFAR TUBETEK®, LAB PAK®, PeCap Gold®, PeCap LE®, Pro-M-Coat® and Proscreen®, SEFAR® Architecture TENARA® fabric, SEFAR® LightFrame