

North American Terms of Sale

These Terms of Sale are part of a quotation, bid response, or other sales document issued by Haworth, Inc., Haworth, Ltd. or Haworth AI, LLC. ("Haworth").

These Terms of Sale do not cover products manufactured in North America shipping to non-North American countries nor do they cover products manufactured in non-North American countries shipping to North America. For those terms of sale, please contact Haworth's Global Trade and Compliance Department at 616.393.3000 or through Haworth.com.

A. Ordering Information

Haworth sells its products on the terms set forth in these standard Terms of Sale: **ORDERS MUST BE SUBMITTED IN WRITING OR ELECTRONICALLY (OrderLine) AS REPRESENTED BY A VALID PURCHASE ORDER, WHICH INCLUDES PRODUCT TOTAL.**

An order is not binding upon Haworth until Haworth issues an order acknowledgment to the customer (the "Customer"), which will include price information and an anticipated shipping date.

1. Order Changes/Cancellations

For Specials, Customer's Own Material (C.O.M.), finish matches, custom colors, custom products and RUSH orders, no changes or cancellations are allowed. All other products require approval for changes or cancellations. A change/cancellation fee will apply. Contact Order Services for applicable charges.

Ship-to addresses changed within five (5) business days of shipment will incur fees to cover administrative costs due to re-labeling of product and/or reconsignment fees with the carrier.

Order cancellations are complete annulments of orders. Order changes are the deletion of line items or a change in size, color, quantity, ship-to address, or scope of work. There is no penalty for additions; however, any change may cause the order or the line items affected to be rescheduled. Order changes involving additional product and services which increase the value must be accompanied by an amended Purchase Order or other document as agreed.

ALL CHANGES MUST BE IN WRITING, REGARDLESS OF THE (DOLLAR) VALUE. CHANGES ARE NOT BINDING UPON HAWORTH UNTIL HAWORTH ISSUES AN ACKNOWLEDGMENT OF THE CHANGE.

2. C.O.M. (Customer's Own Material)

A Customer who requests a fabric, surface or finish material (C.O.M.) not in Haworth's standard finish offering must first confirm

approval of or request new approval for the C.O.M.

Haworth will determine feasibility of the material for manufacturability. For a description of the procedure to submit C.O.M. samples, contact Haworth's Order Services department. For testing information, see the C.O.M. section of the catalog, or call Haworth Order Services.

If Haworth agrees to use the C.O.M., (1) Haworth shall have no responsibility for the condition, quality, value, performance, physical properties, or any other aspect of the C.O.M.; and (2) Haworth shall have no liability for any damages, injuries, or losses to the Customer or to any third party that shall be caused by any C.O.M., and the Customer shall hold Haworth harmless for all such liability.

3. Valid/Complete Purchase Order

The following information is required in order to process an order with Haworth:

a. Customer Information

i. **Sold To:** Legal name, complete address (if Haworth is to bill the end user, provide end user Purchase Order made out to Haworth, Inc., Haworth, Ltd. or Haworth AI, LLC) and phone and fax number.

ii. **Ship To:** Legal name and address.

iii. **Purchase Order Number:** From the party Haworth will be billing.

iv. **Authorized Signature:** All Purchase Orders must be signed by a duly authorized representative if a signature line is present. Electronically transmitted Purchase Orders will be accepted without a signature if dealer billed and the dealer has an electronic purchase payment agreement on file.

v. **Contact Name and Phone Number:**

Person Haworth should contact with any questions regarding the order.

vi. **Shipping Contact:** Name and phone number of person to be contacted regarding shipping and delivery matters.

vii. **Tagging Instructions:** This information will appear on all documentation received from Haworth including: cartons, acknowledgements, and invoices. Normally 1 tag is allowed per \$5,000.

viii. **Price Agreement or National Sales Agreement Number**

ix. **Product Total:** Net dollars.

x. **Installation, Design, Project Management, and/or Service Fees**

b. Product Information

i. **Quantity**

ii. **Product Numbers**

iii. **Colors**

iv. **Specials:** Specify Inquiry and line number for new special products.

v. **Customer's Own Material:** Order entry code, manufacturer, pattern, color, and who is ordering the C.O.M. fabric (Haworth, dealer or the Customer).

vi. **Approval Drawings:** an authorized signature by a duly authorized representative is required for shop drawings when applicable.

vii. A deposit may be required for custom materials.

c. Order Confirmation

All orders will be acknowledged.

B. Pricing Policies

1. Terms of Payment

Terms of payment and credit limits will be established based on financial information. Standard payment terms on open credit are net thirty (30) days from invoice date. Advance payments or other payment security may be required by Haworth. The account balance must be at or below the credit limit and current at all times (no past-due balances). Haworth reserves the right to delay or cancel any shipment to a Customer whose Haworth account balance is over the credit limit and/or past due. For walls and floors a deposit will be required.

2. Terms of Credit

Customer hereby authorizes Haworth to obtain such credit reports, financial information or other information as Haworth may request, including, without limitation, credit information from any financial institutions or others having a business relationship with the Customer. Customer hereby authorizes any credit references to answer Haworth's inquiries and provide such credit information and documentation as Haworth may request.

The Customer hereby releases and holds Haworth harmless for any inconvenience whatsoever, caused by any temporary or permanent withdrawal or restriction of credit privileges hereunder, or the enforcement of any of the provisions contained in this paragraph.

3. Past-Due Charges

Past-due balances will be increased by a maximum of 1.5% per month, or 18% annually, without forfeit of Haworth's right to immediate payment.

4. Applicable Prices

Prices and discounts are subject to change without notice or approval. In the event of an adjustment to pricing, National Sales Agreement (NSA) Customers will be notified in advance according to the terms of the NSA.

Applicable prices are those in effect at the time of the RECEIPT of an order; Haworth reserves the right to use the published pricing effective at the time of shipment, if the requested shipping date is more than 120 days after the order receipt date.

The price of any product sold to Customer by Haworth will be based upon the price for the products as follows:

Destination	Price List ("Catalog")
U.S.A.	U.S.A.
Canada	Canadian
Mexico	U.S.A.

5. Taxes

a. **U.S.A.:** Haworth prices do not include any sales, use or similar taxes. The Customer is responsible to remit directly to Haworth all such taxes when invoiced.

b. **Canada:** Prices listed in the Canadian catalogs include applicable customs duty. Prices do not include the Federal Goods and Services Tax or any provincial or other sales taxes. Any federal, provincial or other taxes or assessments based upon the sale or shipment of products or services sold applicable to the Customer at present or later imposed by federal, provincial or

municipal agencies, shall be added and paid by the Customer.

c. Mexico: Prices listed in the U.S.A. catalog do not include customs duty, value added or any other tax with respect to the sale, use, ownership, or value of any product or service provided by Haworth. Customer is responsible for all such taxes.

NOTE: For all countries a valid sales tax exemption certificate must be approved by and on file with Haworth prior to product shipment. Otherwise, sales tax will be due and payable to Haworth when such tax is invoiced to Customer.

6. Services

If, as a result of Customer request, the Haworth dealer or Haworth subsidiary provides planning /design services, storage, project management, special handling, set-up, installation and/or other services, the Customer will be charged at the local Haworth dealer/subsidiary's prevailing rates.

7. Termination by Haworth

Haworth may immediately terminate an order upon written notice in the event bankruptcy or insolvency proceedings are instituted by or against the Customer, or the customer is adjudicated a bankrupt, becomes insolvent, makes an assignment for the benefit of creditors, or proposes or makes any arrangements for the liquidation of its debts, or a receiver or receiver and manager is appointed with respect to all or any part of the assets of the Customer.

C. Shipping and Delivery

Haworth will have the right to determine the method of shipment and routing of product.

This section does not apply to Haworth's TecCrete or TecFlor products. TecCrete and TecFlor are sold freight collect.

If, for any reason, a delivery has to be made to an intermediate location (i.e. a location other than the "Ship To" location noted on the order or ultimate end user location), all handling and re-delivery costs incurred would be at the Customer's expense.

1. U.S.A. - Contiguous

All deliveries will be F.O.B. (U.C.C./2-319) Haworth's manufacturing facilities or distribution centers. Freight charges will be prepaid by Haworth on all orders to locations within the continental United States. Customer bears all risk of loss or damage to the goods when they are placed on Haworth's means of transport.

2. U.S.A. – Non-contiguous I (Alaska, Hawaii and Puerto Rico)

All deliveries will be CIF (U.C.C./2-320) (Cost of Goods, Insurance and Freight). Haworth's catalog prices includes ocean freight and insurance to the port of the final destination. Haworth has the right to determine the carrier, method of shipment and routing. Haworth will contract with the insurer and provide minimal insurance coverage (CIF @ 110%) made payable to the Customer. Customer is

responsible to obtain greater insurance if so desired.

Customer bears all risk of loss or damage to the goods when the goods are effectively at the disposal of the Customer on board the vessel at the named port of destination. Proof of delivery is a clean on board bill of lading. Customer will be responsible for all on-carriage from the receiving port to the final destination.

3. CANADA

All deliveries will be F.O.B. Destination (U.C.C./2-319). Haworth's catalog prices includes delivery to Customer's named place, not unloaded from any arriving means of transport. Customer bears all risk of loss or damage to the goods when they are delivered to the Customer's named facility not unloaded. Haworth will assume responsibility to file all freight claims with the carrier for any loss/damage which may occur while product is in transit, and will promptly repair or replace any damaged or lost product. Haworth requires the Customer to report all freight damage and/or loss to both the carrier and to Haworth.

NOTE: Under all shipping terms (U.S.A. and Canada), any additional expense resulting from Customer's request for expedited transportation, special services, packaging, handling, routing, and/or shipping method will be billed to Customer.

4. Mexico

All deliveries will be DAF (Delivered at Frontier) (ICC Incoterms 2000). Haworth's catalog prices includes freight charges for normal surface transportation to a United States point of exportation within the 48 contiguous states. Haworth has the right to determine the carrier, method of shipment and routing.

Customer bears all risk of loss or damage to the goods when the goods are delivered to the named United States point of exportation. Haworth will provide customs clearance facilitation and arrangement of local delivery through an Authorized Dealer in Mexico, on a separately negotiated basis. Otherwise the Customer will be responsible for all customs clearance formalities and on-carriage from the United States point of exportation to the final destination in Mexico.

5. Ship Dates and Delay

If Haworth cannot ship products as scheduled due to causes beyond its reasonable control (such as casualty, labor disputes, or accident; inability to obtain necessary labor, material or transportation; or changes requested by the Customer), the ship date will be extended to compensate for the delay as determined by Haworth.

6. Delivery Shortages and Damage

Product shortages and damage must be noted on delivery receipts at the time of delivery and reported to the carrier for correction.

Claims against Haworth for shortages, errors, or damage must be made within three (3) days of the date of delivery or the Customer waives

the right to make such a claim. Signed Bill of Lading or Delivery Receipt must be sent in with claims.

7. Storage

Haworth may transfer product to storage at the Customer's risk and expense if the Customer is unable or unwilling to take delivery of product as originally scheduled. Upon such transfer to storage, the Customer assumes risk of loss. Haworth will invoice the Customer for storage fees and the Customer will make payments in accordance with Haworth's standard payment terms.

D. General Terms

1. Governing Law

For products purchased for delivery in the U.S. pursuant hereto, this Agreement shall be governed by and construed according to the laws of the State of Michigan. Where Products are purchased for delivery in Canada pursuant hereto, this Agreement shall be governed by and construed according to the laws of the Province of Alberta. In either case, the parties attorn to the exclusive jurisdiction of the courts of Michigan and Alberta, respectively for the purpose of hearing any disputes arising under this Agreement or with respect to any Products sold pursuant hereto, and agree that the provisions of the United Nations Convention on Contracts for the International Sale of Goods and any other provision or law which would have the effect of applying the laws of any jurisdiction other than Michigan or Alberta, as the case may be, shall be excluded.

2. Force Majeure

In the event that the performance of Customer or Haworth or its participating dealer assignee(s) would be prevented, restricted, interfered with or rendered commercially impracticable by reason of Force Majeure, then upon the giving of notice to the other parties, the party affected by the Force Majeure shall be excused from performing hereunder until the Force Majeure no longer prevents, restricts, interferes with, or renders such performance commercially impracticable.

"Force Majeure" shall mean: fire, explosion, breakdown of plant, epidemic, hailstorm, snow/ice storms en route, hurricane, tornado, cyclone, flood or power failure; war, revolution, civil or military disturbances, acts of public enemies, acts of terrorism, blockade or embargo; any law, order, proclamation, regulation, ordinance, demand or requirement of any applicable governmental authority or any subdivision, authority, or representative of any such government; labor difficulties, including without limitation, strikes, slowdowns, picketing or boycotts; or difficulties beyond Haworth's reasonable control in obtaining necessary raw materials, labor, fuels and electric power, components or facilities, and any other circumstances beyond the control of the party affected.

3. Delays by Customer

Where Haworth has not received adequate site dimensions, Product specifications, shipping information, installation particulars or other information required by Haworth to permit the efficient manufacture of any Products, or where site conditions are not in accordance with the Installation Requirements set forth, or are not otherwise suitable to permit effective and efficient installation, the manufacture and/or delivery of

Products may be delayed, and such event shall constitute a delay by the Customer. When manufacture, delivery or installation is delayed by the Customer or at the Customer's request: (i) Haworth may, at its option, present the invoice for the full price of the Products to the Customer as then due and payable; (ii) the Customer shall pay to Haworth all reasonable storage, handling and other reasonable incidental expenses incurred by Haworth in connection with such delay; and (iii) the Customer shall bear all risk of loss or damage to the Products being held by Haworth for the Customer.

4. Use and Installation of Products

Haworth recommends that its products be installed by certified, qualified and approved installers according to Haworth's written installation procedures. The Customer agrees to use Haworth products properly; not to remove or alter safety devices, warnings, or operation instructions placed on products by Haworth, and to instruct employees as to the proper care and use of the products according to printed instructions.

5. Warranty

Haworth's standard North American Life Time Warranty will apply as appropriate. All product line warranty specifics are available in each catalog or upon request.

E. Services

Service requests for design, installation, relocation, storage, etc. are handled by the local Haworth dealer on a separately negotiated basis. Contact the local Haworth dealer, affiliate or area sales office for more details.

Scope of Work - Design. Customer acknowledges that the Products to be manufactured or procured by Haworth in connection with the order are or may be custom manufactured for the Customer and that Haworth may be required to perform extensive work in relation to the design and specification of such Products. Where Customer requests that Haworth create as-built drawings or make more than two material revisions to any particular Product design or specification, Customer agrees that Haworth shall be entitled to invoice Customer with respect to such additional work on the basis of Haworth's then prevailing rates for related design and specification services.

Installation Requirements

Where installation services are to be provided by Haworth, its Authorized Dealer or subcontractor, a document will be provided setting forth the scope of installation work to be performed (the "Scope of Work") and the price to be charged therefore. Unless otherwise specified in the scope of work, Haworth's installation services are limited to products sold by Haworth with the exception of lighting, under floor electrical and data.

General Conditions:

(a) Sufficient time shall be allocated by the Customer following delivery of Products and prior to Customer's occupation of the premises to allow the installation of all Products during conventional working hours, Monday through Friday, 7:30 a.m. to 4:30

p.m. Where sufficient time is not allocated and Haworth is required or requested to perform installation work outside of such times, overtime charges shall be charged at Haworth's then prevailing rates. (b) Haworth, shall be given free and exclusive access to; (i) a loading dock within 150' of the freight elevator or hoist, which loading dock shall be of sufficient size to enable full-size tractor-trailer deliveries to the premises (where required by Haworth); (ii) a freight elevator or hoist of sufficient size and capacity to allow the efficient movement of the Products; (iii) an unobstructed and safe pathway to the area where Products are to be stored or staged; (iv) a secure storage / staging area; (v) convenient trash facilities; (vi) adequate lighting; (vii) a work site that complies with applicable health and safety legislation. Where such areas and facilities are not available, Haworth shall be entitled to bill Customer for all amounts incurred by Haworth for double-handling, product movement, lifting, hoisting, trash removal and any other resulting charges. (c) The installation site shall be free and clear of existing furniture, debris, or other obstructions (including construction in progress) and shall otherwise be in the reasonable opinion of Haworth ready for installation of the Products. Any building where Products are to be installed shall be fully closed in, dry and protected from the natural elements, with temperatures between 40°F and 90°F (4°C and 32°C) and relative humidity not to exceed 70% at all times including receipt of products, during and after installation and shall be adequately heated and/or air-conditioned. Where unusual site conditions exist which impede or prevent the normal installation of any Products, applicable extra charges shall apply at prevailing rates. (d) Haworth's installation pricing is based upon the installation occurring as one continuous delivery and installation project. Phased installation pricing shall be provided by Haworth on a case by case basis. (e) Electrical hardwiring, plumbing and mechanical work is not included and shall be the responsibility of the Customer. (f) Except as may be otherwise specifically indicated, installation pricing does not apply to projects where union labor is required. Where Haworth has provided installation pricing on the basis that non-union labor be utilized, and where Haworth is required to use union labor or it otherwise becomes impractical to use non-union labor, or where Haworth is required by law to use prevailing wages, Haworth shall be entitled to charge the Customer for any cost differential between the anticipated cost of non-union labor and the actual cost of utilizing union or prevailing wage labor. (g) Haworth shall not be responsible for obtaining permits.

Project / Site Conditions

Lateral load bracing is not included in the scope of Haworth's work and shall not be performed by Haworth. In areas where Nexus™ or TecCrete flooring Products are to be installed by Haworth overhead construction must be completed prior to the commencement of such work to avoid damage to the panels and finishes. The existing sub-floor must be smooth, mopped clean, free of moisture, dust, dirt and debris. Once installed, the access floor must be maintained in the same manner. The subfloor must have a maximum vertical elevation deviation of 0.375"

(10mm) over a horizontal span of 10'-0" (3m), and without discontinuities in floor slope. For greater certainty, the scope of Haworth's installation work in such areas shall not be deemed to include any work required to level such sub-floor, remove protrusions, remove pre-existing floor coverings or adhesives, or any other work which is required to remedy any conditions which may impede the efficient installation of Nexus™ flooring. Except as may be otherwise specifically indicated in the order, installation pricing for Nexus™ flooring Products and the Scope of Work in relation thereto shall not include any work required to remove and replace floor panels following their initial installation to provide tradespersons or others with access to the underpanel cable management cavity. In areas where movable walls are to be installed, all flooring (including carpeting) and ceiling components (including dropped ceiling grid components) shall be fully complete and ready for the installation of the movable wall products. Further, the existing floor (or other surface on which the movable wall panels are to be installed) shall have a maximum vertical deviation of 1.25" (30mm) and the dropped ceiling grid shall have a maximum vertical deviation of 0.375" (10mm) from the specifications to which such movable wall panels were designed and manufactured (collectively the "Permitted Tolerances"), and shall otherwise comply with any site condition assumptions made known to Haworth prior to the manufacture of such Products (the "Site Assumptions"). Where the Permitted Tolerances or Site Assumptions are not strictly adhered to or met, additional charges may be incurred in connection with site remediation and/or the modification or remanufacture of affected movable wall products, together with all resulting shipping and labor charges at Haworth's then prevailing rates for such Products and services.

Installation Change Orders

Where Customer requests work to be performed or materials to be provided which are not contemplated in the Scope of Work, or Customer otherwise requests Products or services not contemplated in the order (collectively "Extras"), prior to providing such Extras Haworth reserves the right to require the Customer to provide and sign a written Purchase Order or Change Order acceptable to Haworth describing the Extras and the amounts to be charged therefore, and the Customer agrees to pay such charges.

Entire Agreement.

The order and this Agreement (including applicable Schedules) constitute the sole agreement between the parties and supercede any prior understanding or written or oral agreements between the parties. No waiver of any of the provisions of these Standard Terms and Conditions shall be binding on Haworth unless expressly agreed in writing.

Revision Date: July 11, 2005