

WARRANTY

Teclab, Inc. hereinafter referred to as Teclab, warrants its standard products to be free of defects on material and workmanship from the date of initial delivery for the applicable warranty period specified below when the products are installed and used in accordance with Teclab's instructions. This warranty is made by Teclab to purchasers acquiring the product directly from Teclab or its authorized dealers and distributors. No person, firm or corporation is authorized to assume for Teclab any liability in connection with the sale or installation of Teclab's products except as stated above.

STANDARD FURNITURE PRODUCTS

Teclab's products are warranted to the original user to be free from defects in material and workmanship, given normal use and care, for a period of ten (10) years of single shift service, from the date of purchase. With the exceptions noted below, Teclab, at its option, will repair or replace any standard product or part thereof which fails as a result of such a defect during the following warranty periods. (Pro-rated for multi-shift use.)

All Teclab products (except as noted)... **10 years**

Operating components, functional mechanisms, high-wear part such as chair pneumatic cylinders and casters... **5 years**

Foam, fabrics, and other upholstery materials, moving chair parts such as backrest cylinders, adjustable arms and conductive chair casters... **3 years**

Bench height adjustment cylinders and components... **1 year**

NON-STANDARD PRODUCTS

1 year for non-catalog custom products and alternatives.

Teclab's obligations and the purchaser's remedy pursuant to the foregoing warranty are limited to repair or replacement at Teclab's option, F.O.B. Teclab's plant, products which prove to be defective within the first year of the warranty period and to furnish necessary repair parts for the products which prove to be defective within the remainder of the extended warranty period. Teclab will determine whether defective products should be returned. Repaired or replaced product will be returned to the purchaser at Teclab's expense. Purchasers may be required to establish that the products were installed according to Teclab's specifications and is within the warranty period by producing invoices or other such evidence as may be reasonably satisfactory by Teclab.

Because of natural variations over which Teclab has no control, Teclab does not warrant matching of color, grain or texture. Teclab makes no warranty with respect to non-standard materials selected by and used at the request of a customer.

THERE ARE NO OTHER WARRANTIES EXCEPT AS EXPRESSLY SET FORTH ABOVE, EITHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

Teclab is not liable for loss of time, inconvenience, commercial loss, incidental or consequential damages.

The remedies stated herein are expressly agreed to be exclusive as a condition of sale, and Teclab's liability with respect to its products or installation services shall not exceed that expressly set forth above irrespective of the theory upon which any claim might be based, including breach of contract, warranty, negligence or strict liability of tort.

Teclab does not warrant product exposed to extreme environmental conditions or product that has been subject to improper use or storage. In addition, Teclab does not warrant failure resulting from normal wear and tear.

CONTRACT TERMS

All quotations, proposals, or similar communications from Teclab, Inc. (“Teclab”) are considered “invitations to contract”. Any order placed by a customer must be in the form of a written purchase order and shall be considered an “offer”. Any acknowledgment of an order by Teclab must be in writing and shall be considered an “acceptance” which, when delivered to the customer via electronic mail or conventional mail, shall then result in a binding sales contract of which these Standard Terms and Conditions shall be a part. Acceptances may be made only at Teclab’s home office in Kalamazoo, Michigan, and all sales contracts shall be made pursuant to and controlled by the laws of the State of Michigan. Notwithstanding any inconsistent or contrary term which may appear on a customer’s purchase order, Teclab’s goods are sold only upon these Standard Terms and Conditions.

PRICES

Published pricing is U. S. dollars unless otherwise stated on the quotation and order, all prices are F.O.B. Teclab’s factory, Kalamazoo, Michigan, and do not include freight, storage, handling, uncrating or installation charges. Upon request Teclab will provide estimated freight charges F.O.B. destination. Prices do not include sales, use, excise or any other taxes or assessments which may be applicable to the sale.

Teclab reserves the right to make changes in pricing without notice.

ORDERING INFORMATION

All orders must be in writing to avoid error and/or duplication. Order all products by their complete product number. Specify quantity, product number, product description, finish option and any other specifying information requested. Submit orders via electronic mail or conventional mail on your purchase order form. Acknowledgments are issued within ten working days of acceptance of the order with an approximate ship date of the product ordered.

TAXES

In addition to the purchase price, the customer is liable for all sales, use and excise taxes and/or other governmental charges imposed in respect of the sale, delivery or installation of the goods being purchased by the customer hereunder (except taxes on or measured by net income of Teclab), including those which Teclab may be required to pay, except where the law otherwise provides. Unless otherwise specified on the order, the customer shall pay all such taxes directly to the appropriate taxing authorities.

PAYMENT

The payment terms contained in this paragraph apply only to customers whose credit has been approved by Teclab. For purchases of standard Teclab goods, payment terms are fifty percent (50%) of the total purchase price deposited with the order, 25% payable before shipment and the total remaining purchase price payable within thirty (30) days after the invoice date. Beginning thirty (30) days after the invoice date, the customer shall pay a late payment charge of one and one-half percent (1.5%) per month on any unpaid portion of the purchase price. Visa, MasterCard and American Express credit cards are accepted. A fee of 3% shall be payable for use of credit cards, except that credit card payments with the order will not be assessed the additional fee. Teclab reserves the right to revoke or modify these credit terms at any time.

RETENTION OF TITLE; SECURITY INTEREST

Teclab shall retain title to the goods, any replacements thereof, and any additions thereto, for purpose of security, and title shall not pass to the customer until the purchase price and all sums due hereunder are fully paid. The customer shall execute a financing statement (if requested by Teclab) and other documents necessary to enable Teclab to place third parties on notice of its title to the goods.

SHIPMENT

Teclab orders shipped from Kalamazoo, Michigan with freight estimates included in the order will have freight included on the invoice. Special shipping costs, if specified by the purchaser, are the responsibility of the purchaser. Any shipping date shown on the quote or order represents Teclab's best estimate as of the ship date. However, Teclab shall not incur any liability of any kind for failure to ship on any particular date unless a firm shipping date has been expressly agreed to by an officer of Teclab in a separately signed written instrument.

Responsibility for the product and risk of loss shall pass to the customer when the goods are placed in the possession of a common carrier. Claims against the carrier shall be the responsibility of the customer. Claims against Teclab for apparent defects, errors or shortages must be made in writing to Teclab within thirty (30) days of receipt of the goods or such claims shall be considered waived and the goods accepted as delivered. If the customer claims the goods delivered are non-conforming, the customer shall afford Teclab prompt and reasonable opportunity to inspect the goods. Teclab's liability for non-conforming goods shall be limited to repair or replacement of such goods or allowance of credit for such goods, at Teclab's option. If Teclab and the customer are unable to reach settlement of any claim relating to goods, the customer must institute legal action against Teclab within one (1) year after such claim arises and thereafter all such claims shall be barred, notwithstanding any statutory period of limitations to the contrary.

PACKAGING AND HANDLING FEES AND FREIGHT COLLECT

For orders utilizing Freight Collect, a Packaging and Handling Fee will be applied in the final invoice.

SELECTION OF GOODS

The selection of particular models, styles, colors, fabrics and specifications of goods and the suitability thereof for the customer's specific application are the sole responsibility of the customer.

DELAYS AND CHANGE ORDERS

After the date an order from the customer is acknowledged by Teclab, the customer may not change the order, in whole or in part, without Teclab's written approval. All changes must be requested in writing. Where a proposed change would necessitate substantial delays in shipment and the goods have not yet become work in process, Teclab may condition its approval upon a price change to reflect Teclab's prevailing prices at the time of such delayed shipment. Orders for custom goods, including without limitation goods with nonstandard finishes, are not subject to change.

Teclab is not responsible for delays in shipment due to customer requested changes to an order.

STORAGE

If the customer requests a delay in shipment after the goods have become work in process, Teclab may place the finished goods in storage at the customer's risk and expense, and transfer to storage shall be considered delivery for all purposes, including invoicing and payment. Upon request of the purchaser, Teclab will store an order at the factory for up to 30 days after the acknowledged ship date at no charge. Beginning on the 31st day, storage fees will be assessed on a per diem basis.

CANCELLATION

After the date an order from the customer is acknowledged by Teclab, the customer may not cancel the order without Teclab's written approval. All cancellations must be requested in writing. Teclab's approval of cancellation shall be conditioned on the customer's payment of a cancellation charge of thirtyfive percent (35%) of the total purchase price and reimbursement of costs incurred by Teclab prior to such approval, including engineering, testing, material costs, labor and burden and similar expenses in connection with the order cancelled. Orders for custom goods, including without limitation goods with nonstandard finishes, are not subject to cancellation.

RETURNS

The customer may not return goods without Teclab's written approval. Returns must be requested within 90 days

of the original shipment. Teclab's approval of returns shall be conditioned on the goods being returned to Teclab (i) in compliance with Teclab's shipping instructions, (ii) within 90 days of the issuance of Teclab's RMA (Returned Materials Authorization) number (iii) with all return shipping charges being prepaid by customer, (iv) in a suitable condition for resale, and (v) with the customer's payment of a restocking charge of thirtyfive percent (35%) of the total purchase price. Teclab will charge the customer for repairs to returned goods at customary rates. Custom goods, including without limitation, goods with nonstandard finishes, are not subject to return.

WARRANTY MATTERS

Teclab's standard published warranties in effect at the time of shipment applies to all goods manufactured by Teclab. Components purchased and resold without further processing by Teclab are not covered by Teclab's warranty, but Teclab will pass on to the customer whatever warranty Teclab receives from the manufacturer of such goods. THESE WARRANTIES ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

DAMAGE LIMITATION

The liability of Teclab arising out of the sale or use of the goods, whether based on negligence, breach of contract, strict liability or otherwise, shall not in any event exceed the original purchase price of the goods. Under no circumstances shall Teclab be liable for any lost profits or any incidental or consequential damages of any kind with respect to its goods or the transactions by which its goods are sold.

FORCE MAJEURE: LIABILITY

In no event shall Teclab be liable for any loss or damage resulting from any delay or failure in shipment or other failure to perform with respect to the goods where such delay, failure, loss or damage is the proximate result of any act of any governmental authority, revolution, riot, civil disorder or disturbance, act of enemies, delay or default in transportation, strike, dispute among or between labor unions or other labor disputes, inability to obtain materials or facilities from normal sources, fire, flood, act of God or any cause not within the reasonable control of Teclab, whether of the class of causes enumerated or otherwise. Without limiting the generality of the foregoing, Teclab may, without causing a breach or incurring liability, allocate goods which are in short supply irrespective of the reasons therefore among customers in any manner which Teclab in its sole discretion considers advisable.

MODIFICATION

The terms and conditions of this quotation can be modified only by a written instrument signed by Teclab.

INFRINGEMENT

If the goods sold hereunder are to be manufactured according to the customer's specifications, the customer shall indemnify Teclab against any claims or liability for patent or trademark infringement on account of such manufacture.