The following Terms and Conditions are incorporated, by reference, into each Agreement for the purchase and sale of Products and the furnishing of Labor by D.H. Pace Company, Inc.

1. **Definitions**. Capitalized terms used in these terms and conditions (referred to herein as the "**Terms**") shall have the meanings assigned to them in the respective subsections to this Section 1.

- (a) "Agreement" has the meaning set forth in the Proposal.
- (b) "Cooling Off Period" means the right of cancellation of this Agreement that is available for three (3) days after the sale, but only if (i) the Products were intended for personal, family, or household use and (ii) the sale was made in the Customer's home, workplace, or dormitory or at a seller's temporary location, like a hotel or motel room, convention center, fairground, or restaurant.
- (c) "Customer" means the Customer identified on the Proposal.
- (d) "Delivery Point" has the meaning set forth at Section 6 of this Agreement and is specified on the face of the Proposal.
- (e) "Force Majeure" means one or more of the conditions, events, or circumstances described in Section 17 hereof.
- (f) "Inspection Period" has the meaning set forth at Section 6(d)(i) of this Agreement.
- (g) "Labor" means the services to be furnished by D.H. Pace Company, including the labor necessary to install the Products, all as specified on the Proposal.
- (h) **"Nonconforming Products**" means only the following: (i) The Products shipped or delivered are materially different from those identified in the Proposal; or (ii) The Products are irreparably damaged.
- (i) "Notice" has the meaning set forth at section 20 of the Agreement.
- (j) "Products" means those tangible items described or referenced in the Proposal.
- (k) "**Project**" means the location or locations where the Products are to be installed and/or the Labor performed or to be performed at the said location or locations.
- (I) "Proposal" means the proposal (i) that was furnished to the customer setting forth the Products, the Labor, and the price therefor and (ii) that referred to these Terms, incorporated these Terms into, and made these Terms a part of such Proposal and the Agreement resulting from the acceptance by Customer thereof.
- (m) "Seller" means D.H. Pace Company, Inc.
- (n) "State of Domicile" means the state where the Seller's designated office (as shown on the Proposal) is located. If no office is designated in the Proposal, then the "State of Domicile" shall be the State of Kansas.
- (o) "Terms" has the meaning assigned it in Section 2 hereof.
- (p) "Work" refers to the Products and/or the Labor.

2. **Contract Formation**. As indicated in the Proposal that referenced these Terms and Conditions (the "**Terms**"), these Terms are an integral part of the agreement of Seller and Customer. Acceptance of the Proposal constituted the formation of an agreement (the "**Agreement**") between Seller and Customer, with the provisions thereof consisting of the Proposal and these Terms.

- (a) These Terms and the Proposal (together) comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations, warranties, and communications, both written and oral.
- (b) The Proposal may be accepted by Customer thereby creating the Agreement through any of the following means:
  - (i) The Proposal will be accepted if Customer signs the Proposal.
  - (ii) The Proposal will be accepted by the Customer's payment of the deposit specified in the Proposal.
  - (iii) The Proposal will be accepted by any other statement, silence, action, or inaction that reasonably demonstrates that the Customer understands its obligations and intends to be responsible for their performance.

3. **Scope of Work.** Seller agrees to perform for Customer the Work at the location or locations specified in the Proposal. Customer acknowledges and agrees that the Work referenced or described in the Proposal is fully and correctly described in the said Proposal and in the attachments and addenda thereto.

4. **Proposal Price and Payment.** Unless otherwise agreed to in writing, payment terms are Cash on Delivery (COD). If Customer furnished a deposit with the order, the said deposit will be set off against the purchase price for the Work specified in the Proposal. Time is of the essence with respect to all payments to be made by Customer hereunder.

- (a) Late Charges. If payment of any sum is not made when and as due under this Agreement, Customer shall pay a late charge on such delinquent sums at the lesser of 1.50% per month or the highest rate allowed under applicable law.
- (b) Collection Costs. If a Customer check is dishonored, refused, or returned for any reason, the Customer's account will be electronically debited for the amount of the check plus the applicable maximum allowable processing fee. If Seller refers this account to an attorney for collection, Customer will be responsible to Seller for all attorney's fees, paralegal

fees, costs of investigation, and other costs of litigation incurred by Seller, whether or not a lawsuit for collection is instituted.

(c) **No Set-Off**. Customer shall not withhold payment of any amounts due and payable because of any set-off of any claim or dispute (or alleged claim or dispute) with Seller, whether relating to Seller's alleged breach of this Agreement, failure of performance, bankruptcy, or otherwise.

5. **Contract Time.** Delivery dates for Products, dates for Installation of Products, and Labor completion dates are all estimates only, and Seller does not guarantee commencement of Work or completion thereof on any given date. Seller shall not, under any circumstances, be liable for failure to complete the Work timely or for any delay in completion of the Work or delivery of Products under this Agreement.

6. **Delivery of Products**. Seller will either (i) hold the Products for Customer retrieval at Seller's warehouse, as specified in the Proposal or (ii) deliver the Products or have the Products delivered to the address shown on the Proposal (the "**Delivery Point**") using Seller's standard methods for packaging such Products. Notwithstanding anything to the contrary herein or in the Proposal, if the Cooling Off Period Cancellation Right is applicable, no Products will be shipped, delivered, or otherwise furnished to Customer until such right has expired.

- (a) Title and Risk of Loss. Title and risk of loss passes to Customer upon delivery of the Products at the Delivery Point.
- (b) Security for Payment. As collateral security for the payment of the purchase price of the Products, Customer hereby grants to Seller a lien on and security interest in and to all of the right, title, and interest of Customer in, to, and under the Products, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the Kansas Uniform Commercial Code.
- (c) **Product Returns**. No Product may be returned without Seller's prior written approval. All Products returned will be subject to a minimum twenty-five percent (25%) restocking fee.
- (d) Inspection and Rejection of Nonconforming Products.
  - (i) Except where the Proposal specifies that Seller is to install the Products, Customer shall inspect the Products within two (2) days of delivery or deemed delivery ("Inspection Period"). Customer will be deemed to have accepted the Products unless Customer notifies Seller in writing of any Nonconforming Products during the Inspection Period and furnishes such written evidence or other documentation as reasonably required by Seller.
  - (ii) If Customer timely notifies Seller of any Nonconforming Products (and Seller verifies that the Products are, in fact, Nonconforming), Seller shall, in its sole discretion, (A) replace such Nonconforming Products with conforming Products, or (B) credit or refund the price already paid for such Nonconforming Products (or any deposit made in respect thereof), together with any reasonable shipping and handling expenses incurred by Customer in connection therewith.

## 7. The Labor.

- (a) Cooperation. Customer will (i) cooperate with Seller in all matters relating to the Labor and provide such access to Customer's premises and the Project as may reasonably be requested by Seller for the purposes of performing the Labor; (ii) respond promptly to any Seller request to provide direction, information, approvals, authorizations, or decisions that are reasonably necessary for Seller to perform Labor in accordance with the requirements of this Agreement; and (iii) obtain and maintain all necessary licenses and consents and comply with all applicable laws in relation to the Labor before the date on which the Labor is to commence.
- (b) Customer's Acts or Omissions. If Seller's performance of its obligations under this Agreement is hindered, prevented, delayed, or rendered more difficult by any act or omission of Customer or its agents, Seller shall not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges, or losses sustained or incurred by Customer or any other person as a result thereof. Customer accepts responsibility for any pre-existing wall damage, defect, weakness, or other condition or any failure of the opening structure because of termite damage, wood rot, construction or design defect, prior damage, or like conditions.

#### (c) Product Installation.

- (i) If the Proposal specifies that the Products are to be installed by Seller and if the Products are installed before a finished floor is completed, the applicable Product warranty may be limited or rendered ineffective or inapplicable, and the Seller disclaims all responsibility for fitting the Product to the floor. An additional charge may be made to Customer for returning to the Project for adjustments to the Product.
- (ii) Seller assumes no responsibilities for, and will not be liable for, failure of installation of the Product as a result of defects, flaws, or deficiencies in the structure where the Products are installed.
- (iii) If the Proposal specifies that Seller is to install the Products, Customer shall prepare the Project for installation in accordance with the requirements of this Agreement and instructions furnished by Seller.
- (iv) If special effort, requiring additional material and/or additional labor, is required to meet conditions pertaining to installation other than those described in the Proposal or those reasonably anticipated based on the descriptions in the Proposal, Customer agrees to pay an additional charge therefore.

- (v) Seller shall be allowed uninterrupted and exclusive access to the Project during performance of the Work.
- (vi) Customer is responsible for maintaining the premises where the Work is to be performed such that the work environment is safe, comfortable, and secure. Seller will not be responsible for any damage to Customer's premises, equipment, facilities, furniture, fixtures, or products or for any injury to any Customer personnel or members of the Customer's family unless caused by the gross negligence or willful misconduct of Seller's personnel.
- (vii) If the structure where the installation is to be made was built before 1978 and if such structure is a residence or a child-occupied facility (See definition below), then there may be dangers from the disturbance of surfaces that have been covered with lead-based paint. Unless the Proposal specifically provides to the contrary, the installation is not anticipated to disturb an interior surface area greater than six square feet or an external surface area greater than twenty square feet, the triggers for the Environmental Protection Agency's ("EPA") Renovation, Repair AND Painting RULE (the "RRP Rule"). In any case, Seller has furnished to Customer the EPA's brochure regarding the RRP Rule, entitled "The Lead-Safe Guide to Renovate Right," Customer having acknowledged Customer's receipt thereof on the said Proposal. For purposes hereof a Child-Occupied Facility means:

a building, or portion of a building, constructed prior to 1978, visited regularly by the same child, under 6 years of age, on at least two different days within any week (Sunday through Saturday period), provided that each day's visit lasts at least 3 hours and the combined weekly visits last at least 6 hours, and the combined annual visits last at least 60 hours. Child-occupied facilities may include, but are not limited to, day care centers, preschools and kindergarten classrooms. Child-occupied facilities may be located in target housing or in public or commercial buildings.

8. **Cancellation.** If Customer cancels the Proposal, thereby terminating this Agreement, and does so after the Seller has commenced Work, then Customer shall, in addition to being responsible for all damages caused by such premature termination of the Agreement,

- (a) forfeit the amount of the down payment provided to Seller at the time of the formation of this Agreement; and
- (b) pay to the Seller such proportion of the total Proposal Price as the amount of Work bears to the total amount of Work to be furnished under the Agreement; and
- (c) pay a sum equal to 25% of the total price for the Work pursuant to the Agreement, the said amount (i) being liquidated damages (and not a penalty) and (ii) being a reasonable estimate of the damages likely suffered by Seller because of the premature termination of the Agreement (a precise computation being particularly challenging).

All amounts specified in this Section 8 shall be paid within 30 days from the date of such cancellation. Notwithstanding the foregoing, if Customer timely cancels the Proposal pursuant to a cancellation notice under the Federal Trade Commission's ("FTC") door-todoor sales cooling off period cancellation right, then the rights and responsibilities of Seller and Customer will be as prescribed by the FTC.

#### 9. Insurance.

- (a) Seller's Obligation. Seller shall carry workmen's compensation and public liability insurance to cover the Work. Seller shall not be liable to indemnify, hold harmless, or protect in any way the Customer, or any other party involved in the Work, whether an employee of Seller or Customer or any third party, except to the extent of the workmen's compensation and public liability insurance maintained by Seller.
- (b) Customer's Obligation. During the term of this Agreement Customer shall, at its own expense, maintain and carry adequate insurance with a financially sound and reputable insurer covering (at a minimum) loss suffered by Seller as a result of damage to Seller's Product or Work or Seller's vehicles, equipment, supplies, and tools by vandalism, fire, water, windstorm, and any other occurrence during the course of Work.

10. **Alterations.** Any alterations or modifications initiated by Customer must be agreed upon between the parties in writing and the price fixed by them before work on such alteration or modification shall commence. Payment for such alteration or modification shall be made at the time of the completion of the Work.

11. **Permits and Licenses.** Customer shall be responsible for securing the necessary permits and licenses for the Work at Customer's own cost and expense.

12. Labor Warranty. Seller warrants, for a period of one (1) year following completion of the Labor (the "Warranty Period"), that ordinary care, skill, and workmanship will be used in performing the Labor. SELLER HEREBY DISCLAIMS ALL OTHER WARRANTIES WITH RESPECT TO THE LABOR, WHETHER EXPRESSED OR IMPLIED.

- (a) **Notice of Alleged Defect**. For the warranty of Section 12 to apply, Customer must furnish to Seller Notice, in writing, of any alleged defect or noncompliance in workmanship or Labor within twenty (20) days of discovery.
- (b) Reperformance of Labor. Seller's sole obligation, and Customer's sole remedy, for any breach of the Labor warranty specified in Section 12 hereof is limited to the reperformance of the Labor in question, provided that Seller determines that the Labor was defective and not in compliance with the said warranty. If Seller concludes that reperformance of the Labor is necessary, Seller will commence work within a reasonable time after the decision to reperform is made. At Seller's sole option, in lieu of reperformance of the Labor, Seller may refund the price therefor. The warranty period for any reperformed Labor runs until the expiration of the original Warranty Period for the Labor being reperformed.

- (c) **Exceptions**. The following costs and expenses are not covered by the warranty of Section 12 hereof: (A) normal maintenance; and (B) economic losses.
- (d) **DISCLAIMERS**. EXCEPT AS EXPRESSLY SET FORTH IN SECTION 12 OF THIS AGREEMENT, SELLER DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, CONCERNING THE LABOR OR OTHERWISE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THIS DISCLAIMER INCLUDES (A) ALL WARRANTIES, WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, **CONCERNING THE MERCHANTABILITY OF THE LABOR, ITS QUALITY, FITNESS FOR ANY PARTICULAR PURPOSE,** NON-INFRINGEMENT (WHETHER OF PATENTS, COPYRIGHTS, TRADEMARKS, TRADE SECRETS, OR OTHER RIGHTS OF ANY PERSON) AND (B) WARRANTIES ARISING FROM A COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE, OR TRADE PRACTICE. SELLER WILL HAVE NO LIABILITY OR RESPONSIBILITY WHATSOEVER TO CUSTOMER OR ANY OTHER PERSON FOR OR ON ACCOUNT OF ANY INJURY, LOSS, OR DAMAGE, OF ANY KIND OR NATURE, SUSTAINED BY, OR ANY DAMAGE ASSESSED OR ASSERTED AGAINST, OR ANY OTHER LIABILITY INCURRED BY OR IMPOSED ON CUSTOMER OR ANY OTHER PERSON, ARISING OUT OF OR IN CONNECTION WITH OR RESULTING FROM THE LABOR OR THE USE OF THE PRODUCTS.
- (e) The warranty of Section 12 will not be honored unless the total price specified on the Proposal has been paid in full, including any applicable service charges.

13. **Manufacturers' Warranties**. Notwithstanding anything to the contrary herein, Seller hereby extends, transfers, and makes available to Customer any and all warranties furnished by the manufacturer or manufacturers of the Products, to the extent any such warranty or warranties may be transferred to, extended to, or made available to Customer. Customer acknowledges that Customer was furnished an opportunity, prior to sale, to review and compare the warranty terms offered by the manufacturer of the Products along with the warranty terms offered by manufacturers of comparable products sold by Seller and that Seller has not adopted or affirmed in any way any manufacturer's written affirmation of fact, promise, undertaking, or warranty. If the Product's manufacturer has prescribed that warranty claims be presented on specific, designated forms, then any warranty claim based on such manufacturer's warranty, in order to be valid, must be presented using the appropriate prescribed forms.

#### 14. Limitation of Liability.

- (a) Incidental and Consequential Damages. Seller shall not be liable to customer or any third party for any loss of use, revenue, or profit or diminution in value, or for any consequential, indirect, incidental, special, exemplary, punitive damages or other similar damages (regardless of nomenclature) whether arising out of breach of contract, tort (including negligence), or otherwise, regardless of whether such damages were foreseeable and whether or not seller has been advised of the possibility of such damages, and notwithstanding the failure of any agreed or other remedy of its essential purpose.
- (b) Liability Ceiling. Seller's aggregate liability arising out of or related to this agreement, whether arising out of or related to breach of contract, tort (including negligence), or otherwise, shall never exceed the total of the amounts paid to Seller for the products and labor sold hereunder.
- (c) **Exclusions**. The limitation of liability set forth in Section 14(b) shall not apply to (i) liability resulting from Seller's gross negligence or willful misconduct and (ii) death or bodily injury resulting from Seller's acts or omissions.

15. **Termination**. In addition to any remedies that may be provided under this Agreement, at law, or in equity, Seller may terminate this Agreement with immediate effect upon written notice to Customer, if Customer: (a) fails to pay any amount when due under this Agreement and such failure continues for ten (10) days after Customer's receipt of written notice of nonpayment; (b) has not otherwise performed or complied with any of the terms of this Agreement, in whole or in part; or (c) becomes insolvent, files a petition for bankruptcy or commences (or has commenced against it) proceedings relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors.

16. **Waiver**. No waiver by Seller of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Seller. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement operates as, or may be construed as, a waiver thereof. No single or partial exercise of any right, remedy, power, or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

17. Force Majeure. The Seller shall not be liable or responsible to Customer, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Seller, including acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion, or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic or pandemic, lockouts, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, or telecommunication breakdown or power outage.

18. **Governing Law**. All disputes and other matters arising out of or relating to this Agreement are governed by and construed in accordance with the internal laws of the State of Kansas. The laws of the State of Kansas will be applied without giving effect to any choice or conflict of law provision or rule (whether of the State of Kansas or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Kansas.

19. **Submission to Jurisdiction**. Any legal or equitable suit, action, or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America or the courts of the State of Domicile, in each case, located in the county in which the city designated on the Proposal is located. If no city is designated in the Proposal, then the State of Domicile

shall be Kansas, and the courts in which an action may properly be instituted shall be those federal or state courts located in or having jurisdiction over Johnson County, Kansas. Each party to this Agreement irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.

20. Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a "Notice") shall be in writing and addressed to the respective parties at the addresses set forth on the Proposal or to such other address that may be designated or may have been designated by the receiving party in writing in a Notice furnished in compliance herewith. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission), or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

21. **Severability**. If any term or provision of this Agreement is held to be invalid, illegal, void, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Any court that has held any term or provision of this Agreement to be invalid, illegal, void, or unenforceable is hereby authorized to reform such term or provision by limiting its scope or effect to the extent sufficient to render such term or provision valid and enforceable. If the said term or provision cannot be so-reformed, then the said term or provision shall be deemed stricken herefrom.

22. **Period of Limitations**. Any claim or cause of action that Customer has or purports to have against Seller or any of its suppliers, vendors, manufacturers, or licensors, to be timely brought, must be filed in the proper court, as provided for in Section 19 hereof within one (1) year from the date the claim or cause of action accrued.

23. **Survival**. Provisions of this Agreement that, by their terms, nature, or reasonable inference therefrom should apply beyond their terms will remain in force after any termination or expiration of this Agreement.

24. Waiver of Jury Trial. TO THE EXTENT PERMITTED BY LAW, THE SELLER AND THE CUSTOMER HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE. ANY PARTY MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY, AND BARGAINED-FOR AGREEMENT BETWEEN CUSTOMER AND SELLER IRREVOCABLY TO WAIVE TRIAL BY JURY AND (EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION) TO HAVE ANY ACTION OR PROCEEDING BETWEEN OR AMONG THEM RELATING TO THIS AGREEMENT TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

25. **Interpretation**. In interpreting or construing the provisions of this Agreement, the following principles shall apply:

- (a) The inclusion of headings in this Agreement is for convenience only and shall not affect the construction or interpretation hereof.
- (b) words in the singular will be held to include the plural and vice versa.
- (c) words of one gender will be held to include the other genders as the context requires.
- (d) "or" and "any" are not exclusive, and the words "include" and "including," and variations thereof, will not be deemed to be terms of limitation, but rather will be deemed to be followed by the words "but not limited to" or "without limitation."
- (e) A reference to a law includes any amendment or modification to such law and any rules or regulations issued thereunder.
- (f) A reference to a person includes a natural person, an artificial person (such as a corporation, partnership, limited liability company, trust, or otherwise), and its permitted successors and assigns.
- (g) A reference in this Agreement to an Article, Section, Attachment, Annex, Exhibit, or Schedule is to the referenced Article, Section, Annex, Exhibit, or Schedule of this Agreement in its entirety, including subsections and subparagraphs thereunder.
- (h) The terms "hereof," "herein," and "herewith" and words of similar import will, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the attachments and addenda to this Agreement) and not to any particular provision of this Agreement.
- (i) All references to "\$" or "dollars" herein mean U.S. dollars.
- (j) Each of the representations, warranties, covenants, and conditions contained herein is separate and not limited or satisfied by the existence, wording, or satisfaction of any other representation, warranty, covenant, or condition contained herein.
- (k) Any reference to a sublicense shall include a covenant not to sue and the like.
- (I) In computing any period of time under this Agreement, the day of the act, event, or default from which such period begins to run shall be included.
- (m) A reference to "writing" or "written" includes a facsimile transmission, an email message, an electronic, magnetic, optical, or other embodiment that is capable of being perceived by the human eye, and any means of reproducing words in a tangible and permanently visible form.