

TERMS AND CONDITIONS

ENTIRE AGREEMENT

The terms and conditions outlined in this document encompass all orders for product manufactured and sold by William Switzer & Associates (2011) Ltd, (hereby known as SWITZER) and purchased at SWITZER's designated location for acceptance of orders, for the following collections:

The William Switzer Collection The Lucien Rollin Collection The Charles Pollock Collection

ACCEPTANCE OF ORDERS IS BASED ON THE EXPRESS CONDITION THAT BUYER AGREES TO ALL OF THE TERMS AND CONDITIONS CONTAINED HEREIN. ACCEPTANCE OF DELIVERY BY BUYER WILL CONSTITUTE BUYER'S ASSENT TO THESE TERMS AND CONDITIONS. THESE TERMS AND CONDITIONS REPRESENT THE COMPLETE AGREEMENT OF THE PARTIES, AND NO TERMS OR CONDITIONS IN ANY WAY ADDING TO, MODIFYING OR OTHERWISE CHANGING THE PROVISIONS STATED HEREIN SHALL BE BINDING UPON SWITZER UNLESS MADE IN WRITING AND SIGNED AND APPROVED BY AN OFFICER OF SWITZER. NO MODIFICATION OF ANY OF THESE TERMS WILL BE AFFECTED BY SWITZER'S SHIPMENT OF GOODS FOLLOWING RECEIPT OF BUYER'S PURCHASE ORDER, SHIPPING REQUEST OR SIMILAR FORMS CONTAINING PRINTED TERMS AND CONDITIONS CONFLICTING OR INCONSISTENT WITH THE TERMS HEREIN.

ORDERS, PRICING & TERMS

All orders are Ex-Works Factory.

Orders will not be processed for production until a deposit payment has been received by the appropriate SWITZER office.

- o Orders for William Switzer or Lucien Rollin collections are to be forwarded to our Vancouver office.
- Orders for Charles Pollock collection are to be forwarded to our Los Angeles office.

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<u>A deposit of 50%</u> is required for all standard designs, including orders for in-stock product that is being modified to the customer's specification.

<u>A deposit of 70%</u> is required for all CUSTOM designs, including orders for standard designs being manufactured and modified to the customer's specification.

<u>A payment of 100%</u> is required for all showroom samples, as-is, or finished goods, lighting and fabric orders.

SWITZER will issue an order confirmation after receipt of deposit. It is important to review this document to ensure the order details are accurate. The order confirmation is not verification that an order has begun production.

Orders must be paid in full, including (but not limited to and where applicable) shipping, handling, crating and packing, storage, taxes, and service charges prior to shipping. SWITZER will notify the showroom of a balance due 4 weeks prior to completion along with a confirmed date of completion. Remaining balances are due two (2) weeks before the confirmed date of completion.

Payments may be made by any of the following methods:

- o Cheque
- o Money Order
- Wire Transfer
- o Credit/Debit Card (Canada/USA only)*
 - CANADA Interac, Visa, MasterCard, American Express, Union Pay Debit
 - USA Visa, MasterCard, American Express
 - * Credit card transactions will be subject to a 2% service fee of the total amount charged.

STORAGE

SWITZER will store, free of charge, any order paid in full for up to 90 days after confirmed date of completion. 2% of the order total, per month, will be invoiced to the client, on the last day of the month following the free storage period.

Orders with an unpaid balance after the confirmed date of completion will incur a storage charge of 5% of the order total, per month, and will be charged on the last day of the month following the confirmed date of completion. This charge will be added to the balance due.

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SWITZER will consider any items that have accrued unpaid storage fees for longer than 6 months to be forfeited unless prior arrangements have been made in writing. SWITZER will send up to three registered letters advising the client of the final date of which the order will be considered forfeited, at which time if no response is given by the client, all items being stored will remain in the property of SWITZER, and all deposits/payments will be forfeited.

RETURNS & CANCELLATIONS

All goods manufactured are custom, made-to-order specifications and therefore all sales are considered final, are non-returnable, and non-cancellable. In the event an exception has been granted to cancel an order prior to shipping, SWITZER will charge a change fee, restocking fee, or cancellation fee of up to 50% of the of the net selling price. All cancellation requests must be made in writing, and require prior written approval from an authorized SWITZER officer.

PRODUCTION LEAD TIMES

All quoted completion and delivery times are considered to be an estimate only.

SWITZER will issue a Production Confirmation, which shall serve as the official notice that your order will be produced. This will also confirm our estimated lead time and completion date. Completion dates will be confirmed 4 weeks prior to actual completion.

All orders are pending production until the following details are confirmed:

- o Finish/hardware sample approval
- Drawing approval (if required)
- o Fabric information has been received (if applicable)

SWITZER will inspect and determine suitability of the customer's fabric for the upholstery work as ordered. In the event the fabric is deemed unsuitable for installation, SWITZER will advise the client and await further instruction. All costs related to unusable fabrics are the responsibility of the customer.

Any changes or adjustments made to orders after the Production Confirmation may directly impact quoted lead times, and may also result in additional charges to the order.

FORCE MAJUERE:

SWITZER shall not be liable for delays in completion or shipment or default in delivery for any reason of force majeure or for any cause beyond SWITZER's reasonable control including, but not limited to, (a) government action, war, riots, civil commotion, embargoes

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or martial laws, (b) SWITZER's inability to obtain necessary materials from its usual sources of supply, (c) shortage of labor, raw material, production or transportation facilities or other delays in transit, (d) labor difficulty involving employees of SWITZER or others, (e) fire, flood or other casualty, or (f) other contingencies of manufacture or shipment. In the event of any delay in SWITZER's performance due in whole or in part to any cause beyond SWITZER's reasonable control, SWITZER shall have such additional time for performance as may be reasonably necessary under the circumstances. Acceptance by Buyer of any goods shall constitute a waiver by Buyer of any claim for damages on account of any delay in delivery of such goods.

EXCLUSIONS

All of SWITZER's drawings, descriptive matter, weights, dimensions, descriptions, photographs and illustrations contained in the SWITZER's catalogues, price lists or advertisements are close approximations only and intended to give a general description of the goods and shall not form part of this agreement. Furniture and lighting is handmade, and therefore is subject to slight variations. All sizes as indicated in the price list are within 1/2" variance.

TAXES

All taxes and excises of any nature whatsoever now or hereafter levied by governmental authority, whether federal, state or local, either directly or indirectly, upon the sale or transportation of any goods covered hereby shall be paid and borne by Buyer.

SHIPPING & FREIGHT

SWITZER will coordinate product shipments for customer orders shipping within Canada and the United States of America.

Freight charges include: premium packaging/crating of goods, ground freight via one of our preferred carriers, and pre-paid brokerage and import duties (where applicable).

In addition to freight charges, all shipments arranged by SWITZER will incur a charge of 3.5% of the value of goods for freight liability insurance.

Freight and insurance charges are applied to the final balance due, and must be paid in full prior to shipping.

If the customer chooses to manage their own freight and delivery service, SWITZER must be notified of the specific details at least 72 hours before will-call pickup. For a \$100 fee,

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SWITZER will prepare all customs & import documents (where applicable) and this charge will be added to the final balance due.

Ownership of the product transfers to the customer (owner) upon the freight carrier taking possession of the order for transport. Therefore, responsibility for damage occurring intransit is the owner's and all claims for freight damage must be made within 72 hours of receipt.

If customer selects their own freight carrier, freight claims must be filed directly with the selected carrier. SWITZER is not responsible for a customer's own or third party freight damage and claim.

Any shipments returned to SWITZER as a result of Buyer's unexcused delay or failure to accept delivery will require Buyer to pay all additional costs incurred by SWITZER including storage fees.

RECEIPT OF PRODUCT

SWITZER will ship to a qualified receiving warehouse of the clients choosing, to receive, inspect, consolidate deliveries and facilitate in-home installation. All crated goods must go through a professional receiver such as a receiving warehouse. A receiving warehouse acts as an agent for the client and is responsible to note any damage and assist the owner with filing a freight claim when any damage is found within 72 hours. A qualified receiving person should be present to accept products when delivered directly to a home.

A signature on the BOL upon receipt of the products confirms that the products are received in good condition unless exception is made on the BOL. If the merchandise is refused upon delivery for quality or damage issues, the receiver should contact the showroom of purchase immediately.

If the driver must "drop and dash," the receiver should note on the BOL that any concealed damage of boxed or crated products will be the responsibility of the carrier or SWITZER as determined upon inspection of the product. Full inspection must occur within 48 hours of delivery and all freight claims filed within 72 hours.

An inspection checklist provided by SWITZER must accompany all freight claims for standard or concealed damage. Photographs of both product and packaging must also be included for any claims.

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INSPECTION OF PRODUCT

- Inspect the cartons or crates carefully. Check to see if the ShockWatch™ indicators are activated. If there is any visible damage to the packaging or the indicator is activated, note it on the BOL. <u>Take photos of any damage to the packaging, this is necessary to resolve damage claims</u>.
- Inspect the SWITZER branded tape seal. If it is not intact or it is covered over, you should assume the package has been tampered with. Note this on the BOL.
- Unpack the cartons or crates. Inspect all merchandise carefully. Cartons and crates should always be unpacked in your presence. NEVER discard original packaging until satisfied with the delivery.
- If you are unable to inspect the merchandise at the time of receiving the shipment, note on the BOL that any concealed damage of boxed or crated products will be the responsibility of the carrier or the SWITZER as determined upon inspection of the products. SWITZER must be notified within 48 hours of any concealed damage that is found. Keep a copy of the BOL. Save the packaging material and take pictures of the damage.
- All claims should be reported to the shipping & logistics coordinator at SWITZER.

PRODUCT QUALITY AND IN-TRANSIT DAMAGE REPORTING

Products are inspected and photographed by the SWITZER prior to release to ensure that the order is in good condition, complete, and adequately packaged for shipment.

The carrier is responsible for a complete inspection of the products at the point of origin. Any damage must be noted on the BOL. The signed BOL is confirmation by the carrier that they have accepted responsibility for delivering the products in the condition in which they were received. Inspection of the boxed or crated products are limited to the exterior of the packages. Exceptions must be noted and the packages opened at once if the condition of the cartons or crates appear compromised.

WAIVER

Waiver by SWITZER of any breach of these terms and conditions shall not be construed as a waiver of any other breach, and failure to exercise any right arising from any default hereunder shall not be deemed a waiver of such right at any subsequent time.

<u>SEVERABILITY</u>

In the event that any one or more of these terms or conditions is held invalid, illegal or unenforceable, such provision or provisions shall be severed and the remaining terms and conditions shall remain binding and effective.

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CONTROLLING LAW

This agreement shall be deemed to have been executed and delivered at William Switzer & Associates (2011) Ltd., #6 – 611 Alexander St, Vancouver, BC, V6A 1E1. This agreement and all rights and obligations hereunder, including matters of construction, validity and performance shall be governed by the laws of the province of British Columbia, including the Personal Property Security Act as enacted in that jurisdiction, without giving effect to the principles of conflicts of law thereof.

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