

<u>Customer Terms and Conditions</u> Terms of Use

Please review this document carefully before you make your purchase decisions. It contains very important information about your rights and obligations, as well as limitations and exclusions that may apply to you. Your purchase of a product or service through Textile Finishing Systems is governed by the terms and conditions (these "Terms and Conditions of Sale") set forth below and our Terms of Use, which are incorporated herein by this reference. Please read them carefully. Your placement of an order indicates your acceptance of these Terms and Conditions of Sale and our Terms of Use. Textile Finishing Systems reserves the right to make changes to this website, these Terms and Conditions of Sale and our Terms of Use at any time, without notice.

1. Order Acceptance Policy

Your order to purchase a product or service from Textile Finishing Systems constitutes your offer to purchase, which Textile Finishing Systems may accept or decline in its sole and absolute discretion. Orders are not binding upon Textile Finishing Systems until accepted by Textile Finishing Systems. Your receipt of an electronic or other form of order confirmation does not signify our acceptance of your order, nor does it constitute confirmation of our offer to sell. Textile Finishing Systems reserves the right at any time after receipt of your order to accept or decline your order for any reason. Your order shall be deemed accepted by Textile Finishing Systems at such time Textile Finishing Systems receives payment for the product or service ordered and either ships the product or instructs the manufacturer or provider of the product or service purchased, as applicable, to deliver or perform the service, as applicable. Textile Finishing Systems also reserves the right at any time to supply less than the quantity you ordered of any item, in which case Textile Finishing Systems will notify you and give you an opportunity to cancel your order. You may not cancel your order after Textile Finishing Systems has shipped the product you purchased.

2. Pricing and Payment Terms

Pricing Information

The purchase price for the products and services you wish to purchase will be provided to you by an authorized representative of Textile Finishing Systems. By placing an order to purchase a product or service, you agree to pay the purchase price set forth on the quote.

In the event a product or service is listed at an incorrect price due to a typographical error, an error in pricing information received from our suppliers or our failure to timely update pricing information, Textile Finishing Systems shall have the right to cancel any order placed for a product or service listed at an incorrect price, whether or not the order has been confirmed and your credit card charged. If your credit card has already been charged for the purchase and your order is canceled, Textile Finishing Systems shall promptly issue a credit to your credit card account in the amount charged to your credit card.

Payment Terms

Payment terms are within Textile Finishing Systems' sole and absolute discretion and, unless otherwise agreed to by Textile Finishing Systems in writing, payment must be received by Textile Finishing Systems prior to Textile Finishing Systems' acceptance of your order. Payment for any product or service purchased through Textile Finishing Systems must be made by credit card unless some other form of payment is arranged between you and Textile Finishing Systems in writing.

All orders placed by you must be approved by our Credit and Fraud Avoidance Department or service provider. In certain circumstances, we may require additional verifications or information before accepting your order. In addition, credit card payments are subject to clearance by the bank or other financial institution that issued your credit card. Textile Finishing Systems will not be liable if the bank or financial institution refuses to approve or honor your credit card.

3. Sales Tax, Shipping and Handling Charges and Terms

Purchase prices do not include sales tax. Textile Finishing Systems may charge sales tax where applicable. If Textile Finishing Systems does not charge sales tax, you will be responsible for payment of any applicable sales tax in the state, county or municipality in which you reside.

Purchase prices do not include shipping and handling charges. Textile Finishing Systems offers several shipping alternatives for you to choose. By placing an order, you agree to pay the shipping and handling charges set forth on the order form.

Products may be shipped directly to you by the product manufacturer. Any delivery or shipment date provided by Textile Finishing Systems is Textile Finishing Systems' good faith estimate, which is based solely upon the estimates of third-party shipping companies. You acknowledge that a product purchased by you may not be available for delivery at the time requested. You also acknowledge that a service provider may not be able to perform the service purchased by you in the time requested. Textile Finishing Systems' only obligation is to contact the product or service provider, as applicable, and request that such provider: (i) in the case of a product, ship such product in the manner and time quoted to you; and (ii) in the case of a service, contact you concerning such service within a reasonable period of time. TEXTILE FINISHING SYSTEMS WILL NOT BE LIABLE FOR ANY LOSS, DAMAGE, COST OR EXPENSE INCURRED BY YOU AS A RESULT OF ANY DELAY IN THE SHIPMENT. DELIVERY OR PERFORMANCE OF A PRODUCT OR SERVICE.

4. Return Policy

All Product returns shall be made in accordance with our return policy, as then in effect, and must be made directly through Textile Finishing Systems. You acknowledge that you have read and accept our return policies, which can be obtained from an authorized representative of Textile Finishing Systems upon request. Credit Memos issued for approved returns have no cash value.

5. Manufacturer's Warranty

You acknowledge that the products and services available for purchase from Textile Finishing Systems are not manufactured, provided or warranted in any way by Textile Finishing Systems. The products and services sold on this website are subject only to any applicable warranties provided by the manufacturer and service provider, respectively. The manufacturer's and provider's warranties vary on each product and service available for purchase on this website. Prior to purchasing a product or service, you should contact the applicable manufacturer or service provider and obtain a copy of their warranty documentation. Extended warranties may be available directly from select manufacturers and providers. ALL REQUESTS FOR WARRANTY AND TECHNICAL SERVICE AND SUPPORT SHOULD BE MADE DIRECTLY TO THE MANUFACTURER AND SERVICE PROVIDER, AS APPLICABLE, IN ACCORDANCE WITH THEIR TERMS AND CONDITIONS AND WARRANTIES. ALL PRODUCT COMPLAINTS SHOULD BE DIRECTED TO THE MANUFACTURER AND SERVICE PROVIDED EXCLUSIVELY BY THE MANUFACTURER, UNLESS THE PRODUCT PURCHASED BY YOU INCLUDES SUCH SERVICES WHICH MAY BE PROVIDED BY TEXTILE FINISHING SYSTEMS OR A THIRD PARTY.

6. Custom/Special Orders: Customer assumes all invoice cost for items that are deemed Custom or Special Orders. Once Textile Finishing Systems receives a purchase order for a custom/special order and processes it, the order will not be canceled. All payments for the part or full order that have already been processed will not

be credited or refunded. For customers on terms, Textile Finishing Systems will have the right to bill the customer for the order that has already been processed, even if it receives a request for cancellation before shipment of the part or full order. Unless there is a manufacturing defect found and reported to Textile Finishing Systems immediately upon order acceptance by the customer, Textile Finishing Systems will not be liable to help with a replacement through the manufacturer. Also in such cases, Textile Finishing Systems makes no guarantees of the manufacturer honoring a replacement but will only try to facilitate a replacement through the manufacturer. No credit notes or refunds will be provided for custom/special orders in any case.

7. Disclaimer and Limitation of Liability as to Products and Services Sold

TEXTILE FINISHING SYSTEMS MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, OF ANY KIND WITH RESPECT TO PRODUCTS AND SERVICES SOLD BY IT. TEXTILE FINISHING SYSTEMS EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, OF ANY KIND WITH RESPECT TO PRODUCTS AND SERVICES SOLD, INCLUDING BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. YOU AGREE THAT TEXTILE FINISHING SYSTEMS, ITS DIRECTORS, OFFICERS, EMPLOYEES OR OTHER REPRESENTATIVES SHALL NOT BE LIABLE FOR ANY LOSSES, CLAIMS, EXPENSES OR DAMAGES ARISING FROM ANY PRODUCT OR SERVICE SOLD BY TEXTILE FINISHING SYSTEMS. YOU AGREE TO LOOK SOLELY TO THE PRODUCT MANUFACTURER OR SERVICE PROVIDER CONCERNING ANY COMPLAINTS, DEFECTS, LOSSES, CLAIMS, EXPENSES OR DAMAGES.

IN NO EVENT SHALL TEXTILE FINISHING SYSTEMS, ITS DIRECTORS, OFFICERS, EMPLOYEES AND REPRESENTATIVES BE LIABLE FOR SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES RELATED IN ANY WAY TO ANY PRODUCT OR SERVICE SOLD THROUGH TEXTILE FINISHING SYSTEMS.

8. General Release

You understand that Textile Finishing Systems does not manufacture products or provide the services sold on this website, but rather, obtains such products and services for distribution and performance through third party suppliers and service providers. Since Textile Finishing Systems is not the manufacturer of any product sold on this website and is not the provider of any service purchased on this website, in the event that you have a dispute with a manufacturer or a service provider concerning a product or service, YOU RELEASE TEXTILE FINISHING SYSTEMS(AND OUR DIRECTORS, OFFICERS, AGENTS, EMPLOYEES AND AFFILIATES) FROM ALL CLAIMS, DEMANDS AND DAMAGES (ACTUAL AND CONSEQUENTIAL) OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, SUSPECTED AND UNSUSPECTED, DISCLOSED AND UNDISCLOSED, ARISING OUT OF OR IN ANY WAY CONNECTED WITH SUCH DISPUTES. IF YOU ARE A RESIDENT OF THE STATE OF CALIFORNIA, YOU WAIVE YOUR RIGHTS UNDER CALIFORNIA CIVIL CODE §1542, WHICH STATES: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

9. Miscellaneous Provisions

This Agreement constitutes the entire agreement and understanding between you and Textile Finishing Systems relating to the subject matter hereof and supersedes all prior negotiations and understandings, both oral and written, regarding such subject matter. You may not assign your rights and obligations under these Terms and Conditions of Sale. These Terms and Conditions of Sale may not be modified or amended except in a writing signed by you and Textile Finishing Systems. These Terms and Conditions of Sale are governed by the laws of the State of California, without regard to its conflicts of laws principles. If any provision of these Terms and Conditions of Sale is or deemed to be unenforceable, illegal or otherwise invalid, that provision and the remaining provisions of these Terms and Conditions of Sale will be enforced to the greatest extent permitted by

law. Any claim, dispute or controversy (whether in contract, tort, or otherwise, whether preexisting, present or future, and including statutory, common law, intentional tort and equitable claims) against Textile Finishing Systems, its agents, employees, successors, assigns or affiliates arising from or relating to these Terms and Conditions of Sale, its interpretation, or the breach, termination or validity thereof, the relationships which result from these Terms and Conditions of Sale, Textile Finishing Systems' advertising, or any related purchase shall be resolved exclusively and finally by binding arbitration administered by the American Arbitration Association, under its code of procedure then in effect. The arbitration shall be held in Orange County California. Any award of the arbitrator shall be final and binding on each of the parties and may be entered as a judgment in any court of competent jurisdiction.

Vendor Terms and Conditions

1. Free On Board

The F.O.B. (Free on Board) point for all shipments to Textile Finishing Systemswill be" ex-works." Textile Finishing Systems will pay for all the charges per each invoice submitted for all transactions that occur after the material leaves your dock. We will not accept F.O.B. delivered to Textile Finishing Systems, unless you receive our approval in writing regarding a specific shipment to Textile Finishing Systems.

2. Purchase Order Deliver Dates

Purchase Order Due Dates are put on Textile Finishing Systems' Purchase Orders as required. When there is a Due Date on a Purchase Order, it is expected by Textile Finishing Systems that you meet this date. You should notify Textile Finishing Systems should you encounter a problem that will affect meeting the due date on Textile Finishing Systems' Purchase Order.

3. Supplier Acceptance of Textile Finishing Systems' Purchase Order The Supplier accepts the Textile Finishing Systems' Purchase Order via e-mail within a 24 hour period from the receipt of the Purchase Order.

4. Lot Number

Each carton must have a lot number when shipping material to Textile Finishing Systems.

5. Packing Slip Information with each shipment to Textile Finishing Systems
Each Packing Slip must have a Purchase Order Number, a Part Number and the Quantity clearly visible.

6. Textile Finishing Systems Pricing

Textile Finishing Systems pricing is based on the current, Textile Finishing Systems accepted Supplier price list and updated by the Textile Finishing Systems' Supplier and formally approved, as required. When Purchase Orders are issued by Textile Finishing Systems to the Supplier the accepted price will be included.

7. Textile Finishing Systems Quality Assurance

Upon receipt of material from any Textile Finishing Systems' Supplier, Textile Finishing Systems will check for: core damage and any damage/gashes in the cartons received. If the material itself has a gash or mark rendering the material unusable, pictures will be taken and the Supplier will be notified at once of a quality problem with the material and/or cartons received. If the material itself is found to be unusable, photos will be taken and the Supplier must credit or replace said unusable material based on your conversation with Textile Finishing Systems/Purchasing.

8. Textile Finishing Systems' Quantity Checks

Upon Receipt of Material at Textile Finishing Systems the quantity shipped will be verified upon receipt and the Supplier will be notified immediately should there be a variance in quantity.

9. All changes to the Textile Finishing Systems' Contract or Purchase Order Any changes or amendments to this Contract/Purchase Order are valid and effective only if they are in written form approved by Textile Finishing Systems/Purchasing.

10. Force Majeure

In the event that either party is incapable of performing its obligation to each other under this Contract/Purchase Order due to Force Majeure (something that happens out of their control), parties are to give notice to each other immediately.

11. Product Liability

We expect each Textile Finishing Systems' Supplier to have adequate Product Liability Insurance to cover all of the materials supplied to Textile Finishing Systems.

12. Assignment and Set-Off

Textile Finishing Systems/Purchasing shall have the right to reduce and set-off against any amount payable hereunder, any indebtedness or other claims which Textile Finishing Systems/Purchasing may have against the Supplier, however and whenever arising.

13. Textile Finishing Systems' Liability

In no event shall Textile Finishing Systems be liable to Textile Finishing Systems' Supplier (or anyone asserting a claim on its behalf) for incidental, consequential or special damages of any nature, including, without limitation, lost profit, revenues and/or termination charges paid by Textile Finishing Systems' Suppliers.