MOHAWK CARPET DISTRIBUTION, LLC, DAL-TILE DISTRIBUTION, LLC, MOHAWK CANADA CORPORATION AND DAL-TILE OF CANADA ULC

INCLUDING THEIR DIVISIONS, SUBSIDIARIES, PARENTS, AFFILIATES, PREDECESSORS, SUCCESSORS AND ASSIGNS
(WHICH MAY BE INDIVIDUALLY OR COLLECTIVELY REFERRED TO HEREIN AS "SELLER")

TERMS AND CONDITIONS OF SALE

1. All sales of the goods identified in the purchase order (the "Goods") are FCA INCOTERMS® 2020 Seller's shipping point, regardless of the means of delivery to the person(s) or entity purchasing the Goods ("Buyer"), with title and risk of loss passing to Buyer at such time. For each transaction, the particular Seller legal entity from which Buyer purchases Goods shall be the actual "Seller" for contractual purposes. Buyer shall pay Seller for all costs of shipping, handling and insurance.

2. Except as expressly warranted by Seller in its written warranty applicable to the Goods, Seller makes NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AND SPECIFICALLY MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Buyer agrees to assume all risks and liability related to the Goods, whether used individually or in combination with other goods. In particular, Seller assumes no responsibility for the installation services used for the Goods.

3. Any quotation or estimate given by Seller is an invitation to make an offer only, and no order of Buyer placed with Seller upon quotation or estimate or otherwise shall be binding on Seller unless and until it is accepted by Seller in writing. Seller may reject Buyer's order at its sole and absolute discretion. Any price detailed in a purchase order accepted by Seller is expressly limited to such purchase order, and Seller's acceptance shall not affect Seller's right to adjust its pricing for any future purchase order. All Goods pricing shall be determined in Seller's sole and absolute discretion. Seller may adjust the price of any Goods at any time before shipment to reflect increases in Seller's costs, including without limitation increases in raw materials, labor, energy, freight, transportation, packaging, insurance, tariffs, duties, taxes, currency fluctuations, or other costs or market conditions affecting Seller's performance. Buyer shall be responsible for any such adjusted price unless Buyer cancels the affected Order within five (5) business days after receiving notice of the adjustment and before shipment of the Goods. Any individual contract between Seller and Buyer (the "Order") shall incorporate and be subject to these terms and conditions, and receipt of Goods by Buyer shall be deemed to be conclusive proof that Buyer has accepted these terms and conditions in the absence of any express rejection of these terms and conditions by Buyer. Without prejudice to the generality of the foregoing, all other terms and conditions, whether or not the same are endorsed upon delivery or referred to in any purchase order or any other document delivered or sent by Buyer to Seller, are expressly excluded. Any reference in the Order to Buyer's order specification or like document will not be deemed to imply that any terms or conditions endorsed upon, delivered with or referred to in such order, specification or like document will have effect.

4. Buyer shall inspect the Goods immediately upon receipt and shall within ten (10) business days after receipt give written notice to Seller of any claim that (1) the Goods do not conform with the terms of the Order, including any claim for shortage, overage, incorrect Goods, or other visible nonconformity, or (2) that the Goods are defective, provided that a reasonable inspection should have revealed such defect. If Buyer fails to give such notice, the Goods shall be deemed to conform to the terms of the Order, and Buyer shall be deemed to have accepted and shall pay for the Goods in accordance with the terms of the Order, these Terms and Conditions of Sale and, if applicable, any Master Agreement and Personal Guaranty, and Buyer forever releases and discharges Seller from all claims and demands related to clauses (1) or (2) of this Section. Seller reserves the right to substitute materials used to manufacture Goods due to improved

technology, supply limitations or other factors.

5. Buyer agrees to indemnify and hold Seller harmless from any and all claims, actions, liability, loss, damage or expense (including, without limitation, reasonable legal fees on a substantial indemnity basis) with respect to any suit, claim, demand or other proceeding (whether in contract, tort or otherwise) arising out of or relating to the Goods, and the loading, unloading and/or installation thereof. including but not limited to personal injury or property damage, except for claims related to a breach of Seller's express written warranty applicable to the Goods. As a condition of sale, Buyer agrees to adhere to all applicable laws and safety requirements related to use, alteration, fabrication, or installation of the Goods.

6. Seller's sole and exclusive liability to Buyer, or any person or entity purchasing from Buyer, shall be limited, to the extent permitted by law, including but not limited to liability for any defective or nonconforming Goods, to the express warranties set forth in Seller's and/or its third-party manufacturer's written warranty applicable to the Goods, if any. Seller shall not be bound by any claim adjustment made by Buyer without prior written authorization by Seller's authorized representative. Any unauthorized returns are subject to refusal by Seller and may be returned to Buyer on a freight collect basis. Any cancellation of an Order or return of Goods must be approved in writing by Seller and may be denied or subject to restocking fees and other charges. Title in any return of Goods will not pass until Seller takes possession of such Goods after verifying the authorization of the return of Goods in writing. With respect to any tools or installation products or supplies purchased from Seller by Buyer that are manufactured by a third party, even if branded with a private label of Buyer, any and all warranties applicable to such tools and installation products shall be strictly limited to the published warranties of the actual manufacturer. No additional warranties to such items are offered by Seller. SELLER SHALL HAVE NO LIABILITY TO BUYER (OR ANY PERSON OR ENTITY CLAIMING THROUGH BUYER) FOR LOST PROFITS, LOSS OF REVENUE, LOSS OF BUSINESS OPPORTUNITY, LOSS OF GOODWILL, COST OF SUBSTITUTE GOODS OR FOR INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES (WHETHER FORESEEABLE OR UNFORESEEABLE) AND THESE ARE HEREBY WAIVED BY BUYER, AND BUYER SHALL CONTRACTUALLY OBLIGATE ITS CUSTOMERS TO BE BOUND BY SUCH WAIVER FOR GOODS FURNISHED BY SELLER TO BUYER.

7. The terms of payment for the Goods shall be as stated on each invoice. Payment terms begin from the date of invoice. A finance charge of 1 ½% per month or the maximum rate allowed by law, whichever is less, will be charged on each payment received after the due date. A seventy-five ($75.00) dollar fee will be charged on each Buyer check returned due to insufficient funds. Checks will not be re-deposited. In the event a legal action is commenced by Seller to enforce these terms and conditions, Buyer agrees to pay all reasonable costs and out-of-pocket expenses incurred by Seller on a substantial indemnity basis in collecting the purchase price or enforcing any other obligations created hereby or hereinafter arising in favor of Seller (including without limitation, collection agency fees and expenses, if Buyer defaults on any payment due to Seller, and reasonable legal fees and expenses of Seller's counsel on a substantial indemnity basis if Seller is the prevailing party in any legal action or arbitration). Seller shall have the right of set-off, recoupment and deduction for any amounts, and withhold from any payment which it may owe to Buyer, pursuant to any invoice, purchase order, agreement, sale, or transaction for any claims, rebates, amounts, or other liabilities it may have arising pursuant to any invoice, purchase order, agreement, sale, or transaction. In the event of a bankruptcy filing, Buyer consents to Seller's exercise of the aforementioned rights and does hereby consent to any relief sought by Seller under any applicable bankruptcy or insolvency legislation or any successor, replacement or modification of such section or similar provision of federal, state, provincial, local or foreign law. Buyer shall not withhold, offset, recoup, deduct, or set-off any amounts owed to Seller against any amounts allegedly owed by Seller to Buyer unless expressly agreed to in writing by Seller.

8. Credit arrangements are subject to written approval of Seller in its sole and absolute discretion and are subject to change without notice. In the event Buyer fails to fulfill the terms of payment or in the event Seller shall have any doubt at any time as to Buyer's financial responsibility, Seller may, without liability to Buyer, suspend production, shipment, delivery, decline to make further deliveries, cancel any outstanding Order, or require cash in advance or other satisfactory security before continuing performance. Buyer shall be responsible for all costs and expenses incurred by Seller as a result of any such suspension, delay, or requirement for additional security.

9. Buyer is responsible for payment of all applicable federal, state, provincial and local taxes and/or for providing a valid sales tax exemption certificate. When placing an order, Buyer shall indicate which Goods are tax exempt. Buyer shall reimburse Seller for all taxes, excises or other charges that Seller may be required to collect for and/or pay to the government upon the sale or transportation of the Goods. Further, Seller, as and if applicable, may charge applicable duties, tariffs and import fees to Buyer. Buyer assumes responsibility for, and unconditionally guarantees payment or reimbursement of, all applicable taxes, fees, licenses, import duties, tariffs and expenses as may be applicable.

10. Seller shall have no responsibility for or liability to Buyer, in the event that a court of competent jurisdiction makes a final binding judgment, whether or not appealable, that any duty, tariff or other import fee was assessed by a governmental authority contrary to law for any such duty, tariff or other import fee collected by Seller from Buyer.

11. No liability shall result from delay in Seller's performance or nonperformance of these terms and conditions directly or indirectly caused by fire, explosion, accidents, flood, pandemics or any other act of God, labor trouble or shortage, act of or authorized by any government, inability to obtain suitable material, equipment, fuel, power or transportation, unusual supply chain disruptions, or arising from contingencies, happenings or causes beyond Seller's control. Seller shall not be required to provide quantities of Goods so affected by any such circumstances, but these terms and conditions shall otherwise remain unaffected.

12. Seller may ship the Goods within ten (10) days of Buyer's requested ship date or earlier if the Goods are available, provided that Seller may charge Buyer a fee for storing Goods that are not shipped immediately upon becoming available for shipment. Buyer acknowledges that failure to deliver the Goods on a delivery date will not result in any liability to Seller or give Buyer the right to avoid any obligations under these terms and conditions.

13. The rights, obligations, and other interests of Buyer shall not be assigned or transferred by Buyer, in whole or in part, without the prior written consent of Seller, which consent may be granted or withheld in Seller's sole and absolute discretion, and any purported assignment of same shall be void and ineffective.

14. Seller may use subcontractors or source materials or Goods from third parties.

15. In the event of inability for any reason to supply the total demands for the Goods specified, Seller may allocate its available supply among any or all of customers on such basis as it may deem fair and practical, without liability for any failure of performance which may result therefrom.

16. All data and other information obtained by Buyer from Seller in connection with an Order shall be held in strict confidence by Buyer and used solely for the purposes originally intended in connection with such Order. Buyer shall treat such data, information and resulting work product with the same degree of care and confidence that it uses to protect its own proprietary or confidential information (but not less than a reasonable standard of care) and shall ensure that each of its employees to whom such data, information or work product is known is held to a similar standard. Buyer shall not use Seller's name in advertising or publicity of any kind without Seller's prior express written consent, which consent may be granted or withheld in Seller's sole and absolute discretion. The parties agree that nothing in these terms and conditions

is intended to transfer ownership and does not transfer ownership of any Seller confidential information or intellectual property or any interest therein and Buyer shall have no ownership or other interest in any such information.

17. Seller also grants and licenses to Buyer the limited, nonexclusive, nontransferable right to use the trademarks and copyrights designated by Seller in conjunction with its marketing and sale of the Goods. Buyer shall adhere to Seller's rules regarding use of trademarks, copyrights or other intellectual property rights. It is expressly understood that Buyer may use such trademarks only for marketing and selling Goods in accordance with the limitations set forth herein, and shall refrain from (i) using such trademarks or any marks, names or signs resembling such trademarks in any other context or capacity or (ii) marketing or selling the Goods under any logo, trademark or brand name other than as designated by Seller. Buyer agrees that it has no right, title or interest in the trademarks of Seller except to use the same as set forth herein. Seller may revoke or modify the foregoing license at any time upon written notice to Buyer. Upon expiration, termination, revocation, or Seller's request, Buyer shall immediately cease all use of Seller's trademarks, copyrights, trade names, logos, and other intellectual property. Buyer shall not register, attempt to register, use, or authorize the use of any trademark, trade name, domain name, social media handle, keyword, metatag, or other designation that contains, resembles, or is confusingly similar to Seller's trademarks, nor shall Buyer challenge Seller's ownership, validity, or enforceability of any Seller intellectual property. All goodwill arising from Buyer's use of Seller's trademarks shall inure solely to the benefit of Seller.

18. Buyer's relationship with Seller shall be that of an independent contractor and nothing in this Order shall be construed to create a partnership, joint venture, agency or employer-employee relationship between the parties.

19. In the event of bankruptcy or insolvency of Buyer, either voluntarily or in the case of a receiver having been appointed for the benefit of creditors, Seller may elect to terminate any outstanding Order, without any further obligation or liability of Seller. In the event of termination, Seller shall, after taking into account payments made by Buyer to Seller, be entitled to be paid by Buyer for work done and expenditure made under the Agreement up to and including the date of termination and any direct and indirect loss suffered by Seller including without limitation Seller's loss of profit on such Order and the legal costs of Seller (on a full indemnity basis) incurred in relation to the termination and any prior breach and in exercising any rights and remedies as a consequence of the termination and any prior breach. Termination of an Order shall be without prejudice to the rights of Seller accruing up to the date of termination.

20. These terms and conditions shall be construed and enforced in accordance with the laws of the State of Georgia, without giving effect to conflict of laws principles.

21. Any dispute, claim or controversy arising out of, relating to or concerning in any way this Agreement or the parties' business relationship, whether sounding in contract, tort, or otherwise, shall be fully and finally settled by binding arbitration administered by the American Arbitration Association pursuant to the Commercial Arbitration Rules, except that claims by Seller for Buyer's non-payment of the purchase price of products sold by Seller may be brought before any U.S. or foreign judicial court of competent jurisdiction. Any arbitration shall be conducted in Atlanta, Georgia in English. If the total amount in controversy is less than $5,000,000.00, the arbitration shall be conducted before a single arbitrator; if the total amount in controversy is equal to or greater than $5,000,000.00, the arbitration shall be conducted before a panel of three arbitrators. The parties agree that this arbitration agreement affects interstate commerce and that the Federal Arbitration Act, 9 U.S.C. § 1, et seq., applies. The arbitrator(s) may award declaratory or injunctive relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Legal fees, including, without limitation, reasonable attorneys' fees and costs of arbitration, shall be awarded to the prevailing party in the

arbitration. Any dispute, claim or controversy as to the arbitrability of a matter shall be decided by the arbitrator(s); however, the arbitrator(s) shall have no power to determine the class arbitrability of any dispute or the enforceability of the class action waiver set forth in Section 22 of this Agreement. If the class action waiver set forth in Section 22 is determined to be unenforceable, then the arbitration requirement in this Section 21 shall be null and void solely as to that dispute, claim, or controversy, and such dispute, claim, or controversy shall proceed in a Georgia court of competent jurisdiction rather than in arbitration.

22. Claims may only be brought by a party in its individual capacity and not as a plaintiff or class member in any purported class or representative proceeding, and the arbitrator or arbitrators may not consolidate more than one person's claims or otherwise preside over any class or representative proceeding.

23. Notwithstanding any provision to the contrary, statutory or otherwise, Buyer agrees that any claim, dispute, action, or proceeding against Seller must be brought within one (1) year after the occurrence of the event giving rise to such claim, dispute, action, or proceeding, regardless of when Buyer discovers or reasonably should have discovered the facts giving rise to such claim, dispute, action, or proceeding. Any claim not brought within such period shall be permanently barred and waived. To the extent the foregoing one-year period is not enforceable under applicable law, Buyer agrees that the shortest limitations period permitted by agreement of the parties according to applicable law shall apply. .

24. No terms or conditions other than those stated herein shall be binding on Seller unless such modifications or additional terms are made in writing and executed by an authorized officer of Seller. The failure of either party to assert a right hereunder or to insist upon compliance with any term or condition will not constitute a waiver of that right or excuse any subsequent non-performance of any such term or condition by the other party. No terms or conditions contained herein shall be deemed affected by Buyer's documents containing other or different terms and conditions. These terms and conditions shall take precedence over any different or conflicting terms in Buyer's order or other Buyer documents. Acceptance by Seller of the Order is expressly limited and subject to the terms and conditions contained herein. In the event an Order shall be deemed an acceptance of Buyer's offer, the Order is expressly conditioned upon Buyer's assent to these terms and conditions and Seller's fulfillment of any such Order shall not be construed as assent to any of the terms and conditions proposed by Buyer and will not constitute a waiver by Seller of any of these terms and conditions or in Seller's acknowledgment. Seller retains the right to alter these Terms and Conditions of Sale at any time. In the interpretation and construction of these terms and conditions, the parties acknowledge that the terms of these terms and conditions shall not be deemed, for the purpose of construction and interpretation, to have been drafted by either party hereto.

25. Buyer agrees to refrain from taking any action that may cause a Seller employee to violate Seller's Standards of Conduct and Business Ethics available at www.ir.mohawkind.com under the "Corporate Governance" link. Buyer should report any alleged violations by emailing the Corporate Hotline at ethics_hotline@mohawkind.com or calling (706) 624-2004 or toll free at (888) 566-4295.

26. If any portion of these Terms and Conditions is found to be invalid or unenforceable by a court of competent jurisdiction, the invalid or unenforceable term shall be severed from these Terms and Conditions, and the remaining Terms and Conditions shall be valid and fully enforceable as written.

27. If Seller and Buyer mutually agree to use an Electronic Data Interchange ("EDI") system to facilitate purchase and sale transactions, Buyer agrees that it will not contest (i) any contract of sale resulting from an EDI transaction under the provisions of any law relating to whether agreements must be in writing or signed by the party to be bound thereby; or (ii) the admissibility of copies of EDI records under the business records exception to the hearsay rule, the best evidence rule or any other similar rule, on the basis that such records were not originated or maintained in documentary form. Seller and Buyer will negotiate and agree on technical standards and methods to use in making EDI purchases, and will use reasonable security procedures to protect EDI records from improper access. In the event of a conflict, the business records

maintained by Seller regarding EDI purchases made by Buyer shall be deemed to be conclusive.

28. If Buyer elects to use a third party payment system provider ("Third Party Provider") and Seller is charged fees by the Third Party Provider, Seller reserves the right to seek reimbursement from Buyer for any and all costs paid to the Third Party Provider for the transfer of funds, retrieval of payment detail, or any other purpose from the Third Party Provider.

29. Buyer represents and warrants that it is not designated on, or associated with, any party designated on any of the U.S. government or Canadian government restricted parties lists, including without limitation, the U.S. Commerce Department Bureau of Industry and Security ("BIS") Denied Persons List; Entity List or Unverified List; the U.S. Treasury Department Office of Foreign Assets Control ("OFAC") Specially Designated Nationals and Blocked Persons List; or the U.S. State Department Directorate of Defense Trade Controls ("DDTC") Debarred Parties List, and Buyer agrees that it will not sell or transfer any Goods to such persons. Buyer shall comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) and with all applicable U.S. and Canadian economic sanctions and export control laws and regulations, including without limitation, the regulations administered by OFAC, the Export Administration Regulations administered by BIS, and the International Traffic in Arms Regulations administered by DDTC and the Financial Transactions and Reports Centre of Canada.

30. Neither Buyer nor any director, manager, officer, agent, employee or affiliate of Buyer has violated or is in violation of any anti-corruption law, rule or regulation applicable to Buyer, including the U.S. Foreign Corrupt Practices Act or the Canadian Corruption of Foreign Public Officials Act. Without limiting the foregoing, in connection with the performance of this Agreement, neither Buyer nor any person acting on its behalf shall: (i) take any action in furtherance of an offer, payment, promise to pay, or authorization or approval of the payment or giving of money, property, gifts or anything else of value, directly or indirectly, to any government official for the purpose of obtaining or retaining business for or with, or directing business to, Seller or Buyer; (ii) make any bribe, rebate, payoff, influence payment, kickback or other unlawful payment; or (iii) use any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity.

31. As a condition of sale, Buyer represents and agrees that it will return to Seller for reuse, or itself reuse, either directly or indirectly in the supply chain (such as through a pallet recycler), any wood pallets or wood crating received with the Goods. Additionally, Buyer represents and agrees that it will recycle any cardboard or plastic packaging associated with the Goods, or require its customers who receive such materials from Buyer to do so, in order to prevent and minimize discarding such materials or the entry of any such materials into landfills.

32. Pursuant to Canadian law, the parties declare that they have required this Agreement and all documents related hereto, either present or future, be drawn up in the English language only. Conformément à Droit canadien, les parties déclarent par les présentes qu'ils exigent que cette entente et tous les documents y afférents, soit pour le présent ou l'avenir, soient rédigés en langue anglaise seulement.

33. Annex A forms a part hereof for all purposes.

ANNEX A: ADDITIONAL TERMS AND CONDITIONS RELATED TO EXPORTS OF SELLER PRODUCTS FROM THE UNITED STATES.

IN ADDITION TO THE STANDARD TERMS AND CONDITIONS, EXPORTS OF SELLER PRODUCTS FROM THE UNITED STATES WILL BE GOVERNED BY THE FOLLOWING ADDITIONAL TERMS AND CONDITIONS RELATED TO EXPORT OF SELLER PRODUCTS ("ADDITIONAL EXPORT TERMS"). IN THE EVENT OF A CONFLICT BETWEEN SELLER'S STANDARD TERMS AND CONDITIONS AND THE ADDITIONAL EXPORT TERMS, THE ADDITIONAL EXPORT TERMS SHALL PREVAIL FOR EXPORT SALES OF SELLER PRODUCTS.

1. Buyer acknowledges that no Order shall be deemed accepted unless and until it is verified and accepted by Seller, or any of its U.S. affiliates and divisions, at a continental U.S. facility or at any of its websites.

2. Seller is required to charge national, federal, state, provincial, and local tax on Goods, unless Buyer provides a valid exemption certificate. Seller, as and if applicable, will charge applicable duties, tariffs and import fees to Buyer. Buyer assumes responsibility for, and unconditionally guarantees payment or reimbursement of, all applicable taxes, fees, licenses, import duties, tariffs and expenses as may be applicable. When placing an order, Buyer shall indicate which Goods are tax exempt.

3. Buyer agrees to inform Seller immediately if it intends to use any import or export financing, or has or will be granting a lien or security interest on its inventory to any third party, which shall be subordinate to Seller's security interest in the Goods.

4. All Seller export orders are shipped under INCOTERMS® 2020 rules as defined by the International Chamber of Commerce. Unless otherwise stated and agreed, default shipping term is FCA to a seaport, rail terminal or trucking terminal selected by Buyer with title and risk of loss passing to Buyer at such time, subject to Section 8 of this Annex A. Buyer shall pay Seller for all costs of shipping, handling and insurance. If product is damaged in transit, Buyer's only recourse is to file a claim with the applicable airline, carrier, vessel and/or insurance company; provided, however, that if Seller has not received payment in full at the time the product is damaged in transit, Buyer shall be liable to Seller to make payment for the product, and Seller shall also, if Buyer fails to make payment, have the exclusive right to file a claim with the applicable airline, carrier, vessel and/or insurance company.

5. It is specifically agreed that Buyer shall be the foreign principal party in interest and/or that its freight forwarder shall act as Buyer's agent in such capacity for purposes of the Foreign Trade Regulations or other regulatory purposes, and Buyer and its freight forwarder are responsible for all routed export transactions documentation, including but not limited to the filing of the required Electronic Export Information/Automated Export System records. At Seller's request, Buyer or its freight forwarder shall provide copies of any export, shipping, or import documentation prepared by Buyer or its freight forwarder related to sales to Buyer by Seller.

6. Buyer represents that it is purchasing products from the U.S. and importing them to the country specified in the Buyer and Seller documentation. Buyer agrees that the products will be shipped to the specified destination in compliance with the laws of such destination and the U.S., and that the products will not be directly or indirectly sold, exported, transferred, assigned, used, or otherwise disposed of in a manner which may result in any non-compliance with applicable U.S. or Canadian laws and regulations relating to the product purchased by Buyer. Any commodities, technology and software will be exported from the U.S. in accordance with the U.S. Export Administration Regulations and other applicable laws or regulations. Diversion contrary to U.S. or Canadian law is prohibited. If requested by Seller, Buyer shall provide documentation satisfactory to Seller verifying delivery at the designated country. Buyer further agrees to inform Seller at the time of order of any U.S.-Mexico-Canada Free Trade Agreement or other special documentation, packaging or product marking or labeling, but Seller shall not be responsible for

providing any such documentation, packaging, marking or labeling other than such documents that are necessary under U.S. export laws and regulations for export, unless Seller expressly agrees to do so.

7. Buyer shall be responsible for obtaining any licenses or other official authorizations that may be required by the country of importation and/or other applicable laws or regulations. The rights and obligations of the parties under these Terms and Conditions shall not be governed by the provisions of the 1980 United Nations Convention of Contracts for the International Sale of Goods or the United Nations Convention on the Limitation Period in the International Sale of Goods. Rather, these Terms and Conditions shall be governed by the laws of the State of Georgia, U.S., including its provisions of the Uniform Commercial Code, but excluding its conflict of law rules.

8. Retention of Title

(a) Title to and property in the Goods shall remain vested in Seller (notwithstanding the delivery or possession of the same and the passing of the risk therein to the Buyer) until:

(i) the price of the Goods agreed upon in the Order has been paid or satisfied in full; and

(ii) all other money due from Buyer to Seller on any other account has been paid or satisfied in full, including all future claims out of later contracts and including claims for recourse or for indemnification in connection with bills of exchange, with such Goods being referred to in this Section as "Collateral".

(b) Until the title to and possession in the Collateral pass to Buyer, the following provisions shall apply:

(i) Seller may at any time without prior notice to Buyer repossess and resell the Collateral, if any sum owed by Buyer to Seller under the Order (or any other agreement between the parties) is not paid on the due date for payment. For the purpose of exercising its rights under this sub-Section 8(b)(i), Seller, its employees or agents shall be entitled at any time without prior notice to Buyer to free and unrestricted entry upon Buyer's premises and/or other locations where any of the Collateral is situated.

(ii) Buyer must inform Seller without delay in writing of any and all actions by third parties against the Collateral.

(iii) Should the immediate cash value of the security interest established in favor of Seller by the foregoing provisions exceed Seller's secured claims by more than 10% in the aggregate, Seller shall upon written request of Buyer release such security interest at Seller's own choice, to the extent of such excess.

(iv) Buyer shall not be entitled to sell, process and commingle with other products the Collateral except within the course of its ordinary business and after written consent by Seller.

(c) Until such time as title to the Goods shall pass to Buyer, Buyer shall not without Seller's express written consent (and provided that Seller may condition such consent on obtaining further securities or assurances of payment from Buyer):

(i) store the Collateral in such a manner that the Collateral ceases to be identifiable and recognizable as the Collateral;

(ii) use the Collateral for any purpose whatsoever;

(iii) deal in any way whatsoever with the Collateral so as to create any right or interest in or over the same; and

(iv) move the Collateral outside the country of export.

(d) In the event that Seller shall give written consent to any Collateral's being used in such a way that such Collateral forms part of, or becomes a constituent of, a larger object or is mixed in any way whatsoever with other goods, then so long as such Collateral can be removed and is capable of having a separate identity, title to and property therein shall not pass to Buyer, and upon any sale, which shall not be made without Seller's consent, of the larger object or mixture, Buyer shall act as Seller's agent in respect of such Collateral and shall account to Seller for that part of the sale price which is attributable to such Collateral. To the maximum extent permissible under applicable law, Seller shall further obtain a security interest in any and all proceeds and accounts receivable pertaining to the sale of such Collateral.

(e) If any Goods are delivered to Buyer elsewhere than in the country of export and the law of the country or jurisdiction in which they are delivered does not recognize the reservation of property by Seller, but under such law Seller is entitled to reserve such other rights in the Goods to protect Seller's position, then Seller shall be entitled to exercise such rights and Buyer shall be bound to take all such steps as are necessary or requested by Seller to ensure such rights can be exercised by Seller.