

North American Terms of Sale

1. Terms and Conditions.

The terms and conditions contained herein shall apply for all products (“**Products**”) purchased from Haworth, Inc. (“**Seller**”) by the buyer (“**Buyer**”) under the applicable purchase order or other sales document (“**Order**”), and any conflicting terms in the Order shall be superseded by the terms herein. All other terms shall be null and void.

2. Affiliates.

At the discretion of Seller: (a) entities controlling or controlled by Seller may be designated as the Seller for any Order hereunder. The term “Affiliate” as used herein shall mean an entity directly or indirectly controlling, controlled by, or under common control with the Seller.

3. Products and Prices.

- a. Unless expressly set forth in the Order, Buyer is not obligated to purchase any annual minimum quantities from Seller and Seller is not obligated to sell any annual minimum quantities to Buyer.
- b. Unless Buyer is an authorized dealer, Buyer acknowledges and agrees that Products purchased hereunder are for Buyer’s own use and are not intended for resale.
- c. Applicable prices are those in effect in Seller’s applicable North American Price Books at the time of Seller’s receipt of an Order.
- d. Shipment must occur within 120 days of Seller’s acceptance of the Order, otherwise Seller may use the prices set forth in the published North American Price Books effective at the time of shipment.
- e. Seller may impose surcharges for freight, material, energy, labor, at its reasonable discretion based on market conditions.

4. Special Orders and Customer’s Own Material (“COM”).

- a. Seller will determine the feasibility of manufacturing any Buyer requests for fabric, surface, or finish material not in Seller’s standard finish offerings (referred to as “**Customer’s Own Material**” or “**COM**”).
- b. Some product categories require customer-specific COM approvals and/or customer waivers, whereas others may have been pre-approved by Haworth for use by any customer. **A Buyer must confirm in writing Seller’s approval or pre-approval for each COM prior to placing an Order.** For a description of the procedure to submit COM requests, samples, and testing information, see the COM Tab on the surface collection section of Haworth.com, or contact com-info@haworth.com with any questions.
- c. If Seller agrees to use the COM(s), (1) Seller shall have no responsibility for the condition, quality, value, performance, physical properties, or any other aspect of the COM(s); (2) Seller shall have no liability for any damages, injuries, or losses to the Buyer or to any third party that shall be caused by any COM; and (3) Buyer shall indemnify and hold Seller harmless from any damages, claims, losses, or expenses related to the COM(s).

5. Order Processing.

- a. Orders must be issued from Buyer to one of the following designated Seller Affiliates, based on the ultimate destination for the Order: if to the U.S., Haworth, Inc., or a U.S. authorized dealer, if to Canada, Haworth, Ltd., or a Canadian authorized dealer, and, if to Mexico, a Haworth authorized dealer in Mexico.
- b. If the Buyer issues an Order to any other entity than those listed above, the Buyer is responsible for acting as the registered importer on the transaction(s) and pricing and shipping terms are EXW (Seller’s Facility). Additionally, the Buyer will be responsible for complying with all regulatory and compliance requirements in the country of ultimate destination.
- c. Requests for Order changes or cancellations must be submitted in writing to Seller. All requests are subject to approval by Seller in accordance with Seller’s **Order Change Policy**, which may be amended by Seller at any time. A current copy of the Order Change Policy will be provided to Buyer upon request.
- d. All Orders must be submitted in writing. **All Orders must be acknowledged by Seller in writing to be valid (electronically is sufficient).** The following information is required in an Order before Seller can process it:
 - i. **Customer Information.**
 01. **Sold To:** Legal name, complete address, and phone.
 02. **Ship To:** Legal name and address.
 03. **Purchase Order Number:** From the party Seller will be billing.
 04. **Authorized Signature:** All Orders must be signed by a duly authorized representative if a signature line is present. Electronically transmitted Orders will be accepted without signature if an Authorized Dealer will be billing the Buyer and the dealer has an electronic purchase payment agreement on file.
 05. **Contact Name and Phone Number:** The person whom Seller should contact for any questions regarding the Order.
 06. **Shipping Contact:** Name and phone number of the person to be contacted regarding shipping and delivery matters.
 07. **Tagging Instructions:** This information will appear on all documentation received from Seller including cartons, acknowledgments, and invoices.
 08. **Price Agreement or National Sales Agreement Number,** if applicable.
 09. **Payment Terms.** Payment terms are Net 30 from date of invoice unless otherwise agreed in writing by Seller.

10. **Product Total:** Net U.S. dollars.
 11. **Services:** Installation, Design, Project Management, and/or Service Fees, if applicable.
- ii. **Product Information.**
01. **Quantity.**
 02. **Product Numbers.**
 03. **Colors.**
 04. **Tailored Solutions:** Specify special part number for new special products.
 05. **Customer's Own Material (COM):** Order entry code, manufacturer, pattern, and color. Please see COM section above for additional requirements for COMs.
 06. **Approval Drawings:** An authorized signature by a duly authorized representative of Buyer is required for shop drawings when applicable. Ordering a Tailored Solution that has a CAD symbol is deemed as Buyer's signature and approval for the shop drawing.

6. Payment and Credit Terms.

- a. Unless otherwise agreed in the Order, payments must be in U.S. dollars.
- b. Terms of payment and credit limits will be established based on financial information provided to Seller. Buyer represents and warrants to Seller that the information Buyer provides to Seller is complete and accurate. Buyer authorizes Seller to obtain such credit reports, financial information, or other information as Seller may request, including, without limitation, credit information from any financial institutions or others having a business relationship with Buyer. Buyer authorizes any credit references to answer Seller's inquiries and provide such credit information and documentation as Seller may request. The Buyer releases and holds Seller harmless for any inconvenience whatsoever caused by any temporary or permanent withdrawal or restriction of credit privileges hereunder or the enforcement of any of the provisions contained in this paragraph.
- c. Advance payments or other payment security may be required by Seller prior to Order acknowledgment. Seller may require a more secure payment method such as a letter of credit, deposit, or guaranty, at its discretion. These exceptions will be considered on an as-needed basis.
- d. Buyer's account balance must be at or below the credit limit, and current at all times (i.e., no past due balances). Seller reserves the right to delay or cancel any delivery to a Buyer whose account balance is over the credit limit and/or past due.
- e. Seller will invoice Buyer electronically to the e-mail address provided in the Order. Standard payment terms are net thirty (30) days from invoice date for all Orders. Past due balances may be increased by Seller by one- and one-half percent (1.5%) per month or eighteen percent (18%) annually without forfeit of Seller's right to immediate payment.

7. Duties and Taxes.

- a. Unless otherwise stated in the Seller's North American Price Book(s), Seller's prices do not include customs, duty, sales, use, value added, or similar taxes, and all such taxes will be separately stated on the invoice, as applicable. A valid tax exemption certificate (if applicable) must be on file with Seller prior to Product shipment, otherwise taxes are due and payable.
- b. Buyer agrees to promptly reimburse Seller, in immediately available funds, for any customs duties, import taxes or other import costs levied against or paid by the Seller and not included in the purchase price of the imported Products when these charges are due to unusual import fluctuations or adverse government rulings.

8. Shipment and Delivery.

a. Shipment & Delivery Terms.

Seller reserves the right to ship the Products covered by a single Order in more than one shipment. Freight charges are based on location and will be prepaid by Seller (solely as to Seller's first selected carrier), and in certain cases, freight charges may be separately stated in the sales quote/proposal, and are not included in the price(s) stated in the North American Price Books. Seller will have the right to determine the method of shipment and routing of Products. Additionally, any additional expense, including shipments requiring additional or alternate carriers resulting from Buyer's request for expedited transportation, special packaging, [oversized products](#), handling, routing and/or shipping method will be billed to Buyer. Shipments to residences may incur additional fees at Seller's sole discretion. Shipments of Products will be made in accordance with INCOTERMS 2020, based on delivery location:

i. Continental U.S. Shipments.

For delivery locations within the continental U.S., delivery will be CPT (Delivered to Carrier). Title is transferred from the Seller to the Buyer when the Products are placed with Seller's first selected carrier. Buyer bears all risk of loss or damage to the Products when they are placed with Seller's first selected carrier, unloaded.

ii. Non-Continental U.S.

Shipments. Deliveries to non-continental U.S. destinations will be CIF (Named Port of Destination). Seller's North American Price Books include ocean freight and insurance to the port of destination in the receiving state. Seller will contract with the insurer and provide minimal insurance coverage (CIF @ 110%) made payable to the Buyer. Buyer is responsible to obtain greater insurance if so desired. Title of the Products is transferred from the Seller to the Buyer when the Products are effectively at the disposal of the Buyer on board the vessel at the named port of destination. Buyer bears all risk of loss or damage to the Products when the Products pass the ship's rail at the named port of shipment. Proof of delivery is a clean on-board bill of lading. Buyer will be responsible for all on-carriage from the receiving port in the destination state to the final destination.

iii. **Canada.**

Deliveries to Canada are DDP (Buyer's Named Place). Prices listed in the North American Price Books include delivery to Buyer's named place, cleared for import, and not unloaded from any arriving means of transport at the named place of destination. Title of Products is transferred from the Seller to the Buyer when Products are delivered to the Buyer's named place, not unloaded. The Buyer bears all risk of loss of or damage to the Products when they are delivered to the Buyer's named facility, not unloaded.

iv. **Mexico.**

Deliveries to Mexico are DAP (Delivered to Place). Seller's North American Price Books include freight charges for normal surface transportation to a United States point of exportation within the 48 contiguous states. Title to the Products is transferred from Seller to Buyer when Products are delivered to the named United States point of exportation. The Buyer bears all risk of loss of or damage to the Products when the Products are delivered to the named United States point of exportation. Seller will provide customs clearance facilitation and arrangement of local delivery, through an Authorized Dealer in the receiving country, on a separately negotiated basis. Otherwise, Buyer will be responsible for all customs clearance formalities and on-carriage from the named United States point of exportation to the final destination in the receiving country.

b. **Delivery Shortages and Damages.**

Claims against Seller for shortages, errors, or damage must be made within fifteen (15) business days of the date of delivery or the Buyer waives the right to make such a claim. Seller will assume the responsibility to file all freight claims with the carrier for any loss/damage which may occur while Products are in transit and will promptly repair or replace any damaged or lost Product. Buyer must report all freight damage and/or loss to Seller within 15 business days accompanied by a notated bill of lading as supporting documentation. Buyer's duties include providing substantiation of claims, reporting all shortages and/or damages by carton number on the delivery receipt at the time the Product is received, advising Seller of said damage/loss, and reporting any concealed damage to the carrier and Seller within fifteen (15) business days of receipt of the Product.

c. **Delivery Dates and Delay.**

If Seller cannot deliver Products as scheduled due to causes beyond its reasonable control, the delivery date will be extended to compensate for the delay as determined by Seller.

9. Seller's Product Warranty.

Seller's North American Product Compatibility and Limited Warranty Policy will apply to the Products manufactured by Seller. All warranty specifics are available in the North American Price Books, by Product, or upon request. For Products not manufactured by Seller, the applicable manufacturer's warranty applies, unless otherwise stated in Seller's North American Price Books. **SELLER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

10. Termination by Seller.

Seller may immediately cancel an Order upon written notice in the event bankruptcy or insolvency proceedings are instituted by or against the Buyer, or the Buyer is adjudicated as bankrupt, becomes insolvent, makes an assignment for the benefit of creditors, or proposes or makes any arrangements for the liquidation of its debts, or a receiver or manager is appointed with respect to all or any part of the assets of the Buyer.

11. Indemnification.

Subject to the other provisions herein, each party (an "Indemnifying Party") agrees to fully indemnify, protect, defend, release and hold harmless the other party ("Indemnified Party") from and against any and all claims, losses, expenses (including reasonable expert and attorneys' fees), demands, damages, judgments, causes of action, suits and liabilities of third parties to the extent directly caused by the Indemnifying Party's: (i) breach of these terms and conditions; (ii) negligent act, omission, or willful misconduct; or (iii) violation of laws, regulations, or statutes.

12. Limitation of Liability.

Notwithstanding anything to the contrary stated herein or any corresponding document, the limit of liability of Seller to the Buyer for any direct damages shall not exceed the total amount actually paid under the Order giving rise to such liability. In no event will the Seller be liable for any special, indirect, collateral, consequential, incidental, liquidated or punitive loss or damages regardless of any notice of the possibility of such damages. Any amounts payable to a third party pursuant to the Indemnification section stated above shall be considered direct damages for purposes of this section.

13. Notices.

All notices or other communications required or permitted hereunder will be in writing and addressed to the Seller's address listed in the Order, with a copy to: HaworthLegal@Haworth.com.

14. Force Majeure.

No party will be liable for delays in performing its obligations to the extent the delay is caused by an unforeseeable condition which is beyond the party's reasonable control. Acts of God, such as storms or floods, as well as government actions, acts of civil or military authorities, fires, epidemics, pandemics, war, or riot are examples of events which will be excusable for being beyond the reasonable control of a party. Each party shall be responsible for notifying the other party of the cause and extent thereof, in the event such conditions exist. Notwithstanding the foregoing, nothing herein shall relieve Buyer of its payment obligations hereunder.

15. Governing Law.

All Orders shall be governed by and construed according to the laws of the State of Michigan, without giving regard to conflict of laws principles. The parties expressly agree that the provisions of the United Nations Convention on Contracts for the International Sale of Products shall not apply.

16. Delays by Buyer.

Where Seller has not received adequate site dimensions, product specifications, shipping information, installation particulars or other information required by Seller to permit the efficient manufacture of any Products, or where site conditions are not in accordance with the installation requirements set forth by Seller, or are not otherwise suitable to permit effective and efficient installation, the manufacture and/or delivery of Products may be delayed, and such event shall constitute a delay by the Buyer. When manufacture, delivery, or installation is delayed by the Buyer or at the Buyer's request: (i) Seller may, at its option, present the invoice for the full price of the Products to the Buyer as then due and payable; (ii) the Buyer shall pay to Seller all reasonable storage, handling and other reasonable incidental expenses incurred by Seller in connection with such delay; and (iii) the Buyer shall bear all risk of loss or damage to the Products being held by Seller for the Buyer.

17. Use and Installation of Products.

The Products must be installed by Seller's certified, qualified, and approved installers according to Seller's written installation procedures for Seller's warranty to remain valid. Seller will have no responsibility or obligation for furniture layout design, assembly, or installation. Buyer must obtain these services through Seller's Authorized Dealer, or other approved service providers, at their local prevailing rates. Seller's Authorized Dealers or other service providers may have separate delivery, inspection, or invoice terms which are also applicable solely to the services. The Buyer agrees to use Seller's Products properly; not to remove or alter safety devices, warnings, or operation instructions placed on the Products by Seller, and to instruct employees as to the proper care and use of the Products according to printed instructions.

18. Compliance with Law.

Buyer and Seller will comply with all applicable laws, including, but not limited to, all import and export laws relating to the Products.