

FEIZY IMPORT & EXPORT COMPANY, LTD. AND ITS AFFILIATES' TERMS & CONDITIONS OF SALE

**** ACCEPTANCE OF BUYER'S ORDER IS CONDITIONED UPON BUYER'S ACCEPTANCE OF THESE TERMS & CONDITIONS AND/OR BUYER'S ACCEPTANCE OF FEIZY IMPORT & EXPORT COMPANY, LTD.'S ("FEIZY") OR ANY OF ITS AFFILIATES' INVOICED GOODS CONSTITUTES ACCEPTANCE OF THESE TERMS AND CONDITIONS.**

INVOICED CUSTOMERS: Buyer's acceptance of the invoiced goods shall be expressly conditioned on the terms in the invoice.

PAYMENT: Invoices must be paid in full within the terms as indicated on the invoice. Past due amounts are subject to an interest rate of 18% (eighteen percent) per annum until fully paid, or at the highest rate in accordance with applicable law.

HANDMADE GOODS: Due to the handmade nature of many of Seller's goods, Buyer understands that the sizes may be slightly irregular, colors and texture may vary and there may be some design inconsistency.

SPECIAL ORDERS: Special ordered rugs are those, which are not available among Feizy's regular sized or designed rugs, but are made specifically to accommodate the customer's need for a unique rug. A 50% (fifty percent) non-refundable deposit is required on any special order. Any sale of any SPECIAL ORDER item shall be **final** and **no return** will be allowed.

RETURN POLICY

Original Condition: All returned goods, whether non-conforming or defective, must be in ORIGINAL CONDITION defined as the condition goods were in upon delivery to Buyer.

RETURN MERCHANDISE AUTHORIZATION NUMBER: All returned goods, whether non-conforming or defective, must be issued a Return Merchandise Authorization Number (RMA #), which can be obtained by calling one of Seller's Customer Service Representatives at (800) 779-0877, prior to returning any goods. The RMA # must accompany all returned goods. **Seller shall refuse to accept any returned goods, which fail to adhere to the return policy instructions and/or lack an RMA #. Buyer must return the goods within 15 days of obtaining this RMA#.**

REFUNDS: Allow 6-8 weeks to process and mail any refund checks and 1 week to appear on credit card statement.

Non-Conforming: Buyer may return the goods for a full refund, including merchandise, shipping and handling, if the goods that Buyer receives do not conform substantially to the specifications of the order, so long as Buyer complies with the return policy procedures.

Within thirty (30) days of receipt of the shipment, Buyer must give Seller written notice of the non-conforming goods. This notice must describe the non-conforming features with particularity. If Buyer fails to give such notice, the goods shall be deemed to have been in conformity with the specifications of the order and to have been accepted by Buyer. If Buyer returns these goods described as being non-conforming to Seller and upon inspection, Seller, in its sole discretion, determines that the goods **DO CONFORM**, then Buyer shall bear the costs of shipping the return to Seller and any subsequent return to Buyer.

Buyer's Remorse: If Buyer is not happy with the goods for any reason other than non-conformity or defectiveness of the goods, Buyer may return goods in undamaged NEW CONDITION for full refund within thirty (30) days of receipt of goods. Shipping and handling costs to return the merchandise (both ways) shall be the responsibility of Buyer. If conforming and non-defective goods are returned AFTER thirty days of receipt of goods, Buyer shall pay a twenty percent (20%) restocking fee in addition to shipping and handling. No refund shall be permitted for goods returned beyond 60 (sixty) days from the date of sales invoice. Buyer must obtain a Return Merchandise Authorization # from Seller before returning the goods — See the above Return Merchandise Authorization # Paragraph.

LIMITED WARRANTIES: BUYER MAY RETURN THE GOODS FOR A FULL REFUND OR REPLACEMENT, INCLUDING, THE COST OF THE GOODS, SHIPPING AND HANDLING IF THE GOODS ARE DEFECTIVE AS DESCRIBED BELOW. BUYER MUST OBTAIN A RMA# AS HEREIN DESCRIBED AND PROVIDE WRITTEN NOTICE WITHIN 30 DAYS OF RECEIPT OF GOODS OF ANY CLAIMED DEFECTS. THE DEFECTS MUST BE DESCRIBED WITH PARTICULARITY.

- LIMITED IMPLIED WARRANTY OF MERCHANTABILITY;

SELLER EXPRESSLY LIMITS ANY WARRANTY OF MERCHANTABILITY WITH RESPECT TO THE GOODS BEING SOLD UNDER THIS AGREEMENT TO THIRTY (30) DAYS FROM THE TIME OF RECEIPT OF GOODS.

- LIMITED IMPLIED WARRANTY OF FITNESS;

SELLER EXPRESSLY LIMITS ANY WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE WITH RESPECT TO THE GOODS BEING SOLD UNDER THIS AGREEMENT TO THIRTY (30) DAYS FROM THE TIME OF RECEIPT OF GOODS. BUYER MUST FOLLOW RETURN POLICY DIRECTIONS AS STATED ABOVE.

SOME STATES DO NOT ALLOW DURATION LIMITATIONS ON IMPLIED WARRANTIES, SO THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU.

INTELLECTUAL PROPERTY: All Feizy Import & Export Company, Ltd. ("Feizy") intellectual property, specifically, all trademarks and copyrights, remain the sole property of Feizy. This includes, but is not limited to, copyrighted designs of rugs, whether a copyright notice is provided or not and any trade names.

CHOICE OF FORUM AND CHOICE OF LAW: Any disputes concerning the subject matter of this Agreement shall be submitted for resolution exclusively to the State, County or Federal Courts in Dallas Texas. Buyer hereby consents to personal jurisdiction and venue in this forum. This Agreement shall be exclusively governed by and construed in accordance with the laws of the State of Texas.

FORCE MAJEURE: In the event that Feizy shall be prevented from performing any of its obligations due under the terms of this Agreement by an act of God, by acts of war, riot, or civil commotion, by an act of State, by strikes, fire, flood or by the occurrence of any other event beyond the control of the parties hereto, that party shall be excused from any further performance of the obligations and undertakings set forth under the terms of the Agreement to which these Terms & Conditions are attached.

SALES/USE TAX: Sales to Texas resident vendors, or to out-of-state vendors selling within Texas are subject to sales tax, unless such vendors provide Feizy with a Texas Sales Tax Resale Certificate or a Border States Uniform Sale for Resale Certificate prior to the sales transaction. Sales tax already charged to a member of the industry can be refunded upon submission of a valid Resale Certificate.

ATTORNEY FEES and Collections: In any litigation, arbitration or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party shall be awarded its reasonable attorney fees, costs and expenses incurred. Feizy may recover all reasonable costs incurred in collecting any delinquency on a Feizy account, including collection agency fees, attorney's fees and any and all other costs associated with the collection of the delinquent account.

INSPECTION OF GOODS: BUYER MUST INSPECT GOODS AND PACKAGING IN THE PRESENCE OF THE CARRIER'S REPRESENTATIVE BEFORE ACCEPTING GOODS. IF DAMAGES ARE DISCOVERED DURING BUYER'S INSPECTION, TO AVOID BUYER ACCEPTING RESPONSIBILITY FOR THE DAMAGED GOODS, BUYER MUST WRITE ON THE DELIVERY OR SHIPPING RECORD UPON RECEIPT OF THE DAMAGED SHIPMENT THAT THE GOODS WERE RECEIVED DAMAGED AND RETURN THIS RECORD TO CARRIER'S REPRESENTATIVE. ONCE BUYER ACCEPTS THE GOODS, BUYER IS RESPONSIBLE FOR PAYMENT TO SELLER, DESPITE ANY DAMAGES CAUSED BY CARRIER. SELLER IS NOT RESPONSIBLE FOR GOODS DAMAGED IN TRANSIT OR RESULTING FROM NEGLIGENCE OR WILLFULL ACTIONS/OMISSIONS BY THE CARRIER.

****These Terms & Conditions may be modified from time to time by Seller without notice; or if modifications are proposed by Buyer, these Terms & Conditions may only be modified by written agreement, signed by Seller.**