

# **TERMS AND CONDITIONS**

### 1. APPLICABILITY

These Terms and Conditions ("<u>Terms</u>") govern the sale of products and goods (collectively "<u>Goods</u>") by LUMA DESIGN, INC. ("<u>Manufacturer</u>") to you, the Buyer ("<u>Buyer</u>").

#### 2. ENTIRE AGREEMENT

(a) Upon receipt of a purchase order for a Good from Buyer ("Order"), Manufacturer shall issue an invoice ("Sales Invoice"), which shall incorporate these Terms as if fully set forth therein. Buyer may accept the Sales Invoice by paying the deposit required under the Sales Invoice ("Deposit"). For legal purposes, the parties acknowledge and agree that an Order is a 'request for quote,' the Sales Invoice is an 'offer' by Manufacturer to sell the requested Good to Buyer and Buyer shall be deemed to have accepted such offer by executing and returning the Sales Invoice and paying the Deposit.

(b) The executed Sales Invoice and these Terms (collectively, "<u>Agreement</u>") comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Buyer's terms and conditions regardless of whether or when Buyer has submitted its purchase order or such terms. Fulfillment and delivery of the Goods ordered by Buyer does not constitute acceptance of any of Buyer's terms and conditions and does not serve to modify or amend these Terms.

## 3. PRICES AND PAYMENT TERMS

- (a) Prices on the website and in catalogues are estimates and are subject to change without notice. Buyers are advised to check the prices with Manufacturer's sales representative before ordering. Actual and final prices for the Goods are on the Sales Invoice to be issued by Manufacturer. All prices are designer net to the qualified trade. All applicable taxes on the sale of Goods, including sales, excise, GST/HST, VAT are the responsibility of Buyer, provided however, if Buyer provides Manufacturer with a copy of its resale certificate, Manufacturer will refrain from collecting sales taxes from Buyer in accordance with applicable law.
- (b) A minimum Deposit of fifty percent (50%) of the purchase price is required to accept the Sales Invoice and to initiate the manufacturing process. All accounts shall be paid in full no later than sixty (60) days after the date of the invoice. A service charge of the lesser of (i) two percent (2%) per month on the purchase price of the Goods and all ancillary charges due (including storage costs), or (ii) the maximum permissible rate allowed by law, will be added to all accounts not paid within sixty (60) days from the date of invoice for final balance due.
- (c) All Goods must be paid in full prior to shipping. Manufacturer reserves the right to withhold any other Goods ordered by Buyer until all outstanding accounts are due.

### 4. STORAGE POLICY & FEES

- (a) Furniture stored with LUMA Design Workshop past (60) days from the final invoice date will be billed \$250 per month / per item and \$350 per month / per cast glass item. Items in storage past (60) will be billed on the first of the month for the full amount of that month (pro-rated refunds are not offered). Storage fee invoices must be paid in full prior to release.
- (b) At time of final billing, customers will be given (60) days for will call or provide shipping/white glove receiving details for their furniture. We hope you understand, LUMA is a working design and fabrication shop. Our storage is limited and there is the risk of damage to finished projects as fabrication continues in our busy workshop. We strongly encourage customers to will call and/or receive their furniture within (60) days of final invoice so they can begin enjoying the quality and craftsmanship of their LUMA furniture. If customers need any assistance with finding a reputable white glove receiver, please contact us and we will do our best to help.

## **LUMA FURNITURE STORAGE RATES 2023**

\$250 per month / per item \$350per month / per cast glass item

## 5. CANCELLATIONS; CHANGE ORDERS

- (a) All Goods are custom made to order and cannot be changed or canceled after ten (10) working days from receipt of the Deposit ("Cancellation Period"). If a cancellation request is timely made during the Cancellation Period, Buyer will be entitled to a refund *less* any materials purchased or expended, *less* any labor or work already conducted, and *less* 50% of the Deposit as a restocking fee. Manufacturer is not required to accept any cancellations received after the Cancellation Period, nor is Manufacturer required to issue any refunds.
- (b) Changes in order ("<u>Change Orders</u>"), returns or cancellations require prior written approval from Manufacturer which Manufacturer may reject in its sole discretion. Any Change Orders will be subject to a corresponding change in the purchase price on the Goods as well as restocking fees of up to 50% of the Purchase Price, as Manufacturer deems necessary and applicable.

## 6. SHIPPING TERMS; TITLE AND RISK OF LOSS; DELIVERY

- (a) To the extent a completion or delivery date is set forth on any Sales Invoice, Manufacturer shall use commercially reasonable efforts to meet such delivery dates. However, all completion and/or delivery dates provided by Manufacturer, whether orally or in writing are estimates and Buyer is not entitled to any refund or discount for the late completion and/or late delivery of the Goods or portions of such Goods.
- (b) Unless otherwise agreed in writing by the parties, all Goods are F.O.B. Seattle, Washington, at Manufacturer's warehouse ("Delivery Point") using Manufacturer's standard methods of packaging and shipping of the Goods. Title and risk of loss passes to Buyer upon delivery of the Goods at the Delivery Point. Manufacturer shall not be liable for any delays, loss or damage in transit. Unless otherwise set forth on the Sales Invoice, shipping and delivery of the Goods shall be by a carrier selected by Manufacturer and insured by an insurer selected by Manufacturer.
- (c) All taxes, tariffs, customs duty, and custom broker's fees shall be the sole responsibility of Buyer. Manufacturer may require Buyer to pay (or prepay) all such costs and fees prior to shipping of the Goods to Buyer.
- (d) Buyer must take delivery of the Goods within sixty (60) days of Manufacturer's written notice that the Goods have been delivered to the Delivery Point. Buyer is responsible for all costs of

transportation and delivery including shipping insurance premiums, storage fees, shipping costs and delivery fees. If Buyer fails to accept delivery of any of the Goods, whether via a rejection of the delivery, or if inadequate or incorrect instructions were provided, or if Buyer failed to obtain the proper licenses, permits, documentation or authorizations, (i) risk of loss to the Goods shall pass to Buyer and (ii) the Goods shall be deemed to have been delivered. If the Goods are returned to Manufacturer's warehouse, Manufacturer at its option may store the Goods in which case, Buyer to all costs associated with the initial attempt at delivery as well as any additional costs associated with the following attempts at delivery plus any and all storage and other fees and costs incurred by Manufacturer. Manufacturer may charge a storage fee of one percent (1%) of the value of the Goods per month for any Goods not picked up within sixty (60) days from the date of invoice.

(e) To the extent there are any amounts which remain unpaid by Buyer when Goods are shipped from the Delivery Point, Buyer hereby grants to Manufacturer as collateral security for the payment of the purchase price of the Goods, a lien on and security interest in and to all of the right, title and interest of Buyer in, to and under the Goods, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the Washington Uniform Commercial Code, RCW 62A et. seq. and Manufacturer is hereby authorized to file a UCC-1 Financing Statement to perfect its security interest in the Goods.

### 7. INSPECTION AND CLAIMS

- (a) All Goods are thoroughly inspected by Manufacturer prior to shipping to ensure there are no defects. Manufacturer will not accept any claims for damage which are not caused by Manufacturer or otherwise covered by the limited warranty provided below.
- (b) Buyer or Buyer's agent shall inspect the Goods upon receipt. Buyer will be deemed to have accepted the Goods unless it notifies Manufacturer in writing of any Non-Conforming Goods within three (3) business days of delivery ("Inspection Period"). It is recommended that Buyer photographs and/or videographs the entire unboxing and inspection process. Each claim must, at a minimum, be accompanied by (i) clear photographs showing the damage, (ii) a written description of the damage and (iii) such other documentation as reasonably required by Manufacturer. Photographs of the damage must show the Good still partially in box in order to demonstrate that the damage is not caused by Buyer or during transportation. Failure to notify Manufacturer of any Non-Conforming Goods or of any claim within the Inspection Period and with the required information shall be conclusive evidence that the Goods have been accepted. Manufacturer reserves the right to reject any claim where Buyer is unable to conclusively show that the damage was caused by Manufacturer.
- (c) "Non-Confirming Goods" means only the following: (x) product shipped is different than identified in the Sales Invoice, (y) packaging incorrectly identifies its contents, or (z) some obvious and clearly visible defect of the Goods.

#### 8. FORCE MAJEURE

Manufacturer shall not be liable or responsible to Buyer, nor be deemed to have defaulted under or breached these Terms or other contract with Buyer for any failure or delay in completion or shipment or default in delivery for any reason of *force majeure* or for any cause beyond Manufacturer's reasonable control including, but not limited to, (a) acts of God, (b) flood, fire, earthquake, diseases, epidemic or pandemic, government mandated actions, (c) government action, war, riot, civil commotion, martial law, (d) trade disputes, trade wars, embargoes, (e) Manufacturer's inability to obtain necessary materials from its usual sources of supply, (f) shortage of labor, raw material, production or transportation facilities or other delays in transit, (g) labor difficulty involving employees of Manufacturer or others, or (h) other contingencies of manufacture

or shipment. In the event of any delay in Manufacturer's performance due in whole or in part to any cause beyond Manufacturer's reasonable control, Manufacturer 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.

## 9. DAMAGES / LOSS / REPAIR

Delivery of Goods to carrier at the Delivery Point shall be deemed delivery to Buyer, and thereupon title to such Goods, and risk of loss or damage, shall be Buyer's. Upon delivery of the merchandise, the Buyer must note any damage to the Goods on the freight bill before it is signed. If any damage is found, notify the Manufacturer as provided in Section 7 and follow the carrier's claim instructions. Do not attempt to repair the merchandise. The carrier may send an inspector to the site to make a report. Keep all packaging materials until inspection is complete. The procedure must be followed to allow for repair and/or replacement. All decisions regarding repair and/or replacement will be at the sole discretion of the Manufacturer.

### 10. INTELLECTUAL PROPERTY

- (a) All intellectual property rights used in manufacturing the Goods are reserved by Manufacturer. This includes but is not limited to all design and content, drawings, photography and the like are the copyrighted property of LUMA Design Workshop, Inc. All rights reserved.
- (b) Any use of copyrighted materials without prior written authorization by Manufacturer. is strictly prohibited. Nothing herein grants Buyer any right to any intellectual property used in designing or manufacturing the Goods.
- (c) If the Goods was designed by Buyer or if Buyer contracts for a custom work based on a design of another person, the Buyer hereby represents and warrants that Buyer has the right to use the design, agrees to indemnify and hold Manufacturer harmless in the use of all intellectual property rights in order to manufacture the design, and hereby grants to Manufacturer a limited license to use the design for the purpose of manufacturing the Goods as well as any tools or jigs used in manufacturing the Goods as well as to post pictures of the finished Goods on Manufacturer's website.

#### 11. ACCEPTABLE VARIANCES AND TOLERANCES

- (a) All of Manufacturer's drawings, descriptive matter, weights, dimensions, descriptions and illustrations contained in the Manufacturer's catalogues, prices 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.
- (b) Many wood and metal finishes are applied by hand and may vary in color, tone, texture and character. While Manufacturer will make every effort to match a finish, Manufacturer makes no guarantee of an exact match. Manufacturer does not guarantee finishes against fading and oxidizing, or exposure to sunshine, ultraviolet light, heat, chemicals or other harsh or unfavorable conditions. Variations in color, tone, texture, character and veining are inherent in stone, cast glass, metal and wood and considered to be part of the natural beauty. The Goods are natural and handmade, and therefore is subject to variations.
- (c) For Goods which include the use of resin, note that dye-lots of custom resin work can include certain variances such as color variation, slight thickness variations, air bubbles, cloudiness-within custom resin work is possible due to the inherent nature of the chemical processes involved in fabrication.

(d) The variations mentioned above for wood, metal, cast glass, stone & resin shall not be considered to be defects or basis of any Warranty or other claim. Custom coloration and finishes can be chosen by the Buyer and such customization will have an associated upcharge. All custom colors or styles will be approved in advance of the final fabrication of custom work by the Buyer via a finish sample provided by the Manufacturer.

#### 12. LIMITED WARRANTY

- (a) Manufacturer warrants to Buyer that for a period of one (1) year from the date of shipment of the Goods ("Warranty Period"), that such Good will materially conform to the specifications set forth in the Sales Invoice and will be free from material defects in material and workmanship ("Warranty"). This Warranty does not apply to damage or breakage resulting from misuse, accidents, abuse, neglect, mishandling or wear and tear resulting from normal use.
- (b) Except for the Warranty set forth in Section 12(a), Manufacturer makes no warranty whatsoever with respect to the Goods, including any (i) warranty of merchantability, or (ii) warranty of fitness for a particular purpose, whether express or implied by law, and course of dealing, course of performance, usage of trade or otherwise.
- (c) Manufacturer shall not be liable for a breach of the Warranty set forth in Section 12(a) unless: (i) Buyer gives written notice of the defect, reasonably described, to Manufacturer within five (5) days of the time when Buyer discovers or ought to have discovered the defect; (ii) Manufacturer is given a reasonable opportunity after receiving the notice to examine such Goods and Buyer (if requested to do so by Manufacturer) returns such Goods to Manufacturer's place of business at Manufacturer's cost for the examination to take place there; and (iii) Manufacturer reasonably verifies Buyer's claim that the Goods are defective. Manufacturer shall not be liable for a breach of the Warranty set forth in Section 12(a), if: (i) Buyer makes any further use of such Goods after giving such notice; (ii) the defect arises because Buyer failed to follow Manufacturer's oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods; or (iii) Buyer alters or repairs such Goods without the prior written consent of Manufacturer.
- (d) Subject to Section 12(c) above, with respect to any such Goods during the Warranty Period, Manufacturer shall, in its sole discretion, either: (i) repair or replace such Goods (or the defective part) or (ii) credit or refund the price of such Goods less reasonable expenses and deductions, provided that, if Manufacturer so requests, Buyer shall, at Manufacturer's expense, return such Goods to Manufacturer.

## 13. LIMITATION OF LIABILITY

- (a) IN NO EVENT SHALL MANUFACTURER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT MANUFACTURER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.
- (b) IN NO EVENT SHALL MANUFACTURER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO MANUFACTURER FOR THE GOODS SOLD HEREUNDER OR \$1,000, WHICHEVER IS LESS.

### 14. LIMITATION OF REMEDIES

- (a) MANUFACTURER SHALL NOT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL LOSSES, DAMAGES OR EXPENSES, DIRECTLY OR INDIRECTLY ARISING FROM THE SALE, HANDLING OR USE OF THE GOODS, OR FROM ANY OTHER CAUSE WITH RESPECT TO THE GOODS OR THIS AGREEMENT, WHETHER SUCH CLAIM IS BASED UPON BREACH OF CONTRACT, BREACH OF WARRANTY, STRICT LIABILITY IN TORT, NEGLIGENCE OR ANY OTHER LEGAL THEORY. MANUFACTURER'S LIABILITY HEREUNDER IN ANY CASE IS EXPRESSLY LIMITED, AT MANUFACTURER'S ELECTION, TO REPAIR OR REPLACE (IN THE FORM ORIGINALLY ORDERED) OF GOODS NOT COMPLYING WITH THIS AGREEMENT, OR TO THE REPAYMENT OF, OR CREDITING BUYER WITH, AN AMOUNT EQUAL TO THE PURCHASE PRICE OF SUCH GOODS.
- (b) ANY CLAIM BY BUYER WITH REFERENCE TO THE GOODS SOLD HEREUNDER FOR ANY CAUSE SHALL BE DEEMED WAIVED BY BUYER UNLESS SUBMITTED TO MANUFACTURER IN WRITING WITHIN THIRTY (30) DAYS FROM THE DATE BUYER DISCOVERED, OR SHOULD HAVE DISCOVERED, ANY CLAIMED BREACH.

#### 15. MANUFACTURER'S REMEDIES UPON DEFAULT

- (a) Manufacturer may require full payment for any Goods prior to shipment. If Buyer fails to make payment in accordance with these Terms or otherwise fails to comply with any provision hereof, Manufacturer may, at its option, cancel any unshipped portion of this order, retain the Goods and declare a forfeiture of the Deposit as liquidated damages. Manufacturer may also (in addition to other remedies available under any applicable Uniform Commercial Code or otherwise by law) take possession of the Goods and to sell or otherwise dispose of the Goods at a commercially reasonable public or private sale; *provided*, *however*, that Buyer shall be credited with the proceeds of such sale only when the proceeds are received by Manufacturer.
- (b) If any notification or intended disposition is required by law, such notification shall be deemed reasonably and properly given if mailed at least ten days before such disposition, postage prepaid, to Buyer at the Buyer's address set forth on the face side hereof. Any proceeds of the Goods may be applied by Manufacturer to the payment of expenses and costs to exercise Manufacturer's rights hereunder, and any balance of such proceeds shall be applied against Buyer's account in such order as Manufacturer shall determine in its sole discretion. Buyer will remain liable for the balance of all unpaid accounts.

## 16. WAIVER

Waiver by Manufacturer 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.

### 17. SEVERABILITY

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

# **18. ARBITRATION**

Any claim or controversy arising out of this Agreement shall be settled by arbitration in the county of King County, WA in accordance with the rules of the JAMS. The prevailing party in any such action shall be entitled to recover any reasonable attorney's fees.