



# Terms and Conditions

Please review the specifications as outlined, and ensure that all information is accurate. These are custom made products to meet your particular requirements and are NOT cancellable or refundable once manufacturing has begun. In the event there is a request for cancellation prior to the start of manufacturing, there will be a cancellation charge based on costs incurred plus normal overhead and profit. We must be advised of any deviations or discrepancies within five (5) days after receipt of this document. All orders, including customer purchase orders, are subject to approval by SCOTT GROUP at its sole discretion.

- Production of the goods will commence after all the approvals required by purchaser are received. Delays in any of the foregoing will result in delays in the delivery date. Purchaser will be responsible for any resulting increase in labor or material costs related to such delays.
- Prices are F.O.B. Mill and terms are 50% deposit with balance due prior to shipment, unless otherwise stated in writing. Late payment charges of 1½% per month will accrue on past due amounts. Customer will be responsible for any taxes imposed on the sale of this merchandise.
- Completion shall be defined as the date all work on the order is finished and the merchandise is prepared for shipment. Completion will not be earlier than the Quoted or mutually agreed ship date.
- Upon completion, the title to the merchandise will transfer to the customer. As required, SCOTT GROUP will insure and hold these goods for up to 30 days after completion at no charge. After 30 days, storage and insurance charges of 1% shall apply. Provided full payment has been made prior to 30 days after completion, SCOTT GROUP will store and insure the merchandise for up to 90 days without storage and insurance charges. All intellectual property and design(s) created by SCOTT GROUP for this order are the property of SCOTT GROUP unless otherwise noted. In the event that Customer provides designs for reproduction by Scott Group as a rug or carpet, Customer represents and warrants that the Customer is the sole owner of any and all rights in the design and indemnifies Scott Group against any claims to the contrary.
- Please note that the freight cost provided is an ESTIMATE. While we strive to be accurate, pricing is subject to change based on market factors. Title transfer will not be affected by delays in payment or carrier pick-up.
- SCOTT GROUP will not be responsible for any costs related to delays, late fees or penalties.
- Bill of Lading or Carrier's receipt constitutes delivery.
- Unless specifically noted, customer is responsible for furnishing templates for all stairways, and areas not subject to measuring. In the event customer does NOT provide templates, SCOTT GROUP accepts NO responsibility for fit.
- Because of the raw material used in custom carpets and rugs, color, texture and size variations are normal. SCOTT GROUP will not be held responsible for color movement in products, samples, color cards or poms, if such material is exposed to light, soiling or age. All carpets and rugs (including design areas) are manufactured to a tolerance of plus or minus the greater of one percent (1.0%) or one half inch (0.5") unless otherwise stated.
- Random sheared products produced on the Trac Tuft equipment appear to be but are not non-directional. Because of this unique manufacturing method, a handmade appearance is achieved which gives irregularities in texture, pile elevation and tuft direction. Such variations are not a manufacturing defect.
- Slight movement in machine stripes, loop pile and overtufted products are considered normal and are not a manufacturing defect.
- SCOTT GROUP will make best efforts to have final product match standard sample as closely as possible, however due to the nature of handmade and overtufted rugs and carpets, exact match against samples is not guaranteed or covered by the product warranty. Any disputes will be settled based on commercial standards for handmade carpets.
- Irregularities and variations that may be seen in an over-tufted product are characteristic of the handcrafted technique and are in no way to be considered defective.
- Pile crushing, roll crushing, shading, sprouting, watermarking, pooling or soiling are NOT manufacturing defects.

- Complaints will NOT be entertained if aftermarket surfacants or topical treatments have been applied by anyone other than a SCOTT GROUP representative.
- Claims for irregularities, errors, or omissions can be considered only BEFORE the carpet is cut or installed. Complaints will NOT be entertained unless first inspected by SCOTT GROUP or its agent. SCOTT GROUP must authorize final disposition of all claims in writing. SCOTT GROUP reserves the right to repair any manufacturing defect.
- When a defect is claimed, other than direct manufacturing and transportation costs, SCOTT GROUP is NOT responsible for installation expense; reinstallation; nor other expenses incurred including but not limited to removal and disposal of old floor covering(s), furniture and equipment movement and installation, rental costs or penalties.
- Insurance coverage on shipments is the responsibility of the Customer.
- It is the Purchaser's responsibility to inspect merchandise and note any damage before signing the Bill of Lading. SCOTT GROUP and the carrier will not be responsible for damage that was not noted upon receipt. Claims for merchandise received in damaged condition should be immediately presented to SCOTT GROUP.
- There are no provisions with respect to this order that are not specified herein and only written modifications will be valid. Such modifications ("CHANGE ORDERS") must be authorized in writing by the Mill and will include any changes in the order specifications, pricing, required deposit, and quoted lead time. No change shall take effect until acknowledged in writing by the Customer. This agreement shall be performed in Grand Rapids, Michigan and shall be governed and adjudicated by the laws of Michigan.

## Warranty

Subject to the limitations below, SCOTT GROUP warrants to Purchaser that, at the time of delivery, all carpets will conform to original factory specifications and will be free of defects in materials or workmanship. Furthermore, this warranty will not apply if the carpet (a) has been stained, abused, neglected, or mishandled; (b) was damaged in shipping, or (c) was damaged in any way due to improper cleaning, handling or storage by Purchaser. Normal wear and tear subsequent to delivery is not covered by this warranty. Carpet that is installed without a suitable pad will be susceptible to premature wear and pile crush which is not covered by warranty.

The warranty described above is in lieu of any other warranty, express or implied, including but not limited to, any implied warrant of merchantability of fitness for a particular purpose.

The warranty commences on the date of delivery to Purchaser and expires one (1) year from that date.

Purchaser's exclusive remedy against SCOTT GROUP shall be for the repair or replacement of defective parts. No other remedy (including, but not limited to, incidental or consequential damages for lost profits, lost sales, injury to person or property, or any other incidental or consequential loss) shall be available to Purchaser. Warranty repairs will be made at a location specified by SCOTT GROUP. SCOTT GROUP will use its best efforts to complete the repairs and return the carpet to Purchaser or its customer, as applicable, within thirty (30) days or less after receipt of the carpet for repair at the SCOTT GROUP authorized repair facility.