

**SPILT INK SLC, LLC**  
**GENERAL TERMS AND CONDITIONS**

1. **SCOPE:** All sales are expressly limited to these general terms and conditions of sale (“Terms and Conditions”), and the rights and liabilities of the parties shall be governed exclusively by these Terms and Conditions. Except to the extent otherwise specifically provided in writing signed by an authorized representative of SPILT INK SLC, LLC, a Utah limited liability company (“Seller”), any contract entered into between Seller and the party purchasing any goods from Seller (“Buyer”) shall be governed by these Terms and Conditions, which shall supersede any other terms or provisions which may conflict with these Terms and Conditions and shall at all times constitute a binding agreement which shall bind and inure to the benefit of Buyer and Seller and their respective successors and assigns. Receipt and acceptance, whether under protest or otherwise, of the products, materials, or supplies delivered pursuant to a sale of goods shall be conclusive evidence of Buyer’s acceptance to these Terms and Conditions and may not be interpreted as an acceptance or an offer to contract on the basis of any other terms or conditions.

2. **PRICE QUOTATIONS:** All orders placed by customers against quotations made by Seller are subject to confirmation and acceptance by Seller. Except as may be otherwise specified by Seller in writing with any quotation, all quotations made by Seller are intended by Seller for acceptance within fourteen (14) business days after receipt by Buyer and will expire at such time if not accepted in full within such time or any other deadline specified by Seller in writing with the quotation.

3. **PREVAILING PRICES:** Goods and services will be invoiced at prices prevailing at the time of shipment of those goods or rendering of the services. Prices are subject to change at Seller’s option without notice. The foregoing notwithstanding, shipments made on the basis of quotations made by Seller which have been accepted by Buyer will be shipped on the basis of such quotations.

4. **TAXES:** Any taxes paid by Seller with respect to the sale, purchase, delivery, storage, processing, use or consumption of any other materials covered thereby, including taxes upon or measured by the receipts from the sale thereof, shall be for the account of and paid by Buyer. Buyer shall promptly upon notice from Seller pay the amount in cash of any and all such taxes paid by Seller. Such amount shall be in addition to and independent of the purchase price owed to Seller. Buyer may provide Seller with a tax exemption certificate acceptable to the taxing authorities, which Seller may use in its discretion to avoid payment of tax. Any refund for tax paid unnecessarily shall be the exclusive responsibility of the Buyer claiming such refund. Buyer’s status with respect to tax exemption shall not relieve Buyer of any obligation to promptly reimburse Seller for any taxes actually paid by Seller.

5. **SPECIAL ORDERS:** Seller provides made to order, specially manufactured goods to Buyer based on specifications provided by Buyer. All special orders and communications related to special orders shall be sent to [info@spiltink.net](mailto:info@spiltink.net) with the estimate number referenced in

the subject line once received. Generally, the production period takes 7-10 business days and shipping takes 5 business days. Seller will inform Buyer of increased production or shipping periods, based on individual orders. Seller shall not be liable for any delay in the production process or shipping. Accordingly, the following terms apply.

(a) **CANCELLATION AND MODIFICATION:** Buyer may cancel or modify an order or any part thereof only upon written notice to Seller and Seller’s written acceptance of such cancellation or modification. If Seller accepts such cancellation or modification in writing, then Buyer shall make payment to Seller of reasonable and proper cancellation or modification charges based on Seller’s expenses involved in handling the order to the date of cancellation or modification.

(b) **RETURN OF GOODS:** No credit will be allowed for goods returned unless agreed by Seller in writing, prior to the return; provided that under no conditions, unless specifically agreed to by Seller, will a refund of the purchase price be made, except in the form of a credit for the future purchase of goods from Seller. If returned goods are accepted, then Buyer shall make payment to Seller of reasonable and proper return charges based on Seller’s expenses involved in handling and/or restocking plus a 20% restocking fee

6. **PAYMENTS:** Unless prior approval is granted, all sales require payment upon receipt. All sales are subject to credit approval. Seller offers credit terms, subject to completion and acceptance by Seller of Buyer’s Credit Application and Agreement. Seller, in its sole discretion for any reason or no reason, may determine to require payment prior to, and as a condition of, delivery. Such reasons, if any, may include but are not limited to: (a) credit information supplied to Seller being inadequate or unavailable, (b) payments having previously been delinquent, or (c) other facts or circumstances being present which justify Seller’s determination, in its sole discretion, as to Buyer’s creditworthiness or inadvisability of Seller’s extending credit. If goods and services are delivered without a request for prior payment and not subject to Buyer’s pre-established Business Account Terms, Buyer shall pay on the following terms: the entire amount shall be due upon receipt. Interest on overdue accounts will accrue at a rate of 1.5% per month on the balance due and owing, but will not exceed the maximum permitted by law.

7. **SECURITY INTEREST.** Unless full payment is made prior to delivery, then delivery of any and all goods by Seller shall be subject to Buyer’s grant, pursuant to this Section 7, of a purchase money security interest in the goods, which shall be effective upon transfer of ownership of the goods from Seller to Buyer. By acceptance of any quotation for goods or placement of an order, Buyer grants to Seller a purchase money security interest in the goods covered thereby, granting to Seller all the rights of a secured creditor under the Uniform Commercial Code. Buyer consents to the filing by Seller of a UCC-1 financing statement identifying Buyer as debtor and describing the

goods as collateral. Buyer further agrees to promptly supply to Seller Buyer's accurate name and address for the purpose of listing the same in such financing statement.

8. **SHIPPING AND RISK OF LOSS:** Risk of loss or damage to the goods shall pass to Buyer upon delivery by Seller to a common carrier for shipment (F.O.B place of shipment). The purchase price shall not include shipping, which shall be paid by the Buyer separate from the purchase price. Seller will ship using Buyer's account at no charge or Seller will ship on Seller's account at cost plus 10%, at the Buyer's option. Unless shipping instructions accompany each order, the manner of shipping is at the sole discretion of Seller. The Buyer will pay all transportation costs and bear the risk of bringing the goods to their final destination.

9. **FORCE MAJEURE:** Seller has no responsibility for loss or damage occasioned by delay in delivery or inability to deliver, whether such delay or inability may be the result of acts by Seller or its servants or agents or arising from circumstances beyond the control of Seller such as acts of God, fire, accidents, strikes, lockouts, or otherwise.

10. **WARRANTY:** SELLER MAKES NO WARRANTIES EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. SELLER EXPRESSLY WARRANTS ONLY AS FOLLOWS: (A) Seller warrants to the original end user customer only that Seller's product is free from material defects in materials or workmanship for a period of six months from the date of shipment, excluding ordinary wear and tear; provided no alteration has been made thereto after delivery. (B) Any goods proven defective after acceptance by Buyer will be, upon return of such defective goods, either replaced free of charge or refunded, at the sole discretion of Seller. Buyer shall assume all responsibility and expense for freight in connection with the foregoing; provided, however, that Buyer shall (i) notify Seller in writing during the one-year warranty period that such product failed to conform to the warranty set forth in this paragraph and furnish a reasonably detailed explanation of any alleged nonconformity; (ii) obtain a return merchandise authorization ("RMA") by submitting a form approved by Seller and receive an Seller-issued RMA number for the nonconforming product from Seller; and (iii) within thirty (30) days following receipt of the RMA number, return such product to Seller, with the RMA number prominently attached, F.O.B. Seller's Salt Lake City, Utah facility, or such other location as Seller may designate in writing. (c) Seller shall not be liable for fair wear and tear, or damage caused by corrosives, abrasives or foreign objects during use.

11. **LIMITATION OF LIABILITY:** Seller shall not be liable in any event for bodily harm to any individual, loss of profits, revenue, interest, or any special indirect, incidental, or consequential damages, whether foreseen or unforeseen, arising out of the sale of goods under these

Terms and Conditions, or any breach thereof or any defect in, or failure of, or malfunction of, the goods furnished to Buyer or customer of Buyer. The liability of Seller with respect to these Terms and Conditions or the goods shall not, except as otherwise expressly agreed in writing by Seller, exceed the purchase price of the goods on which such liability is based.

12. **DAMAGED GOODS:** Seller goods are carefully inspected and checked prior to shipment. After receiving possession of the goods from the carrier, Buyer shall have Seventy-Two (72) hours to inspect and notify Seller of any damage. If Seller is not notified within such period, Buyer shall be deemed to have inspected and accepted the goods.

13. **BACK ORDERS:** Any back ordered items will be shipped as soon as available.

14. **GOVERNING LAW:** All matters relating to the interpretation and effect of these Terms and Conditions and any authorized changes, modifications or amendments thereto shall be governed by the laws of the State of Utah, USA, without giving effect to that state's principles governing conflicts of laws. In the absence of specific provisions to the contrary in these Terms and Conditions, and where applicable, the Uniform Commercial Code of Utah shall apply. The United Nations Convention on Contracts for the International Sales of Goods expressly does not apply and is hereby waived by the parties.

15. **INDEMNIFICATION:** Buyer agrees to indemnify and hold harmless Seller, and each of Seller's stockholders, directors, officers, employees and agents, and the respective successors and assigns of the foregoing, at Buyer's sole expense, against any claim, action, legal proceeding, damages, liability, settlements, expenses (including without limitation reasonable attorneys' fees) and other costs arising from any lawsuit brought by any third parties relating to (i) breach of any of these Terms and Conditions by Buyer; (ii) Buyer's negligence, recklessness or willful misconduct, or (iii) any claim that any act or omission of Buyer (other than mere possession of an Seller product in the form supplied by Seller) has infringed any intellectual property or other proprietary right of a third party.

16. **ARBITRATION:**

(a) **Binding Nature.** Any claim or controversy arising out of or relating to these Terms and Conditions must be submitted and settled as set forth in this section. BUYER EXPRESSLY WAIVES ANY LEGAL RIGHT OR PRIVILEGE TO PARTICIPATE IN A CLASS ACTION OR ANY OTHER CONSOLIDATED PROCEEDINGS.

(b) **Escalation Procedure.** If any individual party to these Terms and Conditions alleges that any other party to these Terms and Conditions has breached or may breach any of the terms of these Terms and Conditions, then the party alleging breach shall inform the other party or parties of their breach in writing pursuant to the notice provisions of these Terms and Conditions. Upon receipt of

such notice, the allegedly nonperforming party shall have ten (10) days to cure the alleged breach. If the parties do not agree that effective cure has been accomplished by the end of the ten (10) day period, then the parties shall meet in person and confer in good faith to resolve the dispute within fifteen (15) days of the expiration of the prior ten (10) day period. If the parties do not agree that effective cure has been accomplished by the end of the fifteen (15) day period, then either Seller or an individual Buyer may file an action for arbitration.

(c) Filing of Claim. If, after the above procedures, the dispute remains unresolved, then the dispute shall be submitted to the office of the American Arbitration Association located in or close to Salt Lake City, Utah, said arbitration to be administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules in effect at the time of the arbitration and the laws of the State of Utah governing such arbitrations. Each individual Buyer must file a separate claim for arbitration, even if the basis for such claim is substantially similar to that of another Buyer. NO CONSOLIDATION OR CLASS TREATMENT SHALL BE GRANTED IN SUCH ARBITRATION. Such arbitration must be filed within twelve (12) months of the first accrual of the cause of action, and the parties agree that the statute of limitations for any cause of action brought pursuant to, in connection with, or relating to the supply of goods or the rendering of services or any other subject matter of these Terms and Conditions shall be twelve (12) months from the first accrual of the cause of action.

(d) General Rules. An arbitrator shall have the authority to arbitrate disputes between Seller and one individual Buyer only. The arbitration shall be heard and decided no later than seven (7) months after the notice of arbitration is filed with the American Arbitration Association. The arbitrators shall hear and determine any preliminary issue of law asserted by a party to be dispositive of any claim, in whole or in part, in the manner of a court hearing a motion to dismiss for failure to state a claim or for summary judgment, pursuant to such terms and procedures as the arbitrators deem appropriate. No witness or party may be required to waive any privilege recognized

under Utah law. The hearing shall not last longer than one (1) day unless all parties agree otherwise, with time to be divided equally between Buyer and Seller. In the event of such arbitration each party shall select an impartial arbitrator and the parties' impartial arbitrators shall select a chief arbitrator from a list provided by the American Arbitration Association.

(e) Discovery. For good cause shown, the arbitrators may permit each side to serve no more than ten (10) document requests (including subparts) and ten (10) interrogatories (including subparts) on the opposing parties. For good cause shown, the arbitrators may permit each side to subpoena no more than three (3) witnesses for testimonial depositions (each deposition not to exceed two (2) hours of examination by the party who has subpoenaed the witness). Any discovery as set forth above shall be governed by the Federal Rules of Civil Procedure and the precedents applicable to cases brought in the United States District Court for the District of Utah. No other discovery shall be permitted except by written agreement of all parties. The parties and the arbitrators shall treat all aspects of the arbitration proceedings, including, without limitation, discovery, testimony, and other evidence, briefs, and the award, as strictly confidential and not subject to disclosure to any third party or entity, other than to the parties, the arbitrators, and the American Arbitration Association. The arbitrators must give full effect to the applicable law and to all of these Terms and Conditions, and are specifically divested of any power to render decisions in derogation thereof or *ex aequo et bono*.

(f) Decision. The arbitrators shall issue written findings of fact and conclusions of law, the decisions of the arbitrators will be binding and conclusive upon all parties involved, and judgment upon any decision of the arbitrators may be entered in the highest court of any forum, federal or state, having jurisdiction thereof.