

SHELBY WILLIAMS WARRANTY

Introduction to the Warranty

For more than 60 years, Shelby Williams, hereinafter the Company, has designed and manufactured products to meet the unique needs of the commercial furniture market. The Company has received countless testimonials from customers around the world who appreciate our superior quality, comfort, and performance.

Customers should enjoy many years of beneficial use if they follow the guidelines in the Company's Care and Maintenance Manual available on our website at www.shelbywilliams.com. It is very important to note that all commercial furniture, including the Company's products, are subject to wear and tear and will require regular care and professional cleaning and maintenance. All products will eventually need to be replaced.

The Company provides an industry leading warranty, which guarantees product quality and performance, under normal use conditions, in the market segments and applications for which the products were designed. If the Company's products are not properly maintained, or if they are abused or neglected in any way, the useful life of these products will be significantly impaired and the warranty will be void.

If you purchased, or plan to purchase, the Company's products through a dealer or agent, please request a copy of the dealer's warranty directly from the dealership which has the responsibility to fulfill your warranty claims.

The Company's comprehensive warranty document is organized below in a Q & A format to help you quickly locate relevant information, but we recommend that all buyers should read the complete document. This warranty is the only one available from the Company and is part of the terms and conditions that apply to any purchase from the Company. No one is authorized to modify any part of this warranty except for an officer of the Company; any such authorization must be in writing and signed by the CEO or CFO. Please direct any questions regarding this warranty to warranty@mycgroup.com.

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Who benefits from the warranty?

- I. If you purchase products directly from the Company (i.e. submit a purchase order, receive an acknowledgement for that order and pay the Company for the goods received according to the terms of the invoice) then you are the Buyer, and you will receive the benefits of the warranty described in this document.
- II. The Company's Standard Terms and Conditions of Sale will apply to all purchase orders and will supercede any other terms and conditions whether implied or written in the Buyer's purchase order or order confirmation documentation, contract or any other communications; whether these communications occur before or after the date of the order or the shipment of the goods. Any change to these Standard Terms and Conditions must be approved in writing by an officer of the Company. You may review the Standard Terms and Conditions of Sale on the Company's website at www.shelbywilliams.com under the Literature/Pricing tab in the General Information section.
- III. It is important to note that any and all of the Company's warranties may be void if the Buyer fails to fulfill their responsibilities under the terms and conditions of sale, or if the Buyer fails to provide written notification of the product care and maintenance requirements to the end use clients and staff. The term 'End Users' is used in this document to describe an organization's management, employees, and sub contractors who are responsible for the day-to-day operation of the location where the furniture is used by the general public. This includes, but is not limited to, providers of janitorial services and providers of installation, maintenance or repair services for furniture and equipment. This term may also apply to corporate facilities personnel, risk, compliance and safety personnel, operations staff and sub contractors who may be employed by the End User to provide these same services.
- IV. **Note to End User:** If you purchase the Company's products from a purchasing agent, dealer, designer, sales agent, distributor or wholesaler, whom you engage to manage this purchase on your behalf, then your warranty terms must be confirmed by that dealer and your contract of sale is with the dealer, not with the Company. As part of the Company's terms and conditions of sale with the Buyer, the warranty as described in this document may benefit the End User but any warranty is entirely a matter between

the End User and their dealer. The Company makes no recommendations whatsoever, whether implied, spoken or written by any employee or sales person of the Company, with regard to the warranty offered by the dealer and the capabilities or competency claimed by any dealer, their employees or sub agents.

- V. The Company will only discuss warranty issues with the Buyer of record and can only negotiate the resolution of any disputes arising from a purchase with the Buyer of record. It is important that the Buyer clarify the terms of the warranty with the End User. The End User should perform appropriate due diligence regarding the competency of the dealer to insure that all purchases are managed properly, that there is a written warranty and that after sales service can be adequately provided.

What is the Buyer's Responsibility?

- I. If you are the Buyer it is your responsibility to determine the warranty terms applicable to the product you purchase on behalf of your client. It is the Buyer's responsibility, in collaboration with the End User, to ensure that the End User's planned use of the product is appropriate for the specified product.
- II. It is the Buyer's responsibility to follow all care and maintenance, shipping and installation guidelines and to ensure that all care and maintenance information is delivered in writing to the relevant management and staff of the End User by email or other means suitable for dissemination within the End User's organization. Care and maintenance information is available in a printable PDF format on the Company's website under the Literature/Pricing tab in the General Information section at www.shelbywilliams.com.
- III. It is very important that the Buyer advises the End User of the need for regular and appropriate care and maintenance procedures and that the Buyer communicates to the End User's management how to access this information. These care and maintenance procedures are essential to maintain the maximum warranty protection, prolong the life of the product, and avoid any product failure or product liability risks which may arise from any failure. Since care and maintenance information may be updated at anytime, it is important for both the Buyer and End User and any other relevant parties to review the information on a regular basis via the Company's website.

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Which products are covered by the warranty?

- Booths & Modular Seating
- Table Bases (aluminum, cast iron, J series steel and wood)
- Table Tops
- Tables
- Table Dolly/Carts
- Chairs
- Lounge Chairs
- Task Chairs
- Chair Dolly/Carts
- Sofas & Sofa beds
- Ottomans
- Benches

What is not covered by the warranty?

- I. There is no warranty available, unless expressly approved in writing by an Officer of the Company, for any product, which is purchased for use in the furniture rental market, the residential market or for any product, which has been repaired, repurposed, reupholstered or altered in any way from the original specification supplied by the Company.
- II. Rusting of cast iron is not covered by the warranty. Cast Iron table bases are not recommended for outdoor use and such use, even if temporary or seasonal, will void applicable warranties.
- III. Customer's Own Material & Leather (**COM & COL**) is excluded from this warranty.
- IV. Materials and components not manufactured by CF Group, for use on the Company's furniture, are warranted for one year, or to the extent expressed by their manufacturer. These materials include, but are not limited to, all fabrics, filling materials, seat boards, laminates, veneer, edges, glides, casters, caster sockets, cylinders, wheels/tires, all hardware such as screws, bolts, staples, fastening tabs and fasteners whether metal, plastic, or wood, all ganging devices, cup-holders, removable metal legs, tablets, wood and plastic seat and back shells, foot rests, electrical parts, leg clips whether metal or plastic, plastic leg brackets, locking pins, hooks,

springs, buttons, Velcro, nail head trim, hydraulic lifts, flip top mechanism, mesh gallery bags, ferrules, accent collars, grommets, wire managers, washers, threaded rods, all moving and mechanical parts and any other attachment hardware including seat and back tabs.

- V. No warranty is made as to the selection, aesthetics, colorfastness, wear or aging capability of fabrics, fabric treatments, finishes, or filling materials, including, but not limited to fillers such as foam/poly, cotton and cardboard.
- VI. The Company does not warrant that any of the above mentioned materials will conform to their manufacturer's representations or warranties and makes no warranty regarding availability of these parts. The Company does not offer any credit for these parts in the event of bankruptcy or any other disruption of any nature whatsoever to that manufacturer's business which may result in a lack of availability of those parts. The Company does not offer any compensation for any consequential loss or delay arising from unavailability of parts whether this delay occurs before, during or after delivery of products.
- VII. Damage caused by abuse, misuse, negligence, transit damage, improper storage, accidental damage, wear and tear or improper care and cleaning or lack of maintenance is not covered by the warranty.
- VIII. It is very important that chairs and tables should be transported using the appropriate chair carrier/table trucks/carts according to the instructions for use. Any failure to do so voids this warranty.
- IX. The warranty does not cover any cost associated with shipping, handling, temporary rental of furniture, and the installation of repaired or replaced products, unless approved in writing by a Company Officer.
- X. Failure to comply with the terms, conditions and limitations described in this warranty document will void the warranty and result in denial of a warranty claim.

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How long does the warranty last?

- I. The Standard Warranty for all of the Company's products is one (1) year from the date of invoice. There are some exceptions to the duration of the warranty with regard to the products and circumstances mentioned below.
- II. All warranties have certain limitations and do not cover wear and tear items nor do they apply to products, which have been abused or neglected or modified in any way from the original delivered product.
- III. Repairs and replacements do not extend any product warranty. In the event of any authorized repairs, the warranty term remains the order's original and earliest date of invoice.
- IV. All warranties will default to a minimum warranty of 30 days from the date of invoice if the Buyer does not pay the invoice in full within the contractual terms and conditions.
- V. All warranties will default to a minimum warranty of 30 days from the date of invoice if the Buyer makes unauthorized deductions or refuses to accept goods on the agreed delivery date or fails to pay any required additional charges, including storage charges within the payment terms requested by the Company.
- VI. All warranties will default to a minimum warranty of 30 days from the date of invoice in the event that the product is relocated for use to a location other than the original 'ship to' location of record for that order.
- VII. All warranties are null and void if the Buyer or the End User subjects the product to incorrect use, storage and transportation, abuse, excessive wear and tear, or inappropriate cleaning, installation or maintenance and repair procedures.

Does the Company offer any Extended Warranties?

- I. The Standard Warranty for all of the Company's products is one (1) year from the date of invoice. However some of the Company's products have the benefit of a Limited Lifetime Warranty.
- II. The Limited Lifetime Warranty is subject to all of the exclusions and conditions specified in the preceding sections, "How long does the warranty last?" and "What is not covered in the warranty?"
- III. The following Shelby Williams products are offered with a Limited Lifetime Warranty:
 - Cast iron base plates
 - Cast iron columns and spiders
 - R.A.C.E. fully upholstered seating
 - J series steel bases
 - CV Community Tables
 - 79ST Tables
 - Cyber Tables
 - Steel & Aluminum banquet stack chairs frames for the following product numbers invoiced after 4/1/12.
Couture de Light
Comfort de Luxe
The Original Collection

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How do I submit a Warranty Claim?

- I. All claims must be submitted in writing within thirty days of the first notice of product failure. The Buyer of record must submit the claim to: warranty@mycgroup.com and include a valid copy of the paid in full invoice. Claims will be processed more efficiently if the Buyer provides important, factual information relative to the claim. The Company will not be responsible for any consequences of the Buyer's delay in providing this information and the Company is not responsible in any way for gathering such information.
- II. To file and submit a claim, the following is required.
- Contact your local sales representative or our warranty department (423-613- 6098) to obtain a claim report.
 - Pictures showing the part or the entire product relevant to the claim.
 - Total quantity delivered.
 - The quantity that is subject to a claim.
 - Product/model number
 - Order number, Purchase Order number, or Invoice number relevant to the claimed product.
 - Relevant details pertaining to the claim.
 - Proof of care and maintenance communications and programs at the location of the claim.
 - Upon request, return of the claimed product for review at the Company's location of choice within the continental USA, at the Buyer's expense.
- III. Defective product may not be returned to the Company without an official return authorization (RA#) from the Company and any attempt to do so will void the warranty.
- IV. It is the sole responsibility of the Buyer to provide all relevant proof of care and maintenance, photographs and other evidence, which may support the claim. This may include, but is not limited to, samples of the product or parts and its environment, and the secure

delivery of these materials, at the Buyer's expense, to the Company's office at 810 W. Hwy 25/70, Newport, TN 37821.

V. The Company may deny any claim where the Buyer does not provide relevant and complete information in a timely manner upon request by the Company.

What if the Company cannot repair or replace a product?

If a product has been discontinued but is still covered under warranty, the Company will repair or replace the relevant parts if materials are still available. If materials are no longer available or if for any reason, in the Company's sole discretion, it is unreasonable or unsafe to repair or replace the product, the Company may choose to issue a credit note in lieu of repair or replacement. The value of this note will be calculated pro rata according to the amortization schedule in this document and credited towards the purchase of an alternative replacement product from the Company within one year from the issue date of the credit note. The valuation percent indicated here takes into account factors such as the market value of used commercial furniture, wear and tear and the beneficial use already enjoyed by the end user. This valuation percent may be modified at the sole discretion of the Company in the event that the products' life has been shortened by any lack of care and maintenance. The percentages in the amortization schedule refer to the percentage of the original invoice value estimated to remain in the product for credit purposes in the event that the warranty claim is found to be valid. The percent applies to the invoice price of the product only and does not include the cost of freight and any materials purchased by the customer (e.g. COM/COL). The Company reserves the right to deduct these latter costs from any claim at their current market valuation, which will be assessed at the time of the claim, for broadly equivalent goods and services.

Limited Lifetime Warranty Amortization Schedule

YEARS	PERCENTAGE
0 to <1 years	100%
>1 to <2 years	80%
>2 to <3 years	60%
>3 to <4 years	50%
>4 to <5 years	40%
>5 to <6 years	30%
>6 to <7 years	20%
>7 to <8 years	10%
>8 to <10 years	5%
>10 years	2%

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Additional Information

- I. The Company warrants that its products will be free from defects in materials and workmanship when using the product for two-eight hour shifts per day.
- II. Warranty will begin on the date of the invoice to the Buyer, subject to the conditions and limitations noted in this document.
- III. The warranty described in this document is expressly limited to the repair or replacement of the claimed product at the sole discretion of the Company and repair or replacement is the Buyer's sole and exclusive remedy.
- IV. The Company reserves the right to pre-approve any contract, which is entered into by the Buyer with a third-party for the replacement or repair of any product, covered by the warranty period set forth in this document. The warranty set forth in this document shall be automatically void in the event that any work or modification is performed on the items or products covered without prior written approval from the Company.
- V. At the Buyer's request the Company will attempt to match color during any repair or replacement, as long as a sample 'product to match' has been shipped to the Company by the Buyer. For various technical reasons related to color degradation in UV light and the variations arising from the differences in lighting standards at different locations, the Company does not guarantee that finishes will match.
- VI. Notwithstanding anything to the contrary set forth in the document, the Company's maximum liability under any circumstance shall be limited to the original invoice price to the Buyer and shall not include any other charges, including, but not limited to, lost revenue or profit due to lack of beneficial use, rental of replacement products, freight, handling, packaging, demurrage or storage or any claim from any individual, including customers of any Agent or End User.
- VII. Warranty repair or replacement will be made at no charge to the Buyer when defective products are returned to the Company with freight and shipping prepaid and properly packaged to avoid damage in transit. Risk of loss of any items in transit from the Buyer to the Company shall pass when received by the Company. Risk of loss of any items in transit from the Company to the Buyer shall pass when shipped by the Company.
- VIII. The Company assumes no responsibility of liability for the transportation of products requiring service and/or repair to or from the job site.
- IX. The Company will make every reasonable effort to minimize the necessary inconvenience to the End User or Buyer in carrying out any repairs or replacements, however the Company reserves the right to levy a surcharge on any repair work if the repair must be completed outside of the normal work week, which is deemed Monday through Friday excluding holidays, between the hours of 8 am and 5 pm. The Company also reserves the right to levy a surcharge on any repair work outside the contiguous lower 48 States in the USA.
- X. Warranty claims must be filed in writing within 30 days of discovery of the claimed incidence of failure by the Buyer or Agent.
- XI. The Buyer (Dealer or Agent) of record shall be solely liable to the End User for any Buyer/Dealer installed products.
- XII. In the event that the dealer or agent is no longer in business for any reason, the Company will have no liability for any product failure whatsoever.
- XIII. In the event that a supplier to the Company is no longer in business for any reason or has discontinued a particular material, part or product then the Company will have no liability due to any inability to replace any unavailable part and the Company's sole responsibility will be to offer an alternative part of reasonably similar performance or at its sole discretion offer a credit note per the amortization schedule.
- XIV. Except to the extent specifically set forth in this document, the Company makes no warranties, either express or implied, including with limitation any implied warranty of merchantability or fitness for a particular purpose, with respect to the products covered by this document. The express provisions set forth in this document are in lieu of any obligations or liabilities on the part of the Company for any or all direct, economic,

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Additional Information (cont.)

indirect, incidental, special, punitive, consequential or other damages (including, without limitation, loss of profits, loss of value, costs of procurement of substitutes) arising out of or in connection with any products sold, manufactured or delivered by the Company and/or any breach of this document. No affirmation of a fact, including, without limitations, statements or images regarding suitability for use or performance of the products covered by this document or any document of digital media produced by the Company, shall be deemed to be a warranty of the Company.

- XV. No representative of the Company has the authority to modify or waive this warranty either verbally or in writing and only the CEO or CFO can approve any such recommended modifications in writing.
- XVI. The Company will occasionally be requested by the Buyer to develop a custom product where the image, engineering drawings and specifications related to that product have been supplied by the Buyer. The Company always assumes in good faith that the Buyer holds, or has secured, the appropriate intellectual property rights to conduct this activity and the Company will assume no responsibility to defend any breach of any IP rights which have not been assigned to the Buyer. If the Buyer breaches the rights of another party, the Company has no responsibility for any delays in the development of an alternate product and the Buyer assumes full responsibility and indemnifies the Company against any legal action arising from any such breach of another party's IP rights.
- XVII. When the Company provides products for the contract furniture market, customized to the specification of the Buyer and End User, the Company relies upon the End User and the Agents they engage, such as the Buyer, dealer/installer or the Designer, to validate and test the suitability of any such specifications with regard to performance or aesthetics. In the event that the Company perceives a risk of product failure inherent in this custom design, the Company will present its concerns and request a liability and warranty waiver from the Buyer if the Buyer decides to proceed with the purchase. The Company is not responsible for any dispute over the aesthetics of the custom product arising from the specifications of the Buyer, the Buyer's Designer or Agent.

Arbitration & Dispute Resolution

The decision of the Company on all warranty claims of \$50,000 or less shall be final. All disputes for claims greater than \$50,000 which are unresolved after 90 days may be resolved through arbitration before the American Arbitration Association in accordance with the Company's Arbitration policy, which is available upon request from the Company at warranty@mycgroup.com. Each party may bear its own legal fees, costs, and expenses in connection with any arbitration or other legal action related to the Company, the transactions contemplated by the invoice to or from the Company to the customer and/or the terms and conditions set forth in this document. All arbitration decisions are final.