

TERMS AND CONDITIONS

1. PAYMENT, CANCELLATIONS, SHIPPING AND DELIVERY, FORMS OF PAYMENT

(A) Payment. The Client ("Client") agrees to pay Studio Shed Acquisitions, LLC ("Studio Shed") in accordance with the following ("Payment Terms"):

1. Un-Permitted DIY Order:

- Initial Deposit: 50% of order total due to start the project
- Final Payment: Balance due 72 hours prior to the Scheduled Ship Date.

2. Un-Permitted ProAssembly Order:

- Initial Deposit: 50% of order total (excluding ProAssembly) due to start the project
- Shipping Payment: Order Balance (excluding ProAssembly) and 10% of ProAssembly due 72 hours prior to Scheduled Ship Date.
- ProAssembly Shell Payment: ProAssembly Shell balance due upon completion of the shell scope of work
- ProAssembly Lifestyle Payment: ProAssembly Lifestyle balance due upon completion of the Lifestyle/+ scope of work.

3. Permitted DIY Order: Unless otherwise agreed to in writing with Studio Shed, the following payment schedule is required to ship the Order:

- Initial Deposit: \$10,000.00 to start the project.
- Materials Procurement Payment: 40% of the order total due 30 days before the estimated permit approval.
- Production Scheduling Payment: 30% of the order total due within 72 hours upon permit approval for production scheduling
- Final Payment: Order balance is due 72 hours prior to Scheduled Ship Date.

4. Permitted ProAssembly Order:

- Initial Deposit: \$10,000.00 to start the project.
- Materials Procurement Payment: 40% of the order total (excluding ProAssembly) due 30 days before the estimated permit approval.
- Production Scheduling Payment: 30% of the order total (excluding ProAssembly) due within 72 hours upon permit approval for production scheduling
- Shipping Payment: Order Balance (excluding ProAssembly) and 10% of ProAssembly due 72 hours prior to Scheduled Ship Date.
- ProAssembly Shell Payment: ProAssembly Shell balance due upon completion of shell scope of work.
- ProAssembly Lifestyle Payment: ProAssembly Lifestyle balance due upon completion of the Lifestyle/+ scope of work.

Failure to comply with the Payment Terms may result in the loss or exclusion of any promotional discounts extended by Studio Shed as part of the Price (see below), including but not limited to free shipping, product discount or any other promotional offers. Failure to pay per the Payment Terms may also result in the delay of the shipment. Interest shall accrue on any past due sums at the greater of 18% A.P.R. or the highest interest rate allowed by applicable law. Studio Shed is not responsible for any impacts related to such delay, and reserves all applicable lien rights.

*** Client's Order will NOT deliver until Studio Shed receives full product payment**

Failure to comply with the Payment Terms may result in the loss or exclusion of any promotional discounts extended by Studio Shed as part of the Price (see below), including but not limited to free shipping, product discount or any other promotional offers. Failure to pay per the Payment Terms may also result in the delay of the shipment. Interest shall accrue on any past due sums at the greater of 18% A.P.R. or the highest interest rate allowed by applicable law. Studio Shed is not responsible for any impacts related to such delay, and reserves all applicable lien rights.

Order pricing is subject to change, and may be subject to cancellation and associated fees, if Product is not shipped within two (2) months of Order date for un-permitted Order, or for permitted Order, within either eight (8) months of Order date or (4) weeks after permit approval, whichever is less.

(B) Cancellations. Cancellations may be made in writing within 48 hours of time an Order is received by Studio Shed. Any cancellation made 48 hours or more from the time the Order is received by Studio Shed shall be subject to a minimum \$1,500.00 cancellation fee plus any costs incurred by Studio Shed related to the Order, including any design or material costs. Any approved refunds shall be processed within thirty (30) days from the date Studio Shed receives, in writing, the Order cancellation request.

(C) Forms of Payment. Work shall not begin on any Order until funds have cleared. Studio Shed accepts major forms of payment including wire transfers, cash, debit cards and credit cards. We impose a surcharge of up to 3% on the transaction amount on credit cards only, which is not greater than our cost of acceptance. Credit cards are not accepted for purchases in CT, MA, and ME.

(D) Shipping & Delivery. Shipping and Delivery are provided by licensed and insured third-party freight companies. Product is packaged/palletized in a warehouse and is intended to be offloaded by hand. If ProAssembly is purchased, the assembly crew will offload the pallets from the truck. If Product is purchased for Do-It-Yourself (“DIY”) assembly, offloading is the responsibility of the Client. Studio Shed is not responsible for freight companies not being able to deliver due to road or site conditions related to the Client’s address. Freight companies will deliver to the nearest public access point, and will not travel on private roads or property, unless otherwise agreed to in advance. Client is responsible for moving the Product onto private property.

(i) Damage to Product during shipping or receiving may occur. If Client or Certified Contractor notice damage upon delivery, Client or Certified Contractor shall notify

Studio Shed immediately and provide a complete list of damaged Product with accompanying photos. Client may be responsible for additional costs for replacement or repair of damaged Product if Studio Shed is not notified within 24 hours of delivery.

(ii) If delivery company causes any damage to Client's personal or real property during delivery, Client shall contact that company directly to file a claim. Studio Shed is not related to third party freight companies and is not liable for such damage.

(iii) Shipping and storage shall be fulfilled using the following terms:

1. If Order is Permitted, Product will ship within (4) weeks after permit approval unless otherwise agreed to in writing with Studio Shed.
2. For all Orders, storage is included for up to 14 calendar days from date the unit is shipped from Studio Shed, at no additional charge to Client.
3. Storage days include weekends and holidays.
4. For storage durations of 15-60 days, Client shall be charged \$40 per calendar day (including weekends and holidays).
5. All Product must be received within 60 calendar days from the shipment date. Arrangements must be made for storage on site, regardless of whether the site or contractor are ready. If Product is not received by Client within this time frame, or is refused by Client, Client shall be charged \$300 per calendar day thereafter. There is no guarantee the shipping company will hold a kit longer than 60 calendar days, and may send back to Studio Shed at that time. Clients shall be charged the return freight cost and a 30% restocking fee if this occurs.

(iv) Delivery of Product shall occur to a PUBLIC street or other public right of way nearest to the Premises, as identified by the delivery company. Studio Shed is not responsible for movement of the Product through the Client's private property between the delivery location and the building pad, except as specifically identified in these Terms and Conditions. ProAssembly does include movement of Product within 100 feet from delivery location, assuming there are no obstructions, steps, or significant grade changes along the travel path. ProAssembly contractor shall bill Client directly for any labor above and beyond standard unloading and staging. Studio Shed is not liable for theft or damage of Product once on site. If construction will not start immediately, Client is responsible for providing secure on-site storage of the Product. Size of storage varies by product – Client is responsible for inquiring about recommended size for storage area.

2. ORDERS

It is the Client's responsibility to confirm the Order meets all applicable local codes, regulations, or rules. Orders remain in a pending/hold status until acknowledged and accepted in writing by Studio Shed and Studio Shed has received a valid form of Payment. Client's Initial Deposit represents the acceptance of Studio Shed Terms and Conditions. Studio Shed's acceptance of Client's Order is expressly conditioned upon Client's acceptance of the Terms and Conditions herein. Any modification to the Terms and Conditions must be accepted by Studio Shed in writing.

Client understands and agrees that the Product delivered does not include any site clearing, grading, foundation, utilities, site preparation, steps, landings, decks, wheels, solar, electrical, mechanical, plumbing, or any other materials or work product not specifically defined in the Order. Such additional work shall be provided separately by Client. Often, such additional work is quoted directly to the Client by the ProAssembly contractor, if that service is purchased by the Client.

*Note: Studio Shed designs and products are based on residential codes and requirements. If a project is intended to be for commercial use or access, additional costs and design services may apply in order to comply with commercial accessibility or code requirements. Standard Studio Shed pricing does not include such additional costs and shall be quoted separately by Studio Shed.

3. PRICES AND QUOTATIONS

Unless specifically agreed to in writing in advance by Studio Shed, all Product pricing shall be Studio Shed list prices in effect at the time Client's Order is received (the "Price"). The Price does not include sales or other applicable taxes. In addition to the Price, Client agrees to pay (either directly to the appropriate governmental entity or to Studio Shed) any sales or other tax due under any applicable law. Changes to Client's Order may result in Price changes including, but not limited to, changes as a result of permitting and engineering specifications required by local building or other codes.

Changes made 48 hours or more after Order placement are subject to a minimum \$250 change order fee (per change) plus any design or material costs incurred by Studio Shed related to the changes. To the extent changes to an Order require a change to the estimated/scheduled Ship Date, Client may also incur the loss or exclusion of any promotional discounts extended by Studio Shed as part of the Price including, but not limited to, free shipping, product discounts or any other promotional offers.

Studio Shed may alter materials or services offered if any materials, fixtures, or other products used in fabrication or assembly are discontinued or are otherwise unavailable for any reason. Studio Shed will notify the Client promptly if such alterations are necessary.

Client shall be responsible for costs associated with any product or design changes required as a result of building department plan review or other Authorities Having Jurisdiction ("AHJ") requirements.

4. DIY AND PROASSEMBLY SERVICES

There are two ways to order Studio Shed products. Do-It-Yourself ("DIY") or with ProAssembly Service.

(A) **Do-It-Yourself.** As the name implies, DIY requires Client to assemble the Product (or hire a third-party contractor directly). If Client orders a DIY building kit, Client is solely responsible

for all necessary permits and any applicable architectural or engineering work (unless Client has purchased Studio Shed's full Permit Plan Set including engineer-stamped drawings), foundation work, utilities, other site work, and assembly of the Product. Studio Shed accepts no responsibility or liability related to a DIY assembly, including but not limited to inaccurate estimates from Client's chosen contractor or poor workmanship by Client's chosen contractor. Client is solely responsible for complying with all applicable building and safety codes while assembling the Product. Client, and Client's contractor when applicable, shall contact Studio Shed directly for a pre-construction phone call to discuss best practices. If Client fails to contact Studio Shed prior to assembly, Client releases Studio Shed from any liability related to assembly errors.

Client shall also be responsible for minor repairs on site, if necessary. Minor repairs can include, but are not limited to, replacing fixed glass, door adjustment or repair, paint touch-up, cutting of siding or metal, etc.

(B) Studio Shed ProAssembly Service. If Client purchases Studio Shed ProAssembly Service ("ProAssembly"), Client authorizes Studio Shed to do the following on Client's behalf:

- (a) Issue a work order for ProAssembly to be performed by a third-party independent contractor (licensed when legally required) certified by Studio Shed ("Certified Contractor"), at Studio Shed's sole discretion.
- (b) Inspect the Certified Contractor's work should Studio Shed, in its sole discretion, choose to do so. Client agrees that Studio Shed has no obligation to perform on-site inspection.
- (c) Pay the Certified Contractor after the completion of ProAssembly and after receipt of a completion certificate, signed by Client or on Client's behalf, stating that the ProAssembly has been satisfactorily completed (the "Certificate of Completion"). When part of a larger project, ProAssembly may be deemed complete prior to the Client receiving a final Certificate of Occupancy.
- (d) If ProAssembly Services are canceled after permit approval, Client is subject to additional fees in the amount up to \$5,000.00 for Contractor preconstruction time.
 - (i) When assembly of the Product is complete, the Client and Certified Contractor shall perform a final walk-through inspection and execute a Certificate of Completion. If Client is not available when the assembly is complete, the Certified Contractor shall perform a final walk-through inspection without Client and execute a Certificate of Completion on Client's behalf. Studio Shed will rely on the Certificate of Completion (whether signed by Client or the Certified Contractor on Client's behalf) in paying the Certified Contractor for assembly services.
 - (ii) The Certified Contractor is an Independent Contractor. **CLIENT AGREES THAT THE CERTIFIED CONTRACTOR SHALL PERFORM THE**

ASSEMBLY ACTING AS AN INDEPENDENT CONTRACTOR AND THAT STUDIO SHED SHALL HAVE NO LIABILITY FOR ANY ACT OF THE CERTIFIED CONTRACTOR. CLIENT FURTHER UNDERSTANDS AND AGREES STUDIO SHED DOES NOT GUARANTEE ANY TIME FRAMES ASSOCIATED WITH ASSEMBLY AND DEFERS TO CONTRACTOR'S SCHEDULE WHEN PLANNING PROASSEMBLY. UNDER NO CIRCUMSTANCES SHALL STUDIO SHED GRANT A REFUND OR OTHER COMPENSATION RELATED TO THE PROJECT SCHEDULE. The Studio Shed Warranty does not cover errors in workmanship by Certified Contractor.

(iii) **Services Not Included.** Unless otherwise agreed to by Studio Shed in writing, Client agrees that the Price for ProAssembly does not include architectural/engineering services, permit submittal fees (permit running), permit fees, plan review fees, impact fees, coordinating with Client's ancillary contractors, foundation work including site preparation or structural changes to the land upon which the Product will be assembled (the "Premises"), or any other services beyond the ordinary and routine assembly of the Product. Certified Contractors may bill Client directly for build sites that are more than 100 feet from the site at which the Product is offloaded (carry distance), or if the access from offload location to the Premises contains steps, hills, or other obstructions.

(d) **Travel Distance.** Studio Shed's network of third-party contractors is limited. Client agrees that additional fees and trip charges may apply for ProAssembly, including lodging, mileage, meals, fuel, or other costs, if the location of the Premises requires a one-way commute of further than 40 miles ("travel distance") or forty-five (45) minutes ("travel time"). All such additional fees or charges are the sole responsibility of the Client, and shall be paid directly to the Certified Contractor, unless otherwise agreed to in writing by Studio Shed.

(C) Client's Responsibilities

(i) Client represents and warrants that Client's Premises is free and clear of debris and vermin, and that any pre-existing physical or environmental hazards or building/zoning code violations are remediated prior to assembly. Clients shall research easements associated with the Premises and shall complete the Site Visit Checklist to the best of their knowledge to notify Studio Shed in writing of any such restrictions. Failure to identify or communicate these circumstances may result in a delay in project fulfillment or completion. Similarly, can result in additional costs due to storage, permitting, and or design services.

(ii) Client represents and warrants that, if the Product will be assembled on an existing concrete slab, the concrete slab is the correct size, square and level, with variations no greater than one quarter of one inch (1/4") per every 10 feet. If the slab is not the correct size, square, or is out of level by more than 1/4", Client shall be billed by the Certified Contractor for any additional labor resulting from such conditions. Otherwise, Studio

Shed may, at its sole discretion, elect to delay assembly of the Product until the concrete foundation is square and level. Studio Shed or its Certified Contractor are not responsible for defects in existing foundations, for verifying the existing foundation is suitable to support the weight of the Product, or for settling after assembly because the site was not properly compacted or otherwise prepared. Client is responsible for any design, engineering, labor, or material costs associated with connections to existing foundations. Client is also responsible for ensuring that any concrete flatwork, pavers, landscaping material, or dirt outside of the existing foundation is at least eight inches (8") below top of foundation.

(iii) If assembly will be on a wood-framed floor system, Client represents and warrants that the site/pad is level within six inches. If the area where the Product will be assembled is out of level more than six inches, Client shall be billed by the Certified Contractor to level the site/pad. Studio Shed or the Certified Contractor may, at their sole discretion, elect to delay assembly of the Product until the site/pad square and level. If a wood-framed floor system is existing prior to assembly of the Product, Client certifies that the wood-framed floor system is the correct size, square and level to no greater than 1/4" deviation per 10 feet of travel. Studio Shed or its Certified Contractor are not responsible for defects in existing foundations, or for verifying the existing foundation is suitable to support the weight of the Product. Client is responsible for any design, engineering, labor, or material costs associated with connections to existing foundations.

(iv) Client represents and warrants that any security system at the Premises will not interfere with performance of the assembly.

(v) Client shall facilitate the location of utility lines by calling for necessary locate services and identifying property lines, and shall ensure there are no power lines, cable lines, trees, or other obstructions.

(vi) Client agrees not to impede the delivery of the Product including, but not limited to, moving cars, objects or any other personal property that may be an obstruction.

(vii) Client agrees to provide the Certified Contractor with access to the Premises during working hours, and Client also agrees he/she may be responsible for rental costs associated with sanitary facilities, disposal, material protection, or other temporary services.

(viii) Client agrees to provide temporary power to the Premises for construction. If power is not available within 100 feet of the building pad, Client shall be billed by the Certified Contractor for the rental and use of a generator to supply power.

(ix) Client agrees not to allow unattended minors or other observers at the Premises while the Certified Contractor is present.

(x) Client agrees to control and keep pets away from the Premises. Studio Shed is not responsible for injuries or property damage associated with pets interacting with the

Product.

(xi) Client agrees that the Premises has clearance of at least three (3) feet from foundation on each side, and three (3) feet above highest point of roof. Client may incur additional costs if there are any obstructions or debris within three (3) feet of the shed/foundation or roof location. Additional charges may apply for elevated work, or any other site conditions that impede the Certified Contractor from assembling the Product.

(xii) Client agrees to obtain any permits required by local, state, or federal codes or regulations at its sole cost and expense, and shall keep any permits on display at all times. In the event that the Certified Contractor determines that a building permit is necessary and Client has not obtained a building permit, or Client has obtained a building permit but the building permit is deficient, the Certified Contractor and Studio Shed may suspend Assembly until the appropriate building permit is issued. Neither Studio Shed nor the Certified Contractor shall have any obligation to confirm that Client has an appropriate building permit. Client shall bear any costs associated with suspension of work including, but not limited to, de-mobilization and re-mobilization of tools, equipment, or labor, moving or demolishing the Product, or contractor claims for extended general or site conditions.

(xiii) Client agrees that if Client or any of its agents/dependents interferes with, or delays, performance of the ProAssembly, Client may be subject to additional transportation or storage charges, or other resulting charges.

(xiv) Any condition of the Premises that is not in the condition represented or promised by Client, or any other condition that is not as represented, agreed to or promised by Client above, shall be deemed an “Unfit Condition” (as further defined in Section 4(D) below).

(xv) Client is responsible for obtaining any necessary HOA approvals, and is fully liable for any property constraints (such as easements, setbacks, building separation, etc.) that may impact the Product location.

(xvi) Client shall be responsible for any cost impacts related to AHJ inspections, or Certified Contractor down time related to such inspections or associated work.

(D) Unfit Conditions. The Price for ProAssembly assumes structurally sound existing sub-structures, sub-grade (soils conditions), or other site conditions. If any condition is not as represented or promised by Client as set forth above, or if there are any defective existing conditions, weaknesses, or other dangerous conditions including, but not limited to, being out of level, being out of square, mold, mildew, rot, asbestos, failure to uniformly compact or support, or infestation (collectively, “Unfit Conditions”), then Studio Shed or the Certified Contractor may, at its sole discretion, suspend any assembly until such Unfit Conditions are remedied by Client to Studio Shed’s satisfaction at Client’s sole expense. Otherwise, Studio Shed may increase the Price by the cost and reasonable profit to Studio Shed of having to provide additional products, services, and/or assembly services as a result of the Unfit Conditions. If

Studio Shed elects to increase its Price, Client shall be required to execute a change order reflecting the Price change and shall pay the additional Price upon execution of the change order. In the event that Client does not execute a change order and pay the additional price upon execution of the change order, or if the Client does not correct all Unfit Conditions, then Studio Shed shall suspend assembly and shall be entitled to retain all monies previously paid by Client and shall have no obligation to restore the Premises to its original condition.

(i) **Claims.** Client agrees that any claim against Studio Shed or the Certified Contractor relating to Client's purchase or the ProAssembly must be made to Studio Shed or the Certified Contractor within thirty (30) calendar days of the date Client first becomes aware of the issue and not later than twelve months after completion, or such claim will be deemed waived. Studio Shed will attempt resolution of any claim(s) within sixty (60) calendar days of receipt of Client's notice. Studio Shed is not liable for any work not included in the Order.

(ii) CLIENT AGREES TO PROVIDE STUDIO SHED WITH THE EXACT LOCATION REQUIREMENTS AND ORIENTATION FOR PURCHASED PRODUCTS PRIOR TO ASSEMBLY. PRICES QUOTED BY STUDIO SHED FOR ASSEMBLED PRODUCT ASSUME A LEVEL WORK AREA NOT MORE THAN 100 FEET FROM THE POINT OF DELIVERY. IF THE LOCATION, ORIENTATION, OR ANYTHING ELSE RELATED TO THE PRODUCT CHANGES DURING ASSEMBLY, CLIENT SHALL BE RESPONSIBLE FOR ANY ADDITIONAL COSTS ASSOCIATED WITH SUCH CHANGES. CLIENT IS RESPONSIBLE FOR CONFIRMING ALL PROPERTY LINES, SETBACK REQUIREMENTS, SUB-GRADE/SOILS CONDITIONS, OR OTHER APPLICABLE PROPERTY CONDITIONS.

E) Punch List / Completion. For orders that include ProAssembly, upon completion the Client is entitled to one (1) punch list with reasonable items for Certified Contractor to remedy. Reasonable items included in the punch list shall be agreed upon by the Client and Certified Contractor and may reference the National Association of Home Builders (NAHB) Residential Construction Performance Guidelines, if necessary. The punch/completion walk shall occur within 24 hours of final completion, or as otherwise agreed upon by Certified Contractor and Client. If Client is not available within 24 hours of final completion, and no other punch walk schedule has been agreed upon by Certified Contractor and Client, Certified Contractor may sign the completion certificate without Client present. Certified Contractor shall have one (1) week to complete punch list items. After the punch list is complete, any additional work requested by Client that is not considered a warranty claim shall be billed to Client at Certified Contractor's billable rates.

F) Studio Shed is NOT liable for issues caused by local/jobsite conditions such as, but not limited to, termite infestations, mold growth, tree debris or ice buildup on the roof, improper site drainage, improper foundation placement, corrosive ocean air, or other exposure to natural elements.

5. PERMITS AND DESIGN

In the event Client's Product requires a permit, Studio Shed offers a flat rate – \$4,995.00 for Signature, \$5,995.00 for Portland Series, and \$6,995.00 for Summit – to create a full set of documents ("Plan Set") including a site plan, structural drawings and calculations, Title 24 energy report (where applicable), solar design, and (when necessary) a stamp from a licensed third-party structural engineering firm. If Client purchases this Plan Set, Client authorizes Studio Shed on Client's behalf to provide Client or authorized third party agent with the Plan Set to assist Client in obtaining a permit from Client's local building department. Client's purchase of the Plan Set authorizes Studio Shed to make design decisions on Client's behalf. Client shall be responsible for paying any permit fees, plan review fees, impact fees, or application fees and taxes to the appropriate governmental agency. If Client does not purchase the Plan Set, and the Product requires a permit or Product modifications to meet municipal codes, Client will be charged on an hourly basis plus any engineering fees (if applicable) and any Product change fees as outlined in Section 3 (Prices and Quotations).

***Plan sets are NOT available for as-built Product.**

Throughout the creation the Plan Set or Permitting with the AHJ, Studio Shed shall notify Client of required changes to the Plan Set that result in a modification to the site or configuration for client's approval. Client agrees to approve or deny said changes within 72 business hours.

Client shall be responsible for financially and managerially supporting any additional requirements, if necessary, and shall provide Studio Shed any applicable information to support the design and Plan Set including the Site Visit Checklist at point of sale. Additional requirements include, but are not limited to, site survey, arborist reviews, geotechnical or soil report, and/or energy consultations or inspections. These additional requirements may also result in an extended project schedule.

Client acknowledges that any decision not to permit is solely their own decision. Client acknowledges that not purchasing a Plan Set may result in inadequate performance in structural, architectural, energy, etc. based on local requirements and regulations.

While engineered plans can validate the structural integrity of the Product, Client understands that local, regional, state, or federal regulations are updated regularly, and Studio Shed does not guarantee that its Plan Set will be approved without comment by the AHJ. Studio Shed recommends obtaining all required permits prior to beginning any portion of the Work. If Client fails to obtain all required permits prior to commencing assembly of the Product, Client is solely responsible for all resulting fees, expenses, or other costs, including all costs incurred by Studio Shed or the Certified Contractor, and for any schedule impacts.

Studio Shed will not accept any liability related to any decision to build a structure without a permit when a permit is required. Further, Studio Shed cannot guarantee support related to additional engineering, demolition, fines/fees, or any other impacts if a local, regional, state, or

other AHJ requires or requests any details or plans related to a building being constructed without a permit. This is regardless of the Studio Shed product being purchased with the engineered plans, and regardless of being built per the plans.

Client may be required to pay additional fees and/or a design retainer if a Client's Order requires custom or enhanced design. These additional design costs shall be quoted individually and added to the Order and must be paid prior to any such work commencing.

Changes to permitted projects after Client receives the Plan Set, resulting from plan review comments or as requested by third parties, may be subject to additional design/engineering and resubmittal fees, as well as additional plan reviews resulting in an extended schedule.

NOTE: Client may be subject to additional material, labor/assembly, or equipment costs if the final equipment or appliance lists or layouts deviate from the Studio Shed standard design.

6. DELIVERY AND FORCE MAJEURE

Any shipping, delivery, or assembly dates provided by Studio Shed or Certified Contractors are estimates only, and Studio Shed does not guarantee that the Product will be shipped, delivered, or assembled in accordance with such estimates. Without limiting the generality of the foregoing, Studio Shed may delay delivery of the Product without any liability as a result of any delay caused by events outside Studio Shed's reasonable control including, but not limited to, work stoppages, labor difficulties, Studio Shed's inability to obtain necessary materials, components, labor, or manufacturing facilities, or anything else that would in any way impair Studio Shed's ability to deliver the Product in the quantities ordered at the prices quoted. Studio Shed shall not be responsible for non-performance or delay as a result of acts of God, war, strikes, riots, pandemic or other public health crisis, weather, vendor back-orders or delays, or any other unforeseen condition or event beyond its control.

**QUOTED SHIPPING RATES ARE FOR MAJOR METROPOLITAN AREAS;
SURCHARGES FOR RURAL OR LIMITED ACCESS DELIVERIES MAY APPLY AND
WILL BE COMMUNICATED TO CLIENT PRIOR TO SHIPMENT.**

7. SHIPMENT AND TITLE

Client is deemed to have received the Product when Client picks up the Product from Studio Shed's warehouse or upon delivery of the Product to Client's delivery address. Studio Shed shall bear all risk of loss and casualty to the Product until such time as the Product has been received or deemed to have been received by Client. Client shall bear all risk of loss and casualty to the Product after the Product has been received or deemed to have been received by Client. If the Product is delivered to Client's delivery address, Client is solely responsible for, and will insure against, loss or casualty incurred during and after the unloading process at such location. Client is solely responsible to inspect the Product upon receipt for any visible damage incurred during shipping **before** signing off with the delivery service. If upon inspecting the shipment Client notices visible damage, Client shall notify Studio Shed immediately. Adhering to freight law, Studio Shed prohibits the rejection of any and all pieces, damaged or undamaged. In the event of

concealed damage, Client shall notify Studio Shed immediately when such damage is observed. Upon signing the delivery documents, Client is solely responsible for the Product and any and all costs associated with the Product, with the exception of concealed damage. Studio Shed strongly recommends discussing insurance recommendations with your insurance agent prior to receipt of product.

8. RETURNS

After shipment, Product may be returned to Studio Shed only with the prior written authorization of Studio Shed, and in Studio Shed's sole discretion. If Studio Shed authorizes a return, a return authorization number will be assigned to Client by Studio Shed. The return authorization number must be marked on the shipping container for the Product being returned. Any returned Product shall be subject to a minimum restocking fee of 30% of the purchase Price. Client will also be responsible for all return shipping costs and labor to re-package any Product. Client shall bear the risk of loss during shipment with respect to any such returned Product and shall be responsible for insuring the Product for its purchase Price. Any Product returned to Studio Shed without prior authorization shall be returned to Client, freight collect. Studio Shed may place in storage any Product for which shipment is delayed by Client's inability or unwillingness to pay for and receive the Product. Such storage by Studio Shed shall be for Client's account at Client's expense, and the Product so stored shall be at Client's risk while stored.

9. LIMITED WARRANTY

Studio Shed warrants to the original purchaser of the Product that, should there be any defects in the Product material or workmanship during the initial 12 months (one calendar year) from Client's receipt of the Product, Studio Shed will either repair or replace the covered defects. After the initial 12-month period, manufacturer warranties shall apply per the manufacturer warranty terms. Visual imperfections outside the Product's standard manufacturing and quality specification parameters including scratches, blemishes, or other imperfections, unless readily observable more than six (6) feet away, are not covered. Client must notify Studio Shed of any claim of defects in the material or workmanship within twelve (12) months after Client's receipt of the Product. Such notice must be in writing via online form, setting forth specifically the basis for the claim, and must include photographs of the defect(s). Failure to satisfy the requirements above shall constitute irrevocable acceptance of the Product. All warranty claim notices must be filled out [via online form here](#). This warranty provides the Client specific legal rights. (Client may also have other rights which may vary depending on state in which he or she resides). Failure to follow the Construction Manual (also known as Assembly Guide) or any related instructions or drawings, or any abuse or misuse of the Product including unauthorized alterations, shall immediately void this Limited Warranty. Studio Shed is not responsible for damage caused by the location of the Product on or over inappropriate soils or terrain, **where manufacturer warranties are excluded or do not apply**, by the use of improper replacement parts, or acts of God. Studio Shed is not liable and expressly disclaims all liability for damages due to misuse, using the Product for other than what's specified in the Order or what's allowed by applicable codes, neglect, improper maintenance or adjustments, and normal wear and tear of the

Product. Studio Shed also is not liable for damages related to use of an un-permitted unit when a permit is required. Studio Shed reserves the right to change and/or improve the design and/or specifications of the Product without notice or obligation to modify previously produced units. No assembly or other instructions, advice, Product information, or marketing materials, whether oral or written, obtained by Client at any time from Studio Shed or any vendor or retailer of Studio Shed Product shall create any Studio Shed express warranty not expressly stated in this Section.

Studio Shed is not responsible for corrosion on any metal components (e.g. metal roof, drip edge, metal trim, door hardware, etc.) if Product is assembled closer than 1,100 yards (5/8 mile) to any body of salt water.

STUDIO SHED MAKES NO EXPRESS WARRANTIES EXCEPT AS STATED IN THIS SECTION. ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, SHALL TERMINATE THREE HUNDRED SIXTY-FIVE (365) DAYS FROM CLIENT'S RECEIPT OF THE PRODUCT. (SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION MAY NOT APPLY TO CLIENT.)

10. INDEMNIFICATION

Client agrees to defend, with counsel approved by Studio Shed, all actions against Studio Shed, its officers, directors, managers, shareholders, members, employees, agents, beneficiaries, successors, and other representatives (the "Indemnified Parties") with respect to, and to pay, protect, and indemnify and hold harmless all Indemnified Parties from and against, any and all liabilities, losses, damages, costs, expenses (including reasonable attorneys' fees and expenses), causes of action, suits, claims, demands, or judgments of any nature arising from or relating to the injury to or death of any person, or damage to or loss of property, caused by or incurred in connection with Client's use or misuse of the Product.

LIMITATION OF LIABILITY. IN NO EVENT SHALL STUDIO SHED BE LIABLE FOR LOST PROFITS, BUSINESS INTERRUPTION, LOST BUSINESS OPPORTUNITIES, OR ANY OTHER INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY, INCIDENTAL, OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THESE TERMS AND CONDITIONS OR CLIENT'S PURCHASE OF PRODUCT (WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE WHETHER ACTIVE, PASSIVE, OR IMPUTED), PRODUCT LIABILITY, STRICT LIABILITY, OR OTHER THEORY), EVEN IF STUDIO SHED HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL STUDIO SHED'S AGGREGATE LIABILITY WHETHER IN CONTRACT, WARRANTY, OR TORT, INCLUDING NEGLIGENCE WHETHER ACTIVE, PASSIVE, OR IMPUTED, PRODUCT LIABILITY, STRICT LIABILITY, OR OTHER THEORY, EXCEED THE PRICE PAID BY CLIENT TO STUDIO SHED.

(Certain state laws do not allow the exclusion or limitation of certain damages. If these laws apply, some or all of the above exclusions or limitations may not apply to Client, and Client may have additional rights to those contained herein. In such states, Studio Shed’s liability is limited to the greatest extent permitted by law.)

11. TRADEMARKS AND TRADENAMES

Client acknowledges and agrees that all brand names, trade names, and trademarks incorporated onto or associated with the Product (collectively, the “Marks”) purchased hereunder are the exclusive property of Studio Shed and that Client shall not acquire any rights in any of the Marks by purchasing the Product. Client shall not make any use of the Marks at any time except as otherwise authorized by Studio Shed in writing.

Should Client provide to Studio Shed any photograph or other likeness of an assembled Product, Client will disclose in writing any copyright or other intellectual property rights on such photograph or likeness, grants to Studio Shed a license to use the photograph or other likeness, and indemnifies Studio Shed against any infringement claim brought against it for any undisclosed intellectual property rights to the photograph or likeness.

12. PROPRIETARY INFORMATION / NON-DISCLOSURE

Client acknowledges and agrees that any knowledge or information, including drawings, designs, specifications, plans, and data, that Studio Shed may have disclosed or may hereafter disclose to Client incident to the placing and filling of an Order shall, at all times, remain the exclusive property of Studio Shed, and Client shall acquire no interest in, or right with respect to, such proprietary information unless otherwise stated in writing by Studio Shed. Client further acknowledges and agrees that such proprietary information constitutes valuable, special, and unique business assets of Studio Shed and that Client shall not now, or at any time in the future, use any such information in any manner or disclose any such information to any person or entity, except as expressly permitted in writing by Studio Shed.

13. GOVERNING LAW AND JURISDICTION

ALL MATTERS ARISING OUT OF OR RELATING TO THESE TERMS AND CONDITIONS OR CLIENT’S PURCHASE OF PRODUCT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF COLORADO, WITHOUT REGARD TO CONFLICTS OF LAWS OR RULES. EXCLUSIVE JURISDICTION OVER AND VENUE OF ANY SUIT WILL BE IN THE STATE COURTS LOCATED IN BOULDER COUNTY, COLORADO OR THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLORADO LOCATED IN DENVER, COLORADO. WHERE APPLICABLE, ARBITRATION SHALL BE GOVERNED BY “EXHIBIT B – ARBITRATION AGREEMENT”.

14. ENTIRE AGREEMENT

These Terms and Conditions together with the Order constitute the parties' entire agreement relating to the subject matter hereof and supersede all prior or contemporaneous oral or written communications, proposals, and representations with respect to such subject matter. No modification to these Terms and Conditions will be binding unless in writing and signed by each party.

15. NO WAIVER

No waiver of any provision of these terms and conditions or delay by either party in enforcement of any right hereunder shall be construed as a continuing waiver or create an expectation of non-enforcement of that or any other provision or right.

16. SEVERABILITY

In the event any provision herein should be held unenforceable by a court of competent jurisdiction, such court is hereby authorized to amend such provision so that it will be enforceable to the fullest extent permitted by law, and all remaining provisions shall continue in full force without being affected, impaired, or invalidated thereby in any way.

17. NO ASSIGNMENT

Client agrees that Client may not assign or transfer any of Client's rights arising out of or related to these terms and conditions or Client's purchase of Product.

18. ATTORNEYS FEES

Client agrees that if Client fails to timely pay to Studio Shed any sums due hereunder and Studio Shed sues to collect such sums, Client shall be liable for reasonable fees, including but not limited to, collection fees and any attorney's fees incurred by Studio Shed.

Client hereby agrees to Order the Product at the stated costs and has read and agrees to the TERMS AND CONDITIONS, incorporated herein under this reference. Client understands and agrees that Studio Shed reserves the right to change, discontinue or substitute materials as may be deemed necessary to properly fulfill the Order.

By signing below, Client agrees to these Terms and Conditions:

Client Signature Date

Client Name (Printed)