

Audo

COPENHAGEN



GENERAL TERMS AND CONDITIONS
B2B US — 2024

1. General Conditions

1.1. These General Terms and Conditions (these “Terms”) shall govern the sale of the goods (“Goods”) by Audo North America Inc North America Inc. (hereinafter “Audo North America Inc”) to the purchaser (hereinafter “Purchaser”), unless otherwise agreed to by Audo North America Inc in writing.

1.2. Any terms and conditions proposed by Purchaser, which are different from or in addition to the terms in these General Terms and Conditions shall not be binding upon Audo North America Inc and shall be void and of no effect, except to the extent expressly accepted by Audo North America Inc in writing.

1.3. These Terms may only be amended or modified in a writing which specifically states that it amends these Terms and is signed by an authorized representative of each party.

2. Orders and Prices

2.1. Minimum advertised price (“MAP”) is the recommended retail price. Repeated violations of MAP can lead to the termination of the right to sell Audo North America Inc products.

2.2. Audo North America Inc products cannot be sold online or re-exported outside of the US, Canada (the “Territory”) or the country where the Purchaser has its principal place of business as set forth in the framework agreement, without permission from Audo North America Inc North America Inc. Audo North America Inc furniture and lighting items cannot be sold on www.amazon.com.

2.3. Canada only: Purchaser is responsible for duty and brokerage costs. For your convenience, we have also listed an estimated MSRP in Canadian Dollars (“CAD”). This is only an estimate, based on the conversion rate at the time of printing.

2.4. A purchase order from Purchaser constitutes Purchaser’s offer to Audo North America Inc, and it will only become a binding agreement between the parties, upon Audo North America Inc’s acceptance in writing by order confirmation or otherwise (“Order Confirmation”). The Order Confirmation and these Terms (collectively, this “Agreement”) comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings,

agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Purchaser’s general terms and conditions of purchase regardless of whether or when Purchaser has submitted its purchase order or such terms. Fulfillment of Purchaser’s order does not constitute acceptance of any of Purchaser’s terms and conditions and does not serve to modify these Terms.

2.5. All prices are exclusive of taxes, duties, customs and other charges and fees.

2.6. Any request to change a purchase order with SPEC or COM products needs to be received by Audo within three (3) working days from receipt of order confirmation to avoid any fees. In the event where the products have already been dispatched, a fee for the return of the products shall be paid by the Purchaser. The fee regarding a request to change an order is determined on the order value. For orders with a value of \$550 the fee is \$55, and for orders above \$550 the fee is 10 % of the order.

2.7. Cost of shipping (prices are in USD)

US Domestic delivery:

- Shipping costs on Audo North America Inc North America’s account:
 - Orders up to \$ 149 freight = \$ 22
 - Orders over \$ 150 = 7% of order total
 - White glove delivery without assembly = 12% of order total
 - White glove delivery with assembly = 15% of order total
- Shipping to a 3rd party on Purchaser’s FedEx or UPS account is possible. Contact us.sale-support@audocph.com to provide carrier account details.

Canada delivery:

- See delivery information in Section 3.1.

Latin America delivery:

- See delivery information in Section 3.1.

2.8. Audo North America Inc wholesale discount & minimums:

Wholesale discount across all categories: 40%
 Annual Minimum: \$10,000.00 USD Net
 First Order Minimum: \$2,000.00 USD
 Reorder minimum: \$500.00 USD

3. Delivery and Delay

3.1. US Domestic delivery:

- FOB – Wisconsin (Leman WI, 1860 Renaissance Blvd., Sturtevant, WI 53177), Houston TX (Diligent TX, Diligent Delivery Systems, 9200 Derrington Rd., Houston, Texas 77064, and New Jersey (Velocity USA, 315 Half Acre Rd., Cranbury, NJ 08512).
- Made-to-order or custom Goods: Also called SPEC Goods (as defined in Section 8.2), these orders are (FOB), New Jersey or Houston TX (please see addresses above).

Canada delivery:

- Flat fee of 10% of order value.
- White glove delivery without assembly = 12% of order total
- Whiteglove delivery with assembly = 15% of order total

Latin America delivery:

- Purchaser may choose to pick up orders at Audo North America Inc’s warehouse in Wisconsin (1860 Renaissance Blvd, Sturtevant, WI 53177, United States)
- Purchaser may choose to have the order shipped to a US address on Purchaser’s freight account.
- EXWORKS IN US: NJ, TX, WI (please see addresses above).
- Purchaser may choose to pick up orders in Denmark (Europe) from Audo North America Inc’s warehouse in Brøndby, Denmark. Purchaser has an obligation to immediately export the products outside the EU/EEA. The products are not to be sold or marketed in the EU/EEA without the consent of Audo North America Inc. This option is only available for orders above USD net 5,000 and cannot be used to order 110v lightning.

3.2. Partial delivery from Audo North America Inc to Purchaser shall be permitted. Audo North America Inc’s SPEC Goods and COM/COL Goods orders, as such terms are defined in Section 8, will be sent directly from Audo North America Inc’s production sites to Purchaser’s location unless agreed otherwise. This does not involve orders with delivery terms Ex Works where collection will be from Audo North America Inc’s warehouse in Wisconsin (1860 Renaissance Blvd, Sturtevant, WI 53177, United States).

3.3. Audo North America Inc’s production lead time

for furniture is approximately 10-14 weeks from Audo North America Inc’s acceptance of the purchase order. Made-to-order chairs can be delivered in approximately 2-8 weeks. Some of Audo North America Inc’s chairs and tables are stock items, and upon prior written acceptance from Audo North America Inc these stock items can be delivered by Audo North America Inc with a shorter delivery date.

3.4. Any delivery date communicated by Audo North America Inc is only an estimate based on Audo North America Inc’s best knowledge, and delivery dates are therefore not binding on Audo North America Inc, unless a specific delivery date has been agreed in writing with Audo North America Inc. If a specific delivery date has been agreed in writing, delivery within 14 working days after the agreed specific delivery date shall not be considered a delay.

3.5. In the event that delivery has not taken place within 14 working days after an agreed specific delivery date, and the non-delivery is not caused by circumstances attributable to Purchaser, Purchaser is entitled to cancel that portion of the order not delivered; notice must be provided by Purchaser in writing to Audo North America Inc. If the purchased Goods are being specifically adapted to Purchaser in accordance with Section 8, Purchaser is not entitled to cancel the order unless the delay exceeds 40 working days after the agreed specific delivery date. The above remedies shall be Purchaser’s sole remedies in the event of delay.

3.6. If for any reason Purchaser fails to accept delivery of any of the Goods on the date fixed pursuant to Audo North America Inc’s notice that the Goods have been delivered to Purchaser’s specified delivery location, or if Audo North America Inc is unable to deliver the Goods to any such location on such date because Purchaser has not provided appropriate instructions, documents, licenses or authorizations: (i) risk of loss of the Goods shall pass to Purchaser; (ii) the Goods shall be deemed to have been delivered; and (iii) Audo North America Inc, at its option, may store the Goods until Purchaser picks them up, whereupon Purchaser shall be liable for all related costs and expenses including, without limitation, storage and insurance.

3.7. Orders must be picked up within 72 business hours. This is counted from the day that our warehouse sends out the first pickup request. Any orders still on our dock after 72 business hours will accrue a \$45.00 fee per pallet, per day, until the order is retrieved. Any orders where a hold is requested in

advance will accrue the same fee as above. The first 72 hours after the ready date are free, anything after this will accrue a \$45.00 per pallet, per day fee.

4. Terms of Payment

4.1. Unless otherwise agreed between Audo North America Inc and Purchaser in writing, payments related to non-retails sales (contract) are due within 20 days from the date of invoice while payments related to retail sales are due 30 days from the date of invoice. Prepayment (50% or 100%, depending on Audo North America Inc's internal policies and at Audo North America Inc's sole discretion) is required for new customers for orders above USD 50,000 and for SOR Goods, as defined in Section 8.3. Audo North America Inc reserves the right to demand 100% prepayment for all customers who have in the past failed to adhere to the payment terms stated herein.

4.1.1 Prepayment: Full prepayment of an order is required for all new customers before the order will be released for shipping. Payment via electronic funds transfer (EFT/ACH/Wire) or check is preferable.

4.1.2 Net 20/30: Customers who have an established history with Audo North America Inc may apply for payment terms of net 20/30 by filling out a credit reference application. Failure to pay within the terms stated herein may result in the account being converted back to prepayment terms. Credit cards are NOT accepted for net 30 payments.

4.1.3 Made-to-order or custom Goods: All made-to-order and custom Goods have a 10–12-week lead time and require 100% prepayment and may not be canceled once production has begun.

4.2. In the event that payment is not provided on time, Audo North America Inc shall be entitled to:

- a) charge interest on all late payments at the lesser of the rate of 1.5% per month or the highest rate permissible under applicable law, calculated daily and compounded monthly, and
- b) reimbursement for all costs incurred in collecting any late or overdue payments, including, without limitation, attorneys' fees.

4.2.1. In general, the following precautions will be taken:

- a) Late payments will result in the suspension of all deliveries.
- b) Late payments will result in the loss of credit and

the requirement for prepayment on subsequent orders. 4.2.2. Audo North America Inc will apply subsequent payments first against accrued interest before applying payments against the principal (trade receivable).

5. Retention of Title

5.1. Audo North America Inc shall retain ownership of Goods sold to Purchaser, until payment has been made in full with the addition of any interest owed. Purchaser shall not be entitled to make arrangements that limit Audo North America Inc's retention of ownership. This includes sales agreements.

5.2. Until the title to the Goods passes to Purchaser in accordance with this Section 5.1, Purchaser is obliged to:

- a) store the Goods separately from Goods belonging to the Purchaser or 3rd parties, and
- b) mark the Goods as Audo North America Inc's property, so that Goods to be repossessed may be easily identified.

Purchaser shall allow Audo North America Inc, its officers, employees and agents, to access any of Purchaser's premises to verify that Purchaser is in compliance with this Section 5.1.

6. Limited Warranty

6.1. Audo North America Inc warrants that Goods delivered to Purchaser are free from defects in material and workmanship for a period of 24 months from the delivery date of each product (hereinafter "Warranty Period").

6.2. The Purchaser shall immediately upon receipt of the Goods from the carrier conduct a visual inspection of the delivered Goods, and

6.3.1. if there is any visual damage to the packaging, Purchaser shall note such damage on the delivery note from the freight forwarder. Audo North America Inc shall bear no responsibility for damage not recorded on the delivery note from the freight forwarder.

6.3.2. If there are any defects or shortcomings in quantity in the delivered Goods, Purchaser shall notify Audo North America Inc in writing within 14 working days after the delivery date of the Goods.

6.3 Audo North America Inc shall not be liable for a breach of the warranty set forth in Section 6.1 unless:

(i) Purchaser gives written notice of the defect, reasonably described, to Audo North America Inc within 14 days of the time when Purchaser discovers or ought to have discovered the defect; (ii) Audo North America Inc is given a reasonable opportunity after receiving the notice to examine such Goods and Purchaser (if requested to do so by Audo North America Inc) returns such Goods to Audo North America Inc's place of business at Audo North America Inc's cost for the examination to take place there, and (iii) Audo North America Inc reasonably verifies Purchaser's claim that the Goods are defective.

6.4. Any warranty claim from Purchaser shall include a description of the defect and be accompanied by the necessary and relevant documentation, including information on the order number and photos documenting the defect. All claims shall be sent by e-mail to Audo North America Inc's support team at: us.salessupport@audocph.com.

6.5. If delivered Goods are defective in any material way, Audo North America Inc shall at its sole discretion be obliged to either (i) remedy the defect, (ii) replace the defective product or (iii) terminate the purchase order in respect of the defective Good(s) against crediting of the invoiced amount for such defective Good(s) to Purchaser. Audo North America Inc shall notify Purchaser of its decision within reasonable time after receiving a claim from Purchaser. Purchaser is not entitled to other remedies in case of defects in the delivered Goods, and Audo North America Inc shall not be liable for any other direct or indirect losses that the defect may cause.

6.6. Audo North America Inc is only liable for defects which appear under the proper use of the Goods. Audo North America Inc's liability does not cover defects arising out of or caused by (i) materials provided by Purchaser, (ii) faulty maintenance, incorrect use or incorrect assembly, (iii) alterations or repair performed by Purchaser or (iv) normal wear and tear of the Goods.

6.7. Replacement of Goods will be made to the original delivery address, unless otherwise agreed in writing between Audo North America Inc and Purchaser, i.e., if delivery terms are ex works, the collection site is San Diego, California.

6.8. EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN SECTION 6.1, Audo North America Inc MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE GOODS, INCLUDING ANY (i) WARRANTY OF MERCHANTABILITY; OR (ii)

WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR (iii) WARRANTY OF TITLE; OR (iv) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY, WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.

6.9. THE REMEDIES SET FORTH IN SECTION 6 SHALL BE THE PURCHASER'S SOLE AND EXCLUSIVE REMEDY AND Audo North America Inc's ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTY SET FORTH IN SECTION 6.1.

6.10. End customers are offered an extended product warranty on selected furniture and accessories (Extended Warranty). The end customer will receive a unique id in combination with the purchase. The Extended Warranty lasts 10 years from purchase date if the end customer registers the unique id number at www.audocph.com within three (3) months from the date of purchase.

6.11. Excluded from the Extended Warranty are (i) normal wear and tear as well as wear and tear/defect caused by incorrect care or inappropriate use of the product (ii) wear and tear/defects caused by direct sunlight and heat from e.g. radiators that may fade or dry out the surface on woods, fabrics and leathers (iii) defects in or caused by material, leather or textiles, delivered to Audo North America Inc A/S by the Purchaser or end customer (iv) products manufactured according to Purchaser or end customer specifications (v) products modified by the Purchaser or end customer after delivery or (vi) Parts such as gliders. Any case of subsequent changes to the product will invalidate the extended warranty.

6.12. A claim from the end customer in relation to the Extended Warranty shall include a description of the defect and be accompanied by the necessary and relevant documentation, including information on the order number and photos documenting the defect. All claims shall be sent by e-mail to Audo North America Inc's support team at: us.salessupport@audocph.com

7. Limitation of Liability

7.1. IN NO EVENT SHALL Audo North America Inc BE LIABLE TO PURCHASER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT Audo North

America Inc HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

7.2. IN NO EVENT SHALL Audo North America Inc's AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO PURCHASE ORDER OR THESE TERMS AND CONDITIONS, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO Audo North America Inc FOR THE GOODS UNDER THE RELEVANT PURCHASE ORDER.

7.3. Audo North America Inc shall not be liable for any errors in catalogues, brochures or other printed material submitted to Purchaser.

7.4. The limitation of Audo North America Inc's liability set out in this Section 7 shall not apply where Audo North America Inc has been guilty of gross negligence.

8. Special Orders

8.1. Any purchase orders where Purchaser requests Audo North America Inc to incorporate or use fabrics, leather or other materials which are provided by Purchaser (hereinafter "COM/COL Goods") will only become a binding agreement between the parties upon Audo North America Inc's acceptance of the order in writing. Refer to Section 4.1 in relation to payment terms for special orders. Audo North America Inc is not responsible for any defects in fabrics, leather or other materials provided by Purchaser.

8.2. Any purchase orders where Purchaser requests Audo North America Inc to deliver Goods with fabrics, leather or other materials, which are part of Audo North America Inc's range of materials that can be selected for Audo North America Inc's Goods (hereinafter "SPEC Goods") are considered non-standard Goods by Audo North America Inc.

8.3. Any purchase orders where Purchaser requests Audo North America Inc to manufacture a bespoke product (hereinafter "SOR Goods") will only become a binding agreement between the parties upon Audo North America Inc's acceptance of the order in writing and Purchaser's prepayment of 100% of the total purchase price under the purchase order. The standard warranty of 24 months applies.

8.4. If Purchaser cancels a purchase order for COM/COL Goods or SPEC Goods after Audo North America Inc's acceptance of the purchase order, however subject to Section 3.6 above, Purchaser shall pay cancellation fee to Audo North America Inc as follows depending on timing of cancellation from receipt of order confirmation:

- Less than 72 hours after order confirmation: 0% on net price ex. VAT
- Between 73 hours and 10 days: 20% on net price ex. VAT
- More than 10 days: 100% on net price ex. VAT.
- Cancellation of purchase orders with SOR Goods is not accepted and the total purchase price under the purchase order shall be paid by Purchaser.

9. Confidential Information

9.1. All non-public, confidential or proprietary information of Audo North America Inc, including but not limited to specifications, samples, patterns, designs, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Audo North America Inc to Purchaser, whether disclosed orally or disclosed or accessed in written, electronic or other form of media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by Audo North America Inc in writing. Upon Audo North America Inc's request, Purchaser shall promptly return all documents and other materials received

from Audo North America Inc shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b) known to Purchaser at the time of disclosure; or (c) rightfully obtained by Purchaser on a non-confidential basis from a third party.

10. Force Majeure

10.1. Audo North America Inc shall not be liable or responsible to Purchaser, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Audo North America Inc including without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, pandemic, epidemic, lockouts, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage. Should any such event persist for more than 6 months, either Party shall be entitled to give notice in writing to the other to terminate this Agreement.

11. Choice of Law and Venue

11.1. All matters arising out of a purchase order or these General Terms and Conditions are governed by and construed in accordance with the laws of the United States and the internal laws of the State of California, without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than the State of California.

11.2. Any legal suit, action or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States or the courts of the State of California in each case located in the City and County of San Diego, and each party irrevocably submits to the exclusive jurisdiction of such courts in any suit, action or proceeding.

12. Notices

12.1. All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth on the face of the Order Confirmation or to such other addresses that may be designated by the receiving party in writing. All notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only if the party giving Notice has complied with the requirements of this Section 12.1.

13. Severability

13.1. If any term or provision of these Terms and Conditions is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of these Terms and Conditions or invalidate or render unenforceable such term or provision in any other jurisdiction.

14. Assignment

14.1. Purchaser shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Audo North America Inc. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Purchaser of any of its obligations under this Agreement.

15. Survival

15.1. Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of the relevant order including, but not limited to, the following provisions: Confidential Information, Governing Law, Submission to Jurisdiction/Arbitration and Survival.

These General Terms and Conditions are valid from 1. February 2024 and replace previous terms and conditions.