

Terms and Conditions

Prices:

All prices are list, FOB factory, freight prepaid and delivered to the dealer's dock and do not include local delivery, taxes or installation. Prices include packaging and cartoning. Carson's reserves the right to change prices at the company's discretion as dictated by market and business conditions. Pricing as posted on the website (www.carsonscontract.com) will be considered current and will supersede printed price lists. No agent or representative is authorized to change prices or terms and conditions of sale without the express written consent of Sterling Tree Studio.

Quotations:

Quotations submitted by Carson's or its sales representatives are valid for a maximum period of 60 days unless otherwise extended in writing. If the order arrives after that date, or if the quantities or options are altered in any way, the quote is null and void.

Orders and Change orders:

All orders and order changes must be placed in writing and may be transmitted to our office by fax or email:

FAX: 336-944-6965 / EMAIL: info@carsonscontract.com

Duplicate orders not marked "Confirmation" are the responsibility of the customer. Order changes are subject to Carson's ability to perform the change. If a change can be accommodated, depending upon order status, it may be necessary for Carson's to assess a fee to recoup the cost of making the change. Order changes may result in modification to the original ship date.

Acknowledgements:

All orders and order changes will be acknowledged in writing and the acknowledgement will serve as the final agreement of the parties to the order. The acknowledgement supersedes all previous order correspondence. It is the customer's responsibility to immediately review the acknowledgement for accuracy and notify Carson's of any discrepancies.

New Accounts and Establishment of Credit:

All first time orders must be approved by the local sales representative. Customers may apply for a line of credit with Carson's Contract. To begin the process, customers are encouraged to submit at least one bank reference and three trade references for review. Additional financial information may be required to complete the process. Carson's reserves the right to alter credit terms for an account at its discretion. For accounts on open terms, payment is due 30 days from the invoice date. Failure to pay in a timely manner may subject the account to interest penalties and other collection-related expenses.

Credit Card Payments:

Carson's will accept payment via credit cards. However, we must be made aware of the preference for credit card payment prior to Order Entry. Otherwise, orders will be processed through the standard factoring process. A credit card payment form is available upon request.

Production Scheduling of Orders:

Orders will be scheduled for production only after the following are received: fabric (whether COM or fabric included order deposit (if required), custom finish approval, answers to confirming order-related questions and resolution of order discrepancies.

Cancellations:

Order acceptance is final and binding and is not subject to cancellation without the approval of Carson's. If cancellation is approved, it is understood that fees may be assessed by Carson's and that the fees are binding upon the buyer.

Custom Orders:

While Carson's encourages the submission of custom orders, these orders may not be cancelled. A minimum 50% non-refundable deposit is required for all custom orders.

Shipping Lead Times:

While Carson's makes every effort to meet its quoted delivery dates, these dates are approximate and are subject to delay due to the unexpected and factors which are sometimes beyond the company's control.

Returns:

No merchandise may be returned to Carson's without written consent in the form of a return authorization (RA) from a Customer Service Representative. Given that Carson's orders are manufactured to individual client specifications, restocking is not an available option.

Storage:

When finished product is ready for shipment and the buyer cannot accept delivery, Carson's reserves the right to invoice the order. Carson's also reserves the right to transfer the goods to outside storage and/or assess storage and handling charges, particularly if the storage time frame is beyond the acknowledged ship date.

General Product Information

Specifications:

All dimensions and product weights are considered approximate. Carson's reserves the right to make product changes in dimensions, design and construction without prior notice. Product data in the price list is to be considered current and supersedes similar information in the product brochure.

The Nature of Wood:

Wood is a natural material and its inherent beauty is due to variations in color, grain and texture. Due to this natural variation, Carson's does not guarantee exact matching of grain, pattern and color of wood. It is to be expected that one will notice minor variations in the appearance of wood from one piece of furniture to the next even when the same finish is applied. The lighter the wood finish, the more pronounced the variation. It is also expected that the aging process and exposure to light will cause wood to slowly darken.

Flammability Requirements:

It is the responsibility of the buyer to determine local flammability codes that apply to the order. All Carson's upholstered products are manufactured as a minimum standard to comply with California Bureau of Home Furnishings Technical Bulletin 117-2013. Carson's will manufacture products to comply with more stringent codes, such as California Technical Bulletin 133, but special manufacturing requirements and upcharges apply.

Finishes

Wood Finishes:

Carson's offers a generous selection of wood finishes, as standard, for consideration.

| | | | | |
|----------------|-------------|----------------|--------------|----------|
| Natural | Mahogany | Honey | Amber Cherry | Espresso |
| Milk Chocolate | Satin Black | Dark Chocolate | Caramel | |

In addition to the standard wood finish offering, Carson's will custom match finishes outside this palette at no upcharge contingent upon Finishing Department approval.

Nail Trim Finishes:

Carson's offers a variety of nail trim finishes, as standard, for consideration:

| | | | | |
|-------------|------------|------------------------|------------|--------------------|
| Natural #37 | Nickel #13 | Bronze Renaissance #14 | Pewter #10 | French Natural #03 |
|-------------|------------|------------------------|------------|--------------------|

Occasional Table Surfaces:

Carson's is pleased to offer its occasional table products in veneer and laminate. Laminate pricing is based on the customer's selection from a standard palette of Wilsonart laminates. See below. Contact the factory for pricing of non standard laminate selections.

| | | | |
|------------------|-------------------|----------------|-------|
| Kensington Maple | Cafelle | Veranfa Teak | Black |
| Harvest Maple | Amber Cherry | Portico Teak | |
| Montana Walnut | Versailles Anigre | Asian Night | |
| Columbian Walnut | Empire Mahogany | Designer White | |

Limited Ten Year Warranty

Carson's warrants its products to the original purchaser to be free from defects in design, materials and workmanship given normal use and care as documented below:

- Frames, springs and webbing are covered for a period of 10 years.
- Foam, filler and all other non-structural components except as noted herein are warranted for a period of seven years from the original invoice date.
- Tablet arms, casters and other moving parts are covered for a period of five years.
- Textiles are covered by the respective manufacturer's warranty, and Carson's assumes no responsibility.

Exclusions to the warranty are as follows:

- This warranty does not cover misuse or abuse of product, or damages caused by contact with tables, desks or other surfaces, or normal wear associated with use of product.
- It is understood that Sterling Tree Studio products are suitable for indoor use only.
- Damage caused by common carriers, installers and field modification is not covered.
- Damage caused by unauthorized repair is not covered.
- Upholstery covers with regard to durability, color fastness, shrinkage, pilling, seam slippage and stretching are not warranted beyond what the original manufacturer or supplier extends to Sterling Tree Studio.
- This warranty does not extend to variation in product resulting from normal wear and tear.

Carson's responsibility and the purchaser's claim pursuant to this warranty are limited to local repair, factory repair or replacement at Carson's option. No other party is authorized to create obligations or liabilities in connection with furniture from Carson's. Invoice adjustments or deductions are not to be taken in the intended settlement of warranty claims without the approval of Carson's.

This warranty is in effect for all Carson's products manufactured on or after June 1, 2016. For products manufactured prior to that date, please contact your local Carson's representative or factory Customer Service representative.

All warranty claims should be submitted to Carson's Customer Service. Information to be supplied with the claim is to include purchase date, sales order number, description of the warranty issue, photos of affected product and the installed location of the product.

Delivered Freight Program

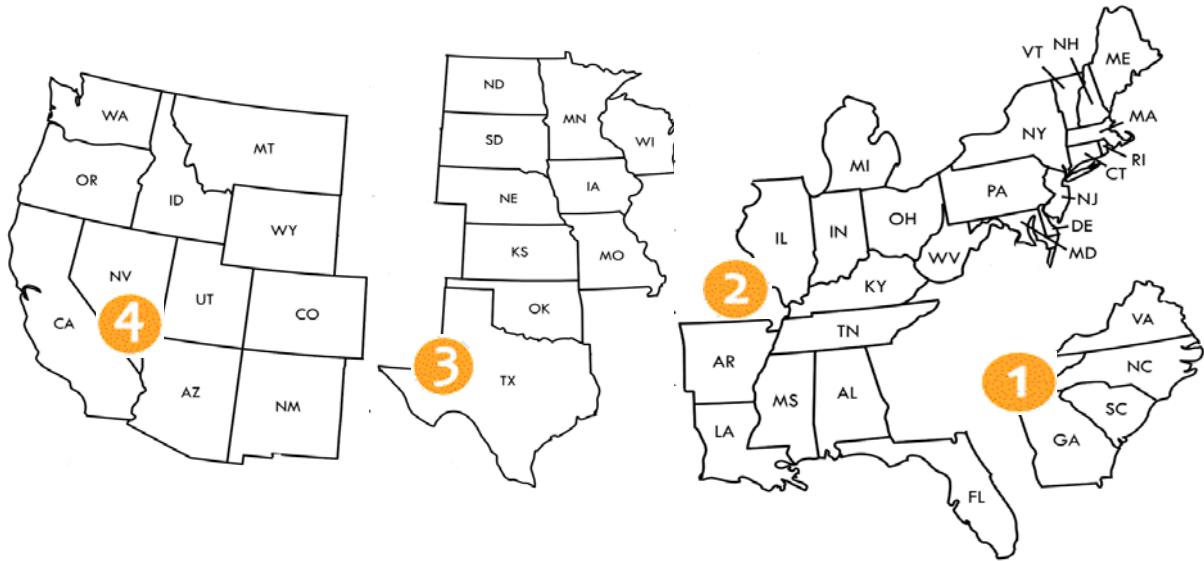
ZONE 1

Georgia
North Carolina
South Carolina
Virginia

Freight is prepaid and allowed by Carson's to one destination within a selected freight zone subject to the minimum freight charges listed below. Please refer to the chart to determine if minimum freight charges apply to your order. The delivered freight program is available for any location within the 48 contiguous states.

ZONE 2

Alabama
Arkansas
Connecticut
Delaware
Florida
Illinois
Indiana
Kentucky
Louisiana
Maine
Maryland
Massachusetts
Michigan
Mississippi
New Hampshire
New Jersey
New York
Ohio
Pennsylvania
Rhode Island
Tennessee
Vermont
West Virginia



Stated simply, freight is included in the list pricing provided the total order value in list dollars exceeds the thresholds noted in the table below. If not, simply add the \$100 minimum freight charge to your order.

| DELIVERY ZONE | ORDER VALUE | MINIMUM FREIGHT CHARGE |
|---------------|------------------------|------------------------|
| 1 | Less Than \$ 3000 List | \$ 100 Net |
| 2 | Less Than \$ 4000 List | \$ 200 Net |
| 3 | Less Than \$ 5000 List | \$ 300 Net |
| 4 | Less Than \$ 7500 List | \$ 400 Net |

ZONE 3

Iowa
Kansas
Minnesota
Missouri
Nebraska
North Dakota
Oklahoma
South Dakota
Texas
Wisconsin

Given wide fluctuations in the price of fuel in recent years, Carson's reserves the right to assess fuel surcharges as required to compensate for prevailing cost of petroleum.

In the case of large projects, please be aware that Carson's will provide project specific freight quotes to possibly secure more economical truckload-based pricing.

Delivered freight program pricing is based upon delivery to a single destination. Pricing is contingent upon deliveries to tractor trailer accessible loading docks with no size restrictions. Any additional charges assessed to Carson's by its carriers as the result of a non-traditional delivery or small quantity delivery are not included in the delivered freight program. These additional charges will be separately invoiced to the buyer and are detailed below:

ZONE 4

Arizona
California
Colorado
Idaho
Montana
New Mexico
Nevada
Oregon
Utah
Washington
Wyoming

- Charges associated with non-standard deliveries, non-dock deliveries, residential deliveries or deliveries where space restrictions dictate the use of trailers less than 53 feet in length.
- Charges associated with refused deliveries
- Requests for the carrier to call the consignee prior to delivery - add \$20 net for this request.
- Charges associated with inside deliveries
- Charges associated with deliveries requiring lift gates to facilitate unloading
- Charges associated with deliveries to docks that are unmanned and/or not designed for large trucks

Freight Claims

Furniture is shipped at the buyer's risk. Unless there is evidence that product has been improperly cartoned, Carson's is not responsible for damage occurring in transit. Carson's responsibility ends and the carrier's responsibility begins when the loaded product is received "in good order" (as is therefore accepted) by the carrier. If there is any suspicion of product damage, we strongly recommend that the following steps be taken by the buyer at the point of receipt:

- 1) Inspect the cartons closely. Even if very minor external damage is found, make a note on the freight bill.
- 2) In the case of external damage, inspect the contents with the driver present. If time does not permit this step, it is imperative to contact the carrier and complete a joint inspection within 15 days of receipt. Normal policy within the transportation industry requires that written claims be submitted within a 15 day time frame. Failure to do so typically constitutes acceptance of the merchandise and waiver of claims.
- 3) Save the packaging materials associated with the receipt of damaged product. This will serve as important evidence in the case of an on site inspection.
- 4) Take photos to document the findings.

Concealed damage is a more difficult matter. Therefore, it is very important to open cartons within 15 days of receipt. If damage is found, complete steps 2 through 4 as noted above.

While it is the buyer's responsibility to file freight claims associated with damaged product, Carson's will gladly assist in the process. In the case of damaged product, the buyer's claim is against the carrier. It is not acceptable for the buyer to withhold payment from Carson's or to take deductions from Carson's invoices.

Claims against Carson's by the buyer for overages, shortages or shipment of the wrong product may be made in writing to Customer Service within 15 days of receipt. Carson's will respond quickly to resolve these issues. Failure to report incidents within the 15 day window constitutes acceptance of the merchandise and waiver of such claims.

Quick Ship Program



Carson's is proud to introduce a quick ship offering combining an extensive collection of styles with a broadly appealing, select group of textiles. Qualifying orders will ship in 15 working days from credit approval.

All quick ship styles are marked with the QUICK SHIP icon in the price list and are also listed below.

Seating:

Bud
Chip
Cooper
Duxbury - Seating SKU's Only
Graham
Jack - S197L Only
Keeton
Lynn
Lucia
Luxe
Marley
Matty
Maureen
Network - Seating SKU's Only
Peter
Sharon
Susan
Tina
Trio
Verge - Fully Upholstered SKU's Only

All colors of the following patterns are part of the program:

| | |
|------------------------------|--------------------------------|
| Grade A - Culp Archetype | Grade C - Stinson Retrograde |
| Grade A - Culp Castillo | Grade C - Stinson Sequence |
| Grade A - Culp Dillon | Grade D - Momentum Hue |
| Grade B - Momentum Origin | Grade D - Stinson Nova |
| Grade B - Stinson Laredo | Grade D - Stinson Outlander |
| Grade B - Stinson Blip | Grade E - Momentum Beeline |
| Grade C - Momentum Epic | Grade E - Momentum Free |
| Grade C - Momentum Fuse | Grade E - Stinson Continuum |
| Grade C - Momentum Marathon | Grade E - Stinson Gravity |
| Grade C - Momentum Tradition | Grade F - Momentum Cover Cloth |
| Grade C - Stinson Hive | Grade F - Stinson Hot Spot |
| Grade C - Stinson Polka | Grade F - Stinson Nimble |
| Grade C - Stinson Riddle | Grade F - Stinson Revolution |

Occasional Tables - Veneer Only:

Andrew
Carly
Melvin
Vala

For an order to qualify and receive treatment as a "QUICK SHIP", the following criteria must apply:

- 1) The order must be clearly marked as "QUICK SHIP".
- 2) The order must involve exclusively quick ship styles, quick ship fabrics and standard Carson's wood finishes.
- 3) The order must involve 15 or less pieces.
- 4) The order must involve standard product (requiring no modification or customization).

While Carson's expects to comply with quick ship lead times with a very high degree of reliability, inventory fluctuations and the unexpected may occasionally result in longer lead times.

Graded-In Textiles

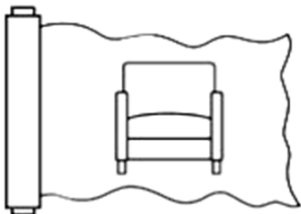
While Carson's will gladly handle your fabric and leathers as COM and COL, we are pleased to offer alliances with Culp Contract, Designtex, Maharam, Momentum, and CF Stinson. The vast majority of patterns from these sources are "graded in." Therefore, Sterling Tree Studio will purchase the fabric on your behalf. Carson's has intentionally partnered with companies having a strong web presence so patterns may be viewed online. Please contact the partnering companies directly for memo samples.

Customer's Own Material (COM) and Customer's Own Leather (COL)

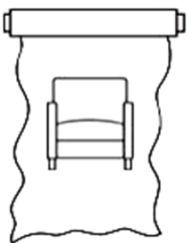
Carson's upholstery items may be ordered with covering material to be furnished by the customer. Prices listed under the COM heading apply to orders involving customer supplied fabric and vinyl. Prices listed under the COL heading apply to orders involving customer supplied leather. Yardage and square footage requirements have been estimated for all Carson's models. Refer to the price list page for a particular model to determine the yardage or square footage required to cover one chair. In the case of COM, these estimates assume that the chair is to be covered in a 54" wide material and that it will be cut as "railroaded". In the case of COL, estimates assume that the hides supplied contain 50 to 55 square feet of usable footage.

Normally, additional yardage is required when the material provided by the customer is striped or patterned, has to be matched, is less than 54" in width or is to be cut "up the goods". Please refer to the diagram and table below to estimate the yardage required for your order.

Railroaded



Up the Goods (Off the Bolt)



| Fabric Width | Large Repeat | Railroad 1-Way Repeat | Railroad 2-Way Repeat | Up the Goods 1-Way Repeat | Up the Goods 2-Way Repeat | Plain Fabrics / Nap |
|--------------|--------------|-----------------------|-----------------------|---------------------------|---------------------------|---------------------|
| 54" | < 2" | 10% | 15% | 15% | 20% | |
| | 2" - 10" | 15% | 20% | 20% | 25% | |
| | 11" - 20" | 20% | 25% | 25% | 30% | 15% |
| | 21" - 25" | 25% | 30% | 30% | 35% | |
| | 26" + | 30% | 35% | 35% | 40% | |
| 51" - 53" | < 2" | 20% | 25% | 25% | 30% | |
| | 2" - 10" | 25% | 30% | 30% | 35% | |
| | 11" - 20" | 30% | 35% | 35% | 40% | |
| | 21" - 25" | 35% | 40% | 40% | 45% | |
| | 26" + | 40% | 45% | 45% | 50% | |

In the case of larger orders (25 pieces or more of an item to be covered in the same fabric) it may be possible to benefit from yardage savings. Please contact Customer Service with the fabric information in hand (supplier, pattern name, repeat and direction) and request an estimate of the yardage requirements for your project.

Application of COM:

The following policy is applicable to the use of COM's:

- 1) All patterns will be applied at Carson's discretion unless special instructions are provided in writing with the order. We encourage customers to make note of important application instructions such as how stripes, patterns, etc. are to be applied.
- 2) Carson's will match patterned fabrics. However, it must be understood that situations arise where pattern matching cannot be achieved. Also, situations arise where seams must be created.
- 3) Stripes will be applied vertically unless otherwise specified.
- 4) Any defects or objections associated with COM are not covered under warranty, including tailoring objections and seam slippage.
- 5) Carson's assumes no responsibility for the flame retardancy of any COM. It is the customer's responsibility to insure compliance with applicable codes.

COM / COL Ship to Address:

Carson's Contract/ 101 Amhurst / High Point, NC 27260 / (336) 431-1101

Please tag the goods with the name of your company and reference the purchase order number. Also, please reference the Sterling Tree Studio model number to which the goods will be applied.

California Bureau of Home Furnishings Technical Bulletin 133

Unlike California TB 117-2013 which requires key furniture components, evaluated independently, to comply with the flammability standard, California Technical Bulletin 133 is a full scale test intended to insure that an entire piece of furniture will comply when subjected to a laboratory controlled flammability test procedure. The combination and interplay of foam, fabric and product design influence how a piece of furniture will perform when tested.

Using a combination of flame retardant materials and altered upholstery technique, Carson's will, upon request, manufacture products to comply with the California TB 133 standard. All products made as California TB 133 compliant will carry the required labeling.

All Carson's models may be manufactured to comply with the standard. For any piece of furniture having upholstery, the upcharge is determined by multiplying the fabric requirement for a model (as found in the price list) by \$75 list per yard. Carson's procedure for CA TB 133 compliance is based upon testing of representative models. If the end user or Fire Marshall requires laboratory certification, the following prices apply for each order line item requiring certification:

- Test and Transportation of the Piece to the Testing Facility.....\$1,000 net
- Cost of the Test Sample (Include TB 133 upcharge).....Product Applicable

Please understand that roughly 6 weeks is added to the standard lead time if laboratory certification is required. In that the selected covering material strongly influences the test result, Carson's reserves the right to reject any COM which may negatively affect performance of the furniture under this requirement. Therefore, it is necessary for the buyer to submit a fabric swatch and full fabric specifications with the order to facilitate initial reviews by Carson's.

Optional Moisture Barrier

Seating from Carson's is optionally available with a protective moisture barrier. A moisture barrier is designed to prevent moisture from seeping into filling materials and is available on most items for an additional charge. Moisture barriers provide an invisible layer of protection between the upholstery cover and filling materials. This application helps maintain a clean and sanitary environment without altering appearance. The following upcharges apply when moisture barriers are applied:

- Lounge Chairs..... \$45 List
- Guest Chairs..... \$45 List
- Loveseats & Benches..... \$90 List
- Sofas..... \$135 List