

**FELIX MACHINES TERMS AND CONDITIONS DRAFTING AND POSTING**  
**Rev November 17, 2023**

**PRODUCTS ORDERS: TERMS AND CONDITIONS**

**1. Entire Agreement.** By purchasing products and/or services by any means from Felix Machines LLC ("**Felix Machines**"), you agree to be bound by and accept the terms and conditions contained herein (this "**Agreement**"). Felix Machines expressly rejects any purchase order issued containing terms conflicting or adding to these *Products Orders: Terms and Conditions*. Any attempt to alter, supplement, or amend this Agreement, or to enter an order for product(s) which is (are) subject to additional or altered terms and conditions, will be null and void, unless otherwise agreed to in a written agreement signed by both you and Felix Machines. This Agreement does not supersede, waive, or otherwise affect any security agreements, guarantees, credit applications or other agreements between you and Felix Machines, none of which may be amended except by a writing signed by each party. You acknowledge and agree that Felix Machines reserves the right to amend these terms and conditions in its sole discretion as it sees fit from time to time. ***Orders are not binding upon Felix Machines until accepted by Felix Machines, at which time all orders shall become binding and non-cancellable***

**2. Pricing.** Product prices at [www.felixmachines.com](http://www.felixmachines.com) are exclusive of shipping and any applicable duties or tariffs, which are your responsibility but to which Felix Machines may advance on your behalf, subject to reimbursement. Product prices are subject to change without notice when additional, unanticipated costs are incurred by Felix Machines in connection with or arising out of the manufacture, sale, or distribution of product, including, but not limited to, increases in labor, freight and materials costs before shipment of order, and applicable overhead. Such increased may be invoiced to you and you agree to pay same. You will pay when due any sales, use, excise, gross receipts, or value-added taxes, or other federal, state, or local taxes or other surcharges or assessments (other than any tax based on the net income of Felix Machines or imposed upon inventory held by Felix Machines in its warehouse) that Felix Machines is at any time obligated to pay or collect based on, or in any way levied on, the sale of products and/or services, their importation, or the products or any services related thereto. In addition, you will be obligated to pay all interest or penalties assessed by reason of your failure to comply with your obligations hereunder. If Felix Machines pays any amounts which you are obligated to pay, then you will promptly reimburse Felix Machines in an amount equal to the amount so paid by Felix Machines.

**3. Product Payment Terms.** All product orders require an advance NONREFUNDABLE deposit (the "**Deposit**"), which will generally equate to approximately 60% to 100% of the total order. Deposit percentage shall be determined at the discretion of Felix Machines. Payments shall be made via ACH direct debit or other payment form acceptable to Felix Machines. Felix Machines will build or cause to be built the equipment ordered upon receipt of the Deposit. Until product is paid in full, Felix Machines retains, and you hereby grant to Felix Machines, a security interest

in the ordered product. Final payment is due and payable to Felix Machines upon delivery. Felix Machines may assess a service charge calculated at the rate of 1.5% per month (or the maximum rate allowed by law, if such rate is less than 1.5% per month) on any amount not paid to Felix Machines when due (whether such unpaid invoice is for product, freight, or any levies or fees charged by or through US customs, if applicable). Failure or delay by Felix Machines to invoice you for any such service charge will not waive the rights of Felix Machines to receive the same. In the event of default in payments on any invoice you agree to pay all out-of-pocket expenses, including attorneys' fees and costs, incurred by Felix Machines to collect any amounts due from you or to otherwise enforce any of the terms stated herein.

**4. Shipment and Delivery Payment Terms.** Felix Machines will indicate its acceptance of an order by issuing an invoice or by shipping the ordered product to you. All shipments are made F.O.B. Felix Machines' shipping point unless otherwise specified. In the absence of specific instructions, Felix Machines selects the carrier. Title to products and risk of loss pass to you upon delivery thereof by Felix Machines to the carrier or delivery service. You assume all risk of loss in shipping and all liability for loss or damages, whether direct, indirect, consequential or otherwise, due to delays once the products have been delivered to the carrier. You will be invoiced separately by Felix Machines for freight and customs fees, charges, duties and the like, unless otherwise specified. You agree to pay such invoices within five (5) business days of receipt.

**5. Contingencies.** Felix Machines shall be excused from its obligations hereunder in whole or in part to the extent its performance is delayed or prevented by strikes, work stoppages or disputes, fires, floods, war (declared or undeclared), riots, loss or destruction of product, non-availability or delays of transportation, embargoes, accidents, delay or failure of Felix Machines' suppliers to make delivery of material, shortages of material or labor, restrictions, limitations, obligations, taxes, assessments, duty or fee imposed by any government or governmental authority, domestic or foreign, or any other cause beyond Felix Machines' control. In such circumstances Felix Machines' obligations hereunder shall be suspended for so long as any such contingency continues, and you agree to extend, and are deemed to extend, for a corresponding period, any letters of credit or trade acceptance opened by you in respect to such shipment or delivery.

**6. Credit.** Felix Machines may at any time, in its sole discretion, limit the amount of credit to be extended to you and cancel any order with respect to all or any undelivered product if Felix Machines shall deem such action advisable for credit reasons. You hereby represent and warrant that you are solvent and agree that such representation and warranty shall be deemed repeated upon each order and/or delivery hereunder. You hereby represent and warrant that you are solvent and agree that such representation and warranty shall be deemed repeated upon each order and/or delivery hereunder.

**7. Returns.** While extremely rare, sometimes products may be damaged in transit. Any damages and exceptions must be noted on the bill of lading or delivery ticket. Capital equipment that has been damaged should be refused and left with the delivery company or

carrier. The item must be inspected immediately for concealed damage. In the event of any such damage, the original shipping container must be saved for inspection. Felix Machines should be notified immediately of such damage. Failure to adhere to this policy will release Felix Machines from any responsibility regarding replacement and/or credit.

If you have received damaged merchandise, please email a photo of the damaged item with submission to Felix Machines showing damage, item packaging, interior and exterior shipping box and a signed bill of lading for truck shipments or tracking number for small package. Please hold all damaged material for carrier inspection until further notice.

**8. Warranty.** EXCEPT AS OTHERWISE STATED BELOW IN THIS SECTION 8, THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE, WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF. FELIX MACHINES WARRANTS THAT FOR ONE YEAR FROM THE DATE OF DELIVERY EACH PRODUCT SOLD BY FELIX MACHINES SHALL BE OF WORKMANLIKE QUALITY AND FUNCTION CORRECTLY PURSUANT TO ITS CORRESPONDING MANUAL OR VIDEO MANUAL, AS PROVIDED. FELIX MACHINES WILL REPAIR OR REPLACE ANY DEFECTIVE PARTS AND COMPONENTS DURING THE WARRANTY PERIOD. FELIX MACHINES IS UNDER NO OBLIGATION TO PROVIDE UL CERTIFICATION OR ANY OTHER AGENCY SPECIFIC APPROVALS ON ANY OF ITS PRODUCTS.

**9. Limitation of Liability.** IN NO EVENT SHALL FELIX MACHINES BE LIABLE, WHETHER IN CONTRACT, TORT OR OTHERWISE, FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES OR LOSSES OF ANY NATURE OR FOR LOST REVENUE, LOST PROFITS OR LOST BUSINESS ARISING OUT OF YOUR PURCHASES FROM FELIX MACHINES, THE USE OF PRODUCTS, OR FELIX MACHINES' FAILURE TO DELIVER ORDERED PRODUCTS. IN NO EVENT SHALL FELIX MACHINES' LIABILITY FOR ANY ORDER OR PRODUCT UNDER THIS AGREEMENT EXCEED THE FEES ACTUALLY PAID BY YOU FOR SUCH ORDER OR PRODUCT. FELIX MACHINES' SOLE OBLIGATION AND YOUR EXCLUSIVE REMEDY FOR BREACH HEREUNDER WILL BE, AT FELIX MACHINES' OPTION, TO REPAIR OR REPLACE THE PRODUCT.

**10. Miscellaneous.** This Agreement and all communications, disputes and performance related hereto shall be governed by and construed according to the internal laws of the State of Oregon. No rights hereunder or arising out of these terms and conditions may be assigned by you without the express written consent of Felix Machines. No waiver by Felix Machines of any default or failure by Felix Machines to enforce a right hereunder shall be deemed a waiver of any right of prior or subsequent default.