

STANDARD FAUX LEATHER LIMITED WARRANTY

1. General Warranty.

Subject to the terms, conditions, limitations and exclusions contained in this Warranty, VFF warrants to the Purchaser of Covered Product(s) from VFF that such Covered Product(s) will at the time of shipment by VFF to Purchaser be free from defects in manufacturing caused by VFF, other than Acceptable Defects.

2. Certain Defined Terms.

“Acceptable Defects” means defects that are acceptable under industry standards enumerated by ASTM D5430, which currently allows a maximum of 10 defects per 60 yard roll, 5 defects per 30 yard roll (and all upward or downward extrapolations based on 1 defect per 6 yards of roll).

“Approved Warranty Claim” means a claim under this Warranty (a) that VFF has determined is valid (i.e., that such claim is within the scope of this Warranty (including, without limitation, under Section 1 above), has been made timely and otherwise in accordance with Section 4 below and is not subject to any exclusions, limitations or conditions contained elsewhere in this Warranty), (b) that has been timely made within the Warranty Period in accordance with Section

4 below and (c) for which Purchaser has otherwise complied with its obligations under this Warranty,

“Covered Product(s)” means the faux leather products manufactured by VFF and purchased by the Purchaser directly from VFF.

“Purchaser” means the person or entity who directly purchases the Covered Product(s) from VFF (as evidenced by the order acknowledgment or purchase invoice generated by VFF), and not any other person or entity who subsequently purchases, acquires, uses, leases, possesses or otherwise deals in respect of such Covered Product(s).

“VFF” means Valley Forge Fabrics, Inc., a Florida corporation. “Warranty” means this Standard Faux Leather Limited Warranty.

“Warranty Period” means the one (1) year period beginning on the date that VFF ships the Covered Product contained in the Purchaser’s applicable purchase order, whether such Covered Product is shipped by VFF to Purchaser or to another person, entity, designee or destination.

3. Warranty Period.

This Warranty shall remain in full force and effect during the Warranty Period. This Warranty will not cover any claims made by Purchaser after the expiration of the Warranty Period.

4. Warranty Claims and Process.

Purchaser must submit any claims under this Warranty in writing to Valley Forge Fabrics, Inc., 1650 W McNab Road, Fort Lauderdale, FL 33309 (email: qualityteam@valleyforge.com). All claims must be in writing and contain the following:

(1) the name of Purchaser; (2) the name and description of the Covered Product in respect of which the claim is being made; (3) the date of purchase of the Covered Product from VFF (along with the applicable invoice or order acknowledgment issued by VFF in respect of such purchase); (4) a detailed description of the manufacturing defect claimed by Purchaser; (5) a detailed description of any damage Purchaser claims has occurred to the Covered Product as a result of the claimed VFF manufacturing defect; (6) photographs of the Covered Product in respect of which the warranty claim is being made evidencing the damage described in clauses (4) and (5); and (7) a statement describing in detail what the Covered Product has been used for, any upholstery or reupholstery involving the Covered Product and any use of the Covered Product for further installation or inclusion in another product.

Any claim under this Warranty that does not contain all of the items described in the prior paragraph or is received by VFF after the Warranty Period has expired will not be valid or honored under this Warranty.

VFF will have the right to inspect or perform an investigation in respect of any Covered Product for which Purchaser is making a claim under this Warranty. To that end, Purchaser will cooperate with VFF in any such inspection and/or investigation. Without limiting the foregoing, Purchaser will provide VFF or its representatives with physical access to Purchaser's facilities where the Covered Product is located, will provide VFF with the Covered Product upon request and will accurately and timely comply with VFF's requests and inquiries in connection with such inspection or investigation. Purchaser's failure to comply or assist with VFF's inspection and/or investigation as described in this paragraph will result in the applicable claim being invalid and not honored under this Warranty.

VFF will, in its reasonable discretion, solely make all determinations as to whether a claim by Purchaser under this Warranty is valid or whether such claim is invalid, limited by the terms of this Warranty (including, without limitation, by reason of the exclusions below), voided by the terms of this Warranty or otherwise affected by reason of the terms of this Warranty. Any and all determinations made by VFF in respect of claims under this Warranty shall be final and binding on Purchaser (unless Purchaser demonstrates that VFF has engaged in intentional and willful misconduct in respect of such determinations).

5. Warranty Remedies.

In the case of an approved warranty claim:

- a) VFF will replace the Covered Product which is the subject of the Approved Warranty Claim with a mutually agreeable substitute fabric material; provided, however, if Purchaser and VFF cannot agree on a substitute fabric material, then VFF will in good faith make the determination as to the substitute fabric material to provide Purchaser in respect of such Approved Warranty Claim; and
- b) In the case of a gross manufacturing defect of the Covered Product caused by VFF, if Purchaser has incurred costs and expenses which are expressly and directly limited to having to reupholster a Covered Product which is the subject of the Approved Warranty Claim and such costs and expenses are properly and accurately documented by Purchaser in accordance with Section 4 above (and approved by VFF), then VFF will pay Purchaser the lesser of (x) such actual costs and expenses described in this clause (b) or (y) \$12.00 per yard of Covered Product purchased by Purchaser from VFF and which the Approved Warranty Claim detailing the reupholstery costs and expenses described in this clause (b) is being made. For the avoidance of doubt, non-fabric material, labor, overhead, service provider and similar costs and expenses are not costs and expenses covered by or recoverable under this Section 5 (b) or this Warranty. Recovery under this Warranty is expressly limited to the items described in this Section 5, subject to the terms, conditions, limitations and exclusions contained in this Warranty. Without limiting the foregoing, no other costs, expenses or damages (including, without limitation, consequential, lost profit, punitive, extraordinary, incidental, special, indirect or other costs, expenses or damages) are covered by or recoverable under this Warranty.

6. Exclusions and Limitations:

Notwithstanding anything to the contrary contained in this Warranty, damages, losses, failures, costs or expenses caused by any of the following will not be covered under this Warranty:

- a) Installation of Covered Product(s) in a manner that is contrary to VFF's installation guidelines and/or accepted industry proper installation practices;
- b) Use of the Covered Product(s) for any purpose other than those specified in the quote/invoice/order acknowledgment issued by VFF and pursuant to which Purchaser purchased the Covered Product(s)

from VFF;

- c) Any of the following: (i) mold or mildew; (ii) reverse crocking; (iii) improper use of the Covered Product(s); (iv) improper or deficient maintenance by Purchaser in respect of the Covered Product(s); and/or (v) staining.
- d) Any use of cleaning products or methods not approved in writing by VFF or failure to comply with VFF's cleaning instructions for a particular Covered Product;
- e) Insufficient or improper storage or handling of Covered Product(s);
- f) Sharp edges, points, punctures or lack of sufficient foam and padding in upholstery;
- g) Swivel chairs that can make contact with sharp edged desks, or are worn from excessive abrasion against walls, furniture or any surfaces;
- h) Use of adhesives, materials, tools or equipment that are incompatible with, or cause damage or loss to, the Covered Product;
- i) Inadequate fabrication of the Covered Product which, among other consequences, may cause the seam to fail. Without limiting the foregoing, ACT standards (ASTM D4034 and D3597 Seam Slippage Test) prescribe a minimum of 25 pounds in warp and weft, and VFF will not be responsible for seam failures where the Covered Product has been tested to exceed 25 pounds in the warp and weft;
- j) Defects directly or indirectly resulting from the design or construction where the Covered Product is located;
- k) Exposure to corrosive or other atmospheric conditions or corroding metals or hardware;
- l) Exposure to chemicals other than cleaning products or methods approved in clause (d) above;
- m) Exposure to harsh environmental conditions;
- n) Acceptable Defects;
- o) Ordinary wear and tear;
- p) This Warranty solely covers Products used and located in guestrooms. Products used or located in public areas are not covered by this Warranty due to, among other things, extreme wear, tear, and abuse;
- q) This Warranty solely covers faux leather sold by the yard. Finished bedding is not covered by this Warranty as, among other things, VFF cannot control washing conditions in the hotel or applicable facility; and/or
- r) Any external causes (including, without limitation, an act of God, natural disaster, terrorism, national emergency, war, civil unrest, labor dispute, strike, flood, lightning, severe weather, shortage of materials, failure or fluctuations in public utilities, common carrier, telecommunication, data, network or internet service, or third party non-performance).

Any additional fabric finishes applied to a Covered Product after its purchase from VFF will void this Warranty.

For the avoidance of doubt, this Warranty does not cover any finished bedding products purchased by Purchaser from VFF.

7. Warranty Remedies.

In the case of an Approved Warranty Claim:

Purchaser acknowledges and agrees that Covered Product actual fabric and colors may deviate from what is seen online and/or what is seen in memo samples or other promotional materials. Any such deviation or inconsistency is not a recoverable claim, whether under this Warranty or otherwise.

Absent a written agreement signed by an authorized executive officer of VFF expressly stating otherwise, this Warranty is the sole, exclusive and entire representation, covenant, warranty, guaranty and similar assurance made by VFF in respect of the Covered Products purchased by Purchaser from VFF, and all other representations, covenants, warranties, guaranties and similar assurances, whether express, implied, statutory or otherwise (including, without limitation, those arising out of a course of dealing or trade, as to merchantability or as to fitness for a particular purpose), are expressly and voluntarily disclaimed and waived by Purchaser. The express terms of this Warranty are the sole and exclusive terms of this Warranty, and no other terms, conditions or provisions relating to this Warranty shall be binding on VFF.

This Warranty may not be amended, modified or waived on behalf of VFF unless the amendment, modification or waiver is in writing and signed by an authorized executive officer of VFF.

This Warranty is for the sole and exclusive benefit of Purchaser, and may not be assigned or transferred by Purchaser without the prior written consent signed by an authorized executive officer of VFF, and any attempted assignment or transfer without such prior written consent shall void this Warranty.

This Warranty shall be construed in accordance with and governed by the laws of the State of Florida, without regard to the choice of law principles thereof.

VFF and Purchaser acknowledge, agree and consent to (and waive all objections in connection with) the following: Any suit, action or proceeding with respect to, in connection with, or arising out of this Warranty (a) shall be subject to the exclusive jurisdiction of the Federal and State courts located in Broward County, Florida, and (b) shall be heard in a trial without a jury. If any suit, action or proceeding at law or in equity is necessary to enforce or interpret the terms of this Warranty, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.