

WORLD RACKS GENERAL TERMS AND CONDITIONS OF SALE, these terms apply to all sales, quotes, and services provided by WORLD RACKS Group (RACK USA LLC, STORE FIXTURES, and TINY HOMES) (hereinafter "WORLD RACKS"). Modification to these terms requires expressed written consent and approval by WORLD RACKS. Any action by the Customer ((hereinafter "Customer"))(e.g., issuance of a PO or accepting a quote) constitutes agreement to these terms and shall override any conflicting terms.

1. Sale of Materials, Materials are sold under agreed to INCOTERM of FCA-Loaded, Torreon Mfg. Plant (alt if not discussed, EXW2023). Customers are responsible for receiving, storing, and assuming all risks for Materials upon delivery. Costs arising from failed deliveries not caused by WORLD RACKS are chargeable to the Customer. Assembly or final material use by third parties excludes WORLD RACKS from responsibility. Measurements are non-binding and not grounds for price revisions.

2. Warranty Terms and Conditions, WORLD RACKS provides the following limited warranty:

A. Materials Warranty

a. A limited three-year warranty is offered on materials, provided assembly and/or maintenance services are contracted through WORLD RACKS.

b. If such services are not contracted, the warranty on materials shall be limited to one (1) year and covers manufacturing defects only.

B. Automated Equipment Warranty, if applicable,

a. Batteries shall be warranted for a period of one (1) year or 1,000 recharges, whichever occurs first.

b. Machinery shall be warranted for one (1) year from the date of commissioning.

c. Software shall be warranted for a period not exceeding six (6) months from commissioning.

C. Conditions for Warranty Claims

a. All damages or defects must be reported within twenty-four (24) hours of delivery or commissioning, as applicable.

b. Warranty coverage is contingent upon compliance with payment terms and adherence to product usage instructions.

c. This warranty explicitly excludes normal wear and tear.

D. Repair and Replacement



a. WORLD RACKS reserves the right, at its sole discretion, to repair or replace defective parts during the warranty period.

b. Any parts replaced under this warranty shall become the property of WORLD RACKS.

c. Costs associated with repairs or replacements resulting from misuse, negligence, or external factors, including but not limited to natural disasters, shall not be covered.

E. Retention of Ownership Rights

a. WORLD RACKS shall retain ownership and first-lien rights to all products until such a time as payment has been received in full.

This retention of rights shall apply to all materials, including but not limited to partially paid inventories or inventory consigned to third-party partners and/or distributors.

3. Reservation of Ownership, as stated in Term 2, WORLD RACKS shall retain ownership and first-lien rights to all products until such a time as payment has been received in full. Customers are liable for damages and must inform WORLD RACKS and/or appropriate creditors of any attempts to seize or block Materials.

4. Intellectual Property, WORLD RACKS retains all intellectual property rights related to documentation, drawings, plans, manuals, licenses, and software. Images and graphics in quotes are illustrative and nonbinding.

5. Limitation of Liability, WORLD RACKS' liability is limited to the agreed net price. Excluded are damages such as lost profits, production, or any indirect, incidental, punitive, or speculative damages, even if WORLD RACKS was notified of their possibility. WORLD RACKS is not liable for failures caused by force majeure or unforeseen circumstances.

6. Third Party, if a third party is the owner or recipient of the Materials or Services, the Client must ensure the third party agrees to these terms and assumes relevant obligations. The Client remains jointly liable with the third party. In cases of non-payment, WORLD RACKS may claim payments from the third party based on assigned credit.

7. Personal Data Protection, Personal data provided will be processed according to WORLD RACKS Group's Privacy Policy.

8. Applicable Law and Jurisdiction, the applicable law is that of the WORLD RACKS entity's registered office issuing the Quotation. Disputes are subject to the courts of Monterrey, N.L., Mexico, with all other jurisdictions expressly waived.



9. Severability Clause, if any provision is deemed invalid or unenforceable in any jurisdiction, the remaining terms remain unaffected. Applicable laws will substitute invalid provisions where necessary.

GENERAL ASSEMBLY CONDITIONS, these conditions complement the General Conditions of Sale and apply to WORLD RACKS' Services and assembly-related activities.

10. Reception Area, the installation area and access must be clear. Delays caused by obstructions will be billed separately.

11. Supply and Services, The Client must provide electricity, water, disposal means, and necessary lifting equipment. WORLD RACKS does not handle unloading or lifting, unless expressly contracted to do so prior to project delivery or pick up.

12. Environment, Waste must be disposed of in containers provided by the Client or as directed by their environmental system.

13. Occupational Risk Prevention, WORLD RACKS maintains an Occupational Health and Safety Plan and will provide requested documentation before starting work.

14. Soil Strength and Topography, The Client must provide a suitable surface for installation. WORLD RACKS will not proceed until the surface meets the required specifications, and delays caused by unsuitable conditions are the Client's responsibility.

15. Execution, Assembly delays due to force majeure or Client-provided data/equipment issues will not count as working days. WORLD RACKS may update terms or terminate contracts for delays beyond 90 days or significant unforeseen costs.

16. Custody and Protection, The Client assumes responsibility for material protection during assembly. WORLD RACKS is not liable for damage to improperly stored materials.

17. Existing Facility Interference, WORLD RACKS is not liable for damages caused by installations if the Client fails to provide prior location details for wiring or conduits.

18. Installation and Quotation Integrity, Changes to designs, components, or repairs require WORLD RACKS written consent. Additional work or modifications will incur separate charges. WORLD RACKS is not liable for damage caused by unauthorized changes.

19. Other Conditions Based on Site Type, The Client is solely responsible for obtaining all necessary licenses, permits, and authorizations for the installation's



legality, unless WORLD RACKS is expressly requested and paid to do so. WORLD RACKS does not provide consulting or management services for this purpose without prior authorization and payment for these services. The Client must fulfill payment obligations and indemnify WORLD RACKS, even if the required permissions are not granted. Failure to secure these permissions allows WORLD RACKS to terminate the contract and claim damages, including consequential losses. Unless the Client provides written notice in advance, it is assumed the necessary permissions are in place. If WORLD RACKS is not engaged for assembly, the Client must ensure strict adherence to WORLD RACKS' manual instructions, with assembly liability excluded.

20. Code of Ethics, The Client acknowledges awareness of WORLD RACKS' Code of Ethics and agrees to comply with its principles, which apply to customers, suppliers, and other stakeholders.

