

NERVAL'S TERMS AND CONDITONS

1. Definitions

In these terms and conditions:

"Customer" means the party or parties identified as such in the Sales Order, Invoice or Quotation (as defined below);

"Goods" means the products or services listed in the Sales Order, Invoice or Quotation;

"Order" means a Sales Order, Invoice or Quotation accepted by the Customer;

"Party" means either the Customer and the Seller, and "Parties" means the Customer and Seller;

"Seller" means Nerval Corporation, dba "NERVAL";

"Terms" means these terms and conditions;

2. GENERAL

All Goods supplied shall only be offered, rendered, supplied or provided according these Terms. These Terms constitute the entire agreement between the Parties with respect to the provision of the Goods and supersedes all other terms either expressed or implied by law. None of the Terms set out herein may be added to, waived, modified, superseded or otherwise altered except by a written instrument signed by an officer of the Seller and delivered to Customer. No employee or agent of Seller is empowered to alter or amend these Terms as set out herein. Failure to enforce any or all of these Terms in a particular instance shall not constitute a waiver of or preclude subsequent enforcement of any or all such Terms. In the event of any part or parts of these Terms being held invalid, such holding shall not invalidate the remainder of these Terms.

5. TERMS OF PAYMENT

All Orders shall be paid in full prior to delivery unless otherwise agreed to in writing by Seller.

All custom or special Orders require a deposit equal to 50% of the total price of the Goods (the "Deposit") prior to the Seller initiating assembly of the Order. The Customer acknowledges that the Seller will not begin assembly of the Order until it has received the Deposit.

All payments in excess of the Deposit shall, unless otherwise agreed to by the Seller in writing, be made by the Customer prior to delivery pursuant to these terms and conditions

On Seller approved credit only, payments are due 30 days from date of invoice. With respect to Goods, including shipping costs, that are not capable of being invoiced at time of delivery, payment is due on date of invoice.

If agreed to by the Seller, the Customer may make payment for the Goods by way of credit card, or wire transfer provided that the Customer pays all applicable service fees charged on such transactions.

All NSF cheques will be subject to a \$50.00 NSF charge.

All payments shall be made in the currency specified by the Seller.

Interest shall accrued at the rate of 2% per month any amounts that are past due and shall be calculated from invoice date until same is fully paid, both before and after judgment. Customer shall be responsible for all collection costs incurred by the Seller, including, without limitation, legal fees and disbursements on a solicitor and his own client basis.

6. CANCELLATIONS, PRICING CHANGES AND RETURNS

All Orders for custom or special order products cannot be cancelled.

Cancellation of an Order shall only be allowed if the Seller agrees in writing to the cancellation. All cancellations are subject to a cancellation fee equal to 25% of the total value of the Order. The Seller shall be entitled to deduct the Cancellation Fee from the Deposit.

All returns must be accompanied by and RMA number which is to be acquired from Seller prior to return of Goods.

All claims for damages to Goods must be made to carrier.

Pricing is based upon Goods listed in Order – changes will result in pricing changes.

All prices quoted by the Seller are firm and not subject to any adjustment or set-off whatsoever unless otherwise agreed to by the Seller in writing.

7. SHIPMENT

Unless the Order expressly states otherwise, all Orders shall be delivered FOB Seller premises. Delivery shall be deemed to have been made upon Seller delivering as provided for herein.

All shipping and handling costs shall be the responsibility of the Customer including charges resulting from delay in unloading. If Seller agrees to pay for shipping costs, all such costs will be invoiced to Customer at Seller cost plus 15%.

Customer acknowledges that any shipping schedule is quoted by the carrier and any delays in delivery of the Goods are the responsibility of the carrier and Customer. All risk for Goods shall pass to the Customer upon delivery to the carrier and the Customer shall be responsible to insure all Goods being shipped.

The Customer shall unload the Goods from the carrier's ocean containers within two hours of receipt or storage of same. Notwithstanding anything herein to the contrary, the Customer acknowledges, consents, and agrees that title to the Goods passes to the Customer only at such time as the Seller receives payment of the final price of the Goods in full.

Customer acknowledges that title to the Goods shall remain with Seller until paid for in full. Notwithstanding the foregoing, risk shall be Customer's risk upon delivery as provided for herein.

8. LIMITED WARRANTY

Subject to the limitation of warranty set out in these terms and conditions, the Seller warrants to the Customer that the Goods, other than Goods which are case goods, which are manufactured or produced by the Seller shall be free of defects in material and/or workmanship attributable to manufacture for a period of one year. The Seller further warrants that Goods which are case goods shall be free of defects in material and/or workmanship attributable to manufacture for a period of five years.

The foregoing warranties do not apply to any Goods which have been subject to misuse, neglect, accident, modification, or damage resulting from improper handling after such Goods are delivered to the Carrier in good order, or from exposure by anyone other than the Seller to weather or extreme atmospheric conditions.

The foregoing warranty is **EXCLUSIVE AND MADE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED, IMPLIED OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE, BY STATUTE OR OTHERWISE, ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED.**

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE SELLER DOES NOT WARRANT ANY GOODS WHICH ARE UPHOLSTERED GOODS AND/OR SOFT GOODS FOR WEARING QUALITY, COLOURFASTNESS, FABRIC SHRINKAGE, WRINKLING, OR STRETCHING, unless expressly stated on the Seller's Contract Fabric Books, a copy of which has been or will be provided to the Customer upon request. **THE SELLER DOES NOT WARRANTY TEMPERED GLASS.**

The Customer acknowledges that each piece of furniture produced by the Seller relies on Hardwood products for structural integrity and natural beauty. The Customer further acknowledges that, like all natural creations, no two trees are alike and each tree has its own distinct characteristics and unique beauty. The Customer further acknowledges that any furniture sold by the Seller to the Customer is the product of many different trees, which enhances the beauty and individuality of each piece of furniture produces and that, as a result of combining different trees into one piece of furniture, colour variations are inherent in the finished furniture product.

The Seller shall not be liable to the Customer for special, indirect, consequential or incidental losses or damages of any kind or nature whatsoever, or other costs, charges, penalties or liquidated damages, regardless of whether arising from breach of contract, warranty, tort, strict liability or otherwise, even if advised of the possibility of such loss or damage or if such loss or damage could have been reasonably foreseen.

The Seller's sole obligation for failing to comply with this warranty shall be, at its sole discretion, to either repair, replace or issue credit for any nonconforming or defective Goods where, within the above warranty period: (i) the Seller has received written notice of any nonconforming or defective Goods; (ii) after obtaining the Seller's written authorization, the Customer has, at its sole cost and expense, returned such nonconforming or defective Goods to the Seller; and (iii) the Seller has determined that the Goods are nonconforming or defective and that such nonconformity or defect is not the result of some misuse by the Customer, or any third party.

10. CLAIMS FOR SHORTAGES AND DEFECTIVE GOODS

Any claims by the Customer for shortages in any of the Goods delivered to the Customer must be made in writing to the Seller within 10 days following receipt of the Goods by the Customer. If the Customer does not provide such notice within the period set out herein, the Customer shall be deemed to have accepted the Goods as delivered. The Seller reserves the right to confirm such shortage.

Upon receipt of the Goods by the Customer, the Customer shall examine the Goods and notify the Seller in writing within 10 days of any non-conformity or damage to the Goods. If the Customer does not provide such notice within the period set out herein, the Customer shall be deemed to have accepted the Goods as delivered.

The Seller reserves the right to inspect and confirm, in its sole discretion, any alleged non-conformity or damage before authorizing a return, replacement or credit to the Customer. The Customer acknowledges that authorized returns are subject to a restocking fee of 25% of the total value of the Order, as well as shipping and handling costs, in each case payable by the Customer.

Notwithstanding the foregoing, Goods which are custom made for the Customer are not eligible to be replaced unless such Goods are materially inconsistent with the instructions and specifications provided by the Customer and such instructions contained no error. For greater certainty, the Customer further acknowledges that any error caused by the written instructions and specifications given to the Seller by the Customer shall not be sufficient cause to reject the Goods.

The Customer acknowledges that any model or sample shown to Customer is used merely to illustrate the general type and quality of the Goods ordered by the Customer, and not to represent that the Goods supplied to the Customer will necessarily conform in all respects to the sample or model.

11. OVERAGES

If, upon receiving an Order from the Customer:

- (a) The Seller notifies (the "Notice") the Customer that the nature of the Goods ordered by the Customer requires the Seller to obtain the Goods in excess of the quantity ordered by the Customer (the "Overage"); and
- (b) The Customer confirms to the Seller that it still wishes to proceed with the Order,

Then the Customer shall be required to purchase all of the Goods obtained by the Seller in order to satisfy the Order as provided in the Notice including, without limitation, the Overage, on the terms and conditions set out herein.

12. TAXES

Customer shall pay Seller for Goods provided as contemplated herein and shall pay all taxes or other levies (other than income taxes) imposable or imposed by any government, governmental unit or similar authority with respect to the charges made or payments received in connection with the Order.

13. REVISIONS BY SELLER

The Seller reserves the right to revise these terms and conditions by written notice to the Customer of any such revisions. Any such revisions shall be binding upon the Customer without further action unless the Customer objects to such revisions by written notice to the Seller within ten days of receipt of notice of such revisions.

14. GOVERNING LAW, RESOLUTION OF DISPUTES

The Order, these Terms, and the performance thereof shall be governed by, subject to and construed under the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard to any provision regarding conflict of laws. The Customer specifically attorns to the exclusive jurisdiction of the Courts of the Province of Alberta.

15. FORCE MAJEURE

Any delay or failure of the Seller to perform its obligations under this Offer shall be excused if, and to the extent, that the delay or failures are caused by an event or occurrence beyond the reasonable control of the Seller and without its fault or negligence, such as, by way of example and not by way of limitation, acts of God, action by any governmental authority (whether valid or invalid), fires, floods, windstorms, explosions, riots, natural disasters, wars, sabotage, labour problems (including lockouts, strikes and slowdowns), inability to obtain power, material, labour, equipment or transportation, or court injunction or order.

17. JOINT AND SEVERAL LIABILITY

The term "Customer" as used herein may be applicable to one or more party and the singular shall include the plural. If more than one party is referred to as the Customer in the Order, then their obligations and liabilities shall be joint and several.

18. ENUREMENT

These Terms shall enure to the benefit of and be binding upon each of the Parties and their respective heirs, executors, administrators, successors and permitted assigns.

ADDITIONAL TERMS APPLICABLE TO SPECIFIC GOODS ARE:

Furniture Order Terms

1. FOB delivery to be specified in Order.
2. Estimated delivery will be 12-14 weeks (unless otherwise specified).
3. The freight charges are estimated only. Actual charges will be invoiced at Seller cost plus 15%.
4. For direct shipments, the shipping company allows one hour to offload containers upon arrival at your door in non-major cities; exceeding this limit will result in additional charges to Customer.

Granite

1. FOB delivery to be specified in Order.
2. Estimated delivery will be 12-14 weeks (unless otherwise specified).
3. The freight charges are estimated only. Actual charges will be invoiced at Seller cost plus 15%.
4. Product selected may be subject to availability.
5. Seller shall not be responsible for variations in granite shade, colors etc.
6. Dimensions, details and pricing to be verified at the time of confirmation of Order.
7. Unless otherwise noted, the exposed profile edge will be eased & polished.
8. It is recommended to order extra granite pieces to account for damage incurred due to shipping and handling.
9. For direct shipments, the shipping company allows one hour to offload containers upon arrival at your door in non-major cities; exceeding this limit will result in additional charges to Customer.
10. The Customer is responsible for having all equipment and personnel needed ready to unload the Goods from the carrier within the allowed time frame.

Granite Install

1. Accommodation for installer to be paid for by the Customer.
2. Travel for installation will be charged at \$1.00/km both ways.
3. If Customer chooses not to order extra pieces, in case of damage during shipping Nerval will not be responsible for the installer to go back and finish the job.
4. In multi-story buildings, the Customer will be responsible for moving products to every floor if there is no elevator. Extra charges to Customer will apply in the event that Customer does not move products in timely manner.
5. Existing plumbing and countertops to be removed by the Customer. Any framing/removal work is the responsibility of the Customer.
6. Install price includes granite & sink installation. Minimum 15 rooms must be available per day for granite installation.
7. When job is not measured by Seller, any cut will be charged at \$15.00/ea & any cut & edge polish will be charged at \$30.00/ea.
8. When job is not measured by Seller, Seller will not be held liable for mistakes.

Carpet

1. Carpet quote is based on specified yardage.
2. Custom carpet up to 250sqy or less, overage not to exceed 15%.
3. Custom carpet 251-750sqy, overage not to exceed 10%.
4. Custom carpet 751sqy or greater, overage not to exceed 5%.
5. Prices are quoted in USD.
6. Customer is responsible for currency exchange, freight, fuel & custom clearance charges.
7. Closeout sale carpet sold by roll only, and sold as is.
8. When job is not measured by Nerval, Nerval will not be held liable for mistakes.
9. Stock carpet delivery time estimated at 10 days.
10. Custom carpet delivery time is about 6- 8 weeks after receiving the Deposit.
11. Delivery time is estimated.
12. Quotes are valid for 30 days.