

# Terms and Conditions of Sale

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[Last updated 10/04/2021]

## **GENERAL TERMS AND CONDITIONS OF INTERLAKE MECALUX, INC.**

These terms and conditions and any update therein apply to any sales from Interlake Mecalux, Inc. to Customer and any quotation or proposal made by Interlake Mecalux, Inc. to Customer. Any different or additional terms in any documents from Customer are objected to and rejected, are deemed to materially alter these terms, and will not become part of any contract. If Interlake Mecalux, Inc. provides installation services for (including without limitation) racks, conveyors, stacker cranes or other non-rack goods, Interlake Mecalux, Inc.'s separate Additional Terms and Conditions for Installation are also incorporated herein.

### **1. Purchase Price and Payment Terms**

Payment for all equipment, machinery, materials, goods, accessories and parts purchased (the "Goods"), as well as for freight and any installation or other services purchased, is due 30 days after date of Interlake Mecalux, Inc.'s invoice, or earlier if otherwise agreed. A 30% down payment is required on the entire amount of a) large orders as defined by Interlake Mecalux, Inc. management b) all first orders or c) any orders as determined by Interlake Mecalux, Inc. management based on credit worthiness. If completion or shipment of the Goods is delayed by or at the request of the Purchaser, Interlake Mecalux, Inc. may demand payment in whole or in part. Any amount not paid by Purchaser when due shall be assessed a late payment charge of 1 and ½ % per month of the overdue payment from its due date until paid or the highest rate permitted by applicable law for late payments, whichever is lower. Checks or payments, whether full or partial, received from or for the account of Purchaser, regardless of writings, legends or notations upon such checks or payments, or regardless of other writings, statements or documents accompanying or related to such checks and payments, shall be applied by Interlake Mecalux, Inc. against the amount owing by Purchaser with full reservation of all Interlake Mecalux, Inc.'s rights and without an accord and satisfaction of Purchaser's liability.

### **2. Taxes**

Customer will be solely responsible for payment directly to taxing authority or reimbursement to Interlake Mecalux, Inc., when paid by Interlake Mecalux, of all sales, use or similar taxes, and any duties or permits or any other fees imposed upon this transaction by any level of government whether due at the time of sale or later (excluding Interlake Mecalux, Inc.'s income taxes).

### **3. Delivery; Force Majeure**

a. Unless otherwise expressly agreed by Interlake Mecalux, Inc., all prices are F.O.B. point of shipment, and Customer will pay all freight expense. Quoted lead times are subject to change at any time until order is placed by Customer and accepted by Interlake Mecalux, Inc. Shipping, delivery and installation dates stated are approximate. Unless otherwise expressly agreed by Interlake Mecalux, Inc., all shipments are F.O.B. Interlake Mecalux, Inc.'s plant or other point of manufacture, and at the risk of Purchaser after delivery to the carrier. Unless otherwise indicated in the order, selection of the means of transportation for shipment of the Goods shall be at Interlake Mecalux, Inc.'s sole discretion and all shipping and other incidental costs with respect to the Goods shall be for the account of or paid directly by Purchaser. 3rd party freight billing available upon request. Upon receiving the Goods, Purchaser shall inspect shipment for shortage or obvious damage and note discrepancies on the freight bill of lading before signing. Purchaser's claims for damage to the Goods in transit must be settled with or filed against the carrier, and not the Interlake Mecalux, Inc. All claims for shortages or other nonconformities of shipments must be reported to Interlake Mecalux, Inc. in writing within ten days after receipt of each Shipment of the Goods. Interlake Mecalux, Inc. reserves the right to make partial deliveries and bill Goods accordingly. If shipment is postponed at Customer's request, payment will be made by Customer as though shipment had been made on schedule. If Customer delays Interlake Mecalux, Inc.'s work or shipment, Customer will pay any expenses incurred by Interlake Mecalux, Inc. due to such delay, including but not limited to costs of storing and maintaining all Goods purchased hereunder and incidental labor costs. Schedule will be deferred accordingly.

b. Interlake Mecalux, Inc. will not be liable for any delay in performing or for partial or complete failure to perform hereunder if such delay or failure is due to fire, flood, explosion, Act of God, force majeure, accident, war, intervention of governmental authorities, strikes, labor disputes, material shortages, transportation delays, any act or omission of Customer, its agents or employees or any party retained by, through or under any of them, or any other cause similar or dissimilar which is beyond Interlake Mecalux, Inc.'s reasonable control.

#### **4. Change Orders**

a. Customer and Interlake Mecalux, Inc. may agree at any time to make additions, deletions or revisions in the Goods or services to be provided, and Interlake Mecalux, Inc. shall not be obligated to make any such change without the formal execution of a written change order signed on behalf of Interlake Mecalux, Inc. by the Site Engineer or authorized representative. If Interlake Mecalux, Inc. commences work to implement a change order at Customer's request before price and time adjustments are agreed to in writing, it shall be entitled to fair compensation including profit and appropriate extensions to schedule.

b. If changes in the work, conditions not reasonably foreseeable, force majeure events described above, or any act or omission of Customer, its agents or employees or any party retained by, through or under any of them, cause an

increase in the cost or time required for performance, the Purchase Price and schedule shall be equitably adjusted.

## **5. Acceptance**

Interlake Mecalux, Inc.'s acceptance of Purchaser's purchase order relating to the Goods is expressly made conditional on Purchaser's acceptance of these Terms and Conditions, which are in lieu of any additional or different terms contained in Purchaser's purchase order or other document or communication pertaining to Purchaser's order of the Goods, which additional or different terms shall be deemed ineffective and rejected. Purchaser assents to the Terms and Conditions of this offer by (i) placing an order or otherwise accepting Interlake Mecalux, Inc.'s quotation; (ii) not promptly objecting in writing to Interlake Mecalux, Inc.'s acknowledgement terms and conditions received by Purchaser after placing an order; (iii) instructing or requesting Interlake Mecalux, Inc. to begin work on or to ship any of the Goods after receipt of Interlake Mecalux, Inc.'s quotation or acknowledgement; or (iv) or accepting or paying for all or any part of the Goods. Design, specifications, material and finish are subject to change without notice. Unless otherwise specified by Interlake Mecalux, Inc. in writing, prices quoted are valid for 30 days and are subject to change without notice thereafter. All orders require a written purchase order. Upon such acceptance, payment of any unpaid balance of the purchase price will be due. Payment in full shall also constitute acceptance and waiver of all claims other than claims relating to warranty or liens.

## **6. Held Orders**

In the event an order has to be held after manufacturing, the order will be invoiced as of the date Interlake Mecalux, Inc. received the request for the order to be placed on hold, and storage charges will accrue.

## **7. Delays**

Any delivery date for the Goods acknowledged by Interlake Mecalux, Inc. is a desired and not promised date. Interlake Mecalux, Inc. will make all reasonable efforts to meet the delivery schedule set forth in the order but shall not be liable for failure to do so. Interlake Mecalux, Inc. shall not be liable for any damage to or loss of the Goods or any delay in or failure to deliver or replace the Goods arising from shortage of raw materials failure of suppliers to make timely delivery, labor difficulties of any kind, fire, windstorm, flood, theft, war, embargoes, governmental acts or rulings, loss or damage or delays in carriage, acts of God, or any other circumstances reasonably beyond Interlake Mecalux, Inc.'s control. Goods stored at the request of the Purchaser or because Purchaser refuses or delays shipment shall be at the risk and expense of Purchaser.

## **8. Cancellations, Returns**

Orders are not subject to cancellation or return by Purchaser without the written consent of an authorized officer of the Interlake Mecalux, Inc. All authorized return packages must prominently bear an RGA # provided by Interlake Mecalux, Inc., or the returned Goods may be refused by Interlake Mecalux, Inc. Orders placed into production are not subject to change or cancellation. Special products or sizes are not returnable. All authorized returned shipments are subject to a restocking charge

up to 25% plus all transportation charges. If returned material is not in good conditions, such restocking charge may be increased by Interlake Mecalux, Inc. over said 25%, accordingly.

#### **9. Confidential Engineering Data**

a. The drawings and specifications of any Interlake Mecalux, Inc. proposal or any quotation are confidential engineering data, and represent Interlake Mecalux, Inc.'s investment in engineering skill and development and remain the property of Interlake Mecalux, Inc. All confidential information will not be disclosed or used by Customer or its successors or assigns in any manner other than in using the work contemplated by this Agreement.

b. All specifications and dimensions of proposal drawings are approximate, and are subject to changes during detailed engineering. Weights are approximate. Purchased materials and components referred to by trade-names or by manufacturer may be interchanged at the option of Interlake Mecalux, Inc. with other materials and components of at least equal quality and value. After an order from Customer is received by Interlake Mecalux, Inc., Interlake Mecalux, Inc. will submit layout drawings, if required, to Customer who will check and verify them in the field in writing with reasonable promptness.

c. All molds, dies, tools, special fixtures, jigs, patterns, plates and models used by Interlake Mecalux, Inc. in manufacture or installation are and remain the property of Interlake Mecalux, Inc.

#### **10. Warranty**

a. Warranty periods. Warranty period shall run from the earlier of (i) written acceptance, (ii) if Interlake Mecalux, Inc. is not installing the Goods, then 15 days after delivery, (iii) if Interlake Mecalux, Inc. is installing the Goods, then 15 days after Interlake Mecalux, Inc.'s notice that it has substantially completed installation (or after delivery if installation is delayed by causes other than Interlake Mecalux, Inc.), or (iv) commencement of beneficial use of the Goods. Interlake Mecalux, Inc. warrants that from the start of warranty period and for the following 12 months, the storage rack Goods will be free from defects in workmanship and materials if properly used and maintained by Customer.

b. The warranty will not apply to the Goods if, in the reasonable judgment of Interlake Mecalux, Inc., it is altered or replaced by non-Interlake Mecalux, Inc. personnel, combined with non-Interlake Mecalux, Inc. equipment, or subjected to misuse (such as, but not limited to, overloading, exposure to corrosive or abrasive substances or abnormal dampness), neglect, accident, inadequate maintenance, or a use not in accord with instructions furnished by Interlake Mecalux, Inc., and the warranty will not apply to any part of the Goods which has been furnished by Customer. (The warranty applicable to components purchased by Interlake Mecalux, Inc. will be limited to the warranty given by Interlake Mecalux, Inc.'s supplier in each instance, and will not exceed the warranty stated herein).

c. During the applicable warranty period, Interlake Mecalux, Inc. will repair or replace any defective parts covered under the warranty, only if Interlake Mecalux, Inc. is given written notice specifying the particular defect within 15 days after the date that such defects were discovered or should have been discovered (and in any event not more than 15 days after the last day of the warranty period stated above), and Interlake Mecalux, Inc.'s examination confirms the claim to its satisfaction. Warranty service is provided only on a return basis to Interlake Mecalux, Inc.'s plant. Return freight to Interlake Mecalux, Inc. must be paid by Customer; delivery of repair or replacement parts will be paid by Interlake Mecalux, Inc. No Goods or component may be returned to Interlake Mecalux, Inc. without prior return authorization, and the return package must prominently bear an RMA# provided by Interlake Mecalux, Inc., or the return may be refused and returned by Interlake Mecalux, Inc. All cost of removal and installation or reinstallation of parts, whether or not defective, including installation of replacement parts furnished by Interlake Mecalux, Inc., will be paid for by Customer. Repaired or replaced parts are individually warranted only for the balance of the agreed upon warranty.

d. This warranty does not cover preventive maintenance or inspection; these services may be provided as part of a separate maintenance contract or on a fee basis.

e. Interlake Mecalux, Inc. reserves the right to make changes in its own equipment and designs at any time, without incurring any obligation to make the same or similar changes to Goods sold to Customer.

#### **11. DISCLAIMER OF OTHER WARRANTIES**

THE FOREGOING WARRANTIES ARE IN LIEU OF AND EXCLUDE ALL OTHER WARRANTIES NOT EXPRESSLY SET FORTH HEREIN, WHETHER EXPRESSED OR IMPLIED BY OPERATION OF LAW OR OTHERWISE, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CUSTOMER MUST GIVE WRITTEN NOTICE TO INTERLAKE MECALUX, INC. OF ANY DEFECTS WITHIN 30 DAYS FROM THE DATE THAT SUCH DEFECTS WERE DISCOVERED OR SHOULD HAVE BEEN DISCOVERED AND IN ANY EVENT WITHIN 30 DAYS AFTER THE LAST DAY OF THE APPLICABLE WARRANTY PERIOD. FAILURE BY CUSTOMER TO GIVE SUCH WRITTEN NOTICE TO INTERLAKE MECALUX, INC. OF DEFECTS WILL CONSTITUTE A WAIVER BY CUSTOMER OF ALL CLAIMS OR WARRANTY REMEDIES FOR SAID DEFECTS.

#### **12. LIMITATION OF LIABILITY**

No dealer, distributor or other sales representative has any authority from Seller to alter, amend or extend any of the foregoing warranties and exclusions thereof. Any alterations of any kind to the product will immediately void any and all warranties. CUSTOMER AGREES THAT IN NO EVENT, WHETHER AS A RESULT OF BREACH OF CONTRACT OR WARRANTY, NEGLIGENCE OR ANY OTHER CAUSE WHATSOEVER, AND REGARDLESS OF THE FORM OF LEGAL ACTION OR THE THEORY OF RECOVERY, WILL INTERLAKE MECALUX, INC. OR ITS SUBCONTRACTORS OR AFFILIATES BE LIABLE FOR (I) CONSEQUENTIAL,

SPECIAL OR PUNITIVE DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS OR REVENUES, LOSS OF USE OF THE GOODS OR ANY OTHER PROPERTY, COST OF CAPITAL, COST OF SUBSTITUTE GOODS, FACILITIES OR SERVICES, DOWNTIME COSTS OR CLAIMS OF CUSTOMER'S CLIENTS FOR SUCH DAMAGES, NOR (II) ANY LOSSES OR DAMAGES UNDER ANY CLAIM OF ANY KIND IN EXCESS OF THE NET PURCHASE PRICE ACTUALLY PAID TO INTERLAKE MECALUX, INC. FOR THE GOODS WHICH GIVES RISE TO THE CLAIM. ALL SUCH LIABILITY WILL TERMINATE THREE (3) YEARS AFTER SUBSTANTIAL COMPLETION OF WORK UNDER THIS AGREEMENT.

**13. Risk of Loss; Insurance Coverage**

If the Goods is to be installed by Interlake Mecalux, Inc., risk of loss passes to Customer when the Goods is delivered to the site; otherwise, risk of loss passes to Customer upon delivery of any portion of the Goods to a carrier for shipment. Customer agrees to maintain insurance, such as all risk builders insurance, covering equipment on site against loss by fire, theft or other hazard at least equal to the purchase price of the Goods (and other work and materials on site) until the purchase price is completely paid, and to provide Interlake Mecalux, Inc. a certificate of insurance.

**14. Compliance With Government or Industry Codes**

As government and industry codes and standards may apply differently depending on Customer's use of the Goods, compliance with government and industry codes and standards is Customer's responsibility.

**15. Equal Opportunity**

Interlake Mecalux, Inc. does not discriminate against any employee or applicant for employment because of race, religion, sex or national origin. Interlake Mecalux, Inc. complies with applicable legal requirements to hire veterans and the handicapped. Interlake Mecalux, Inc. complies with the Fair Labor Standards Act.

**16. Liens; Security Interest**

a. Interlake Mecalux, Inc. will protect Customer against any lien asserted against Customer's property for materials or services furnished by others under contract with Interlake Mecalux, Inc., provided that Customer makes the payments required under this Contract and provides Interlake Mecalux, Inc. timely notice of lien claims.

b. Customer grants Interlake Mecalux, Inc. a security interest in any and all Goods purchased hereunder, until the purchase price is fully paid, and upon request will sign a financing statement evidencing the security interest.

**17. Termination; Cancellation**

a. If Customer or Interlake Mecalux, Inc. fails to comply or becomes disabled from complying with the terms of this Agreement in any material respect and such lack of compliance is not corrected within twenty business days after written request, then the party in compliance herewith and under no disability may terminate this Agreement upon notice.

b. If Customer cancels or repudiates this Agreement in whole or in part except as permitted hereunder, Interlake Mecalux, Inc. shall, in addition to those remedies provided under applicable law including but not limited to the Uniform Commercial Code, be entitled to recover from Customer (1) the portion of the purchase price chargeable for work completed in manufacturing or installing the Goods as of the date of termination (2) any direct liabilities, obligations, damages, and/or claims incurred by Interlake Mecalux, Inc. in performing under this Agreement and (3) gross profit on the terminated portion of the order, equal to not less than fifteen percent (15%) of the unpaid portion of the purchase price.

c. Nothing herein shall be construed to waive, limit or otherwise deprive Interlake Mecalux, Inc. of any remedy available at law or in equity for Customer's cancellation or repudiation of this Agreement.

d. Customer shall not have the right to reject specified, approved and delivered Goods unless that Goods is proven defective.

#### **18. Costs of Collection; Indemnification**

a. In the event Customer shall default in its obligations hereunder, Customer shall be liable for Interlake Mecalux, Inc.'s costs of collection, including reasonable attorneys' fees, whether or not suit is actually filed.

b. Certain liabilities are allocated to Customer as follows. Customer agrees to indemnify, defend and hold harmless Interlake Mecalux, Inc., its affiliates, successors and assigns from and against any liabilities, claims, demands, damages, losses and expenses (including attorney's fees) arising from any act or omission of Customer or its employees or agents or any party under Customer's direction or anyone acting on behalf of Customer; this includes (without limitation) personal injury or death to any person (whether an employee of Customer or any other person) and damage to any property. Interlake Mecalux, Inc. does not indemnify Customer.

#### **19. General; Assignment; Entire Agreement; Waiver; Interpretation**

a. Customer may not assign in whole or in part without written consent of Interlake Mecalux, Inc. Interlake Mecalux, Inc. may assign its rights and/or obligations hereunder.

b. Customer acknowledges that these terms and conditions, and Interlake Mecalux, Inc.'s proposal if any, constitute the entire agreement between Interlake Mecalux, Inc. and Customer and supersede any prior agreements and representations. Customer acknowledges and agrees that any prior or contemporaneous promises, agreements, or representations, whether oral or written, or created through custom, usage, or course of dealing are also superseded by these terms and conditions. No waiver of any of these terms and conditions will be valid unless in writing and signed by an authorized representative of Interlake Mecalux, Inc. Waiver of any breach or default will not be deemed a waiver of any subsequent breach or default. Delivery of these terms and conditions constitutes either an offer or an acceptance by Interlake Mecalux, Inc. If these terms and conditions constitute an offer by

Interlake Mecalux, Inc., Customer's acceptance shall be limited to these terms and conditions. If Customer has made an offer and if these terms contain different or additional terms or conditions than the terms or conditions of Customer's offer, then any acceptance of Customer's offer by Interlake Mecalux, Inc. is expressly made conditional on assent by Customer to the additional or different terms or conditions hereof. Customer shall be bound by these terms and conditions. Any terms and conditions which are not enforceable are deemed severed only to the extent of such non-enforceability.

## **20. Notice**

Notice under this Agreement will be deemed given (i) when sent by fax with electronic confirmation of receipt, or (ii) one business day after being sent by reliable overnight courier, or (iii) three business days after being placed in a postage prepaid envelope, registered or certified mail, and deposited with the U.S. Post office, properly addressed.

## **21. Governing Law and Jurisdiction**

This Agreement and any dispute related directly or indirectly to it shall be governed by the law of Illinois and Parties agree to submit it to the exclusive jurisdiction of the State or Federal courts and Tribunals of the city of Chicago, Illinois. Parties agree to waive any right to have a jury participate in the resolution of the dispute or claim, whether sounding in contract, tort or otherwise, between any of the Parties or any of their respective affiliates arising out of, connected with, related to or incidental to this Agreement to the fullest extent permitted by law.

# **ADDITIONAL TERMS AND CONDITIONS FOR INSTALLATION**

## **1. Terms and Conditions**

In addition to the General Terms and Conditions of Interlake Mecalux, Inc., these terms and conditions also apply to any installation services provided by Interlake Mecalux, Inc. to Customer and any related quotation or proposal by Interlake Mecalux, Inc. Any different or additional terms in any documents from Customer are objected to and rejected, are deemed to materially alter these terms, and will not become part of any contract.

## **2. Installation; Customer Responsibilities**

Customer agrees to prepare site and provide utilities and other support as reasonably required by Interlake Mecalux, Inc. for installation and testing, and to perform the following:

a. Floor. Floor shall be concrete or other sound material acceptable to Interlake Mecalux, Inc. and shall be flat and even (less than 1/4" elevation variation over ten linear feet in any direction). Any costs incurred for drilling anchor holes as a result of interference with reinforcing rods, mesh or other materials due to hard anchor receiving materials shall be reimbursed by Customer. (Interlake Mecalux, Inc. has designed the rack column base plates and their anchorage to the floor slab based on a 28-day concrete compressive strength (f'c) of 3000 psi (or other value if specified). The base plates have been sized such that the calculated bearing load,



or stress, on the concrete floor slab is less than the maximum bearing strength permitted by the Building Code Requirements for Structural Concrete (ACI 318-95). Interlake Mecalux, Inc. is not responsible for the design of the floor slab and sub-soil system).

b. Dry, Clean. Maintain the site in a dry condition and free of obstructions or debris other than those caused by Interlake Mecalux, Inc. Provide a trash container located not more than 100 feet from the installation area. (Interlake Mecalux, Inc. will clean up debris it causes).

c. Utilities. Provide water, light, electric current and wiring, compressed air and heat as may be required to install, test and operate Goods. Provide a constant source of electrical supply, at least 100 feet of extension cord per power tool required, and adequate outlets within the 100 foot perimeter. Provide sanitary facilities and fire protection equipment.

d. Security and Storage. Provide adequate and secure covered storage facilities for Interlake Mecalux, Inc.'s tools and equipment immediately adjacent to construction area, as well as for material shipped to site before or during installation. Provide a security fence restricting access to site. If reasonably required, employ a security guard. Provide first aid equipment required by OSHA.

e. Free and clear access; unloading. Provide sufficient laydown, staging and assembly areas immediately adjacent to construction area. Provide sufficient free and clear access roads, deck areas and aisles. Provide lift equipment on a continuous basis throughout the installation time for lifting and transporting the Goods.

f. Permits. Apply for and obtain prior to commencement of installation by Interlake Mecalux, Inc. all building, erection or related permits, licenses, inspections and surveys necessary for installation of Goods in accordance with all regulations.

g. Coordination. Coordinate the activities of Customer subcontractors with Interlake Mecalux, Inc. to prevent interference with Interlake Mecalux, Inc.'s work.

If any of Customer's responsibilities are not satisfied, then Interlake Mecalux, Inc. may in its discretion have the installation crew, at the expense of Customer, perform any work appropriate to meet the required conditions, or may alternatively halt and delay the work and may have the crew leave the site and return when conditions are satisfied. All extra costs including demurrage charges incurred by Interlake Mecalux, Inc. as a result shall be paid by Customer.

### **3. Commissioning and Testing**

Interlake Mecalux, Inc. will commission the Goods by performing all final adjustments and testing of the installed Goods required to establish that the Goods performs in accordance with the terms of the Proposal. Upon notice that the commissioning has been completed, Customer may conduct testing prior to accepting the system, but only with Interlake Mecalux, Inc.'s designated

representative present. Customer will promptly notify Interlake Mecalux, Inc. in writing of any deficiency in the Goods' performance relative to the Proposal. Customer will not use the Goods prior to acceptance.

#### **4. Partial Utilization**

Customer may use finished parts of the Goods before substantial completion of the entire Goods, only if Customer and Interlake Mecalux, Inc. agree in writing that it is a separately functioning and usable part of the Goods that can be used by Customer without significant interference with Interlake Mecalux, Inc.'s performance with the remainder of the installation. If Customer desires to use any such part of the Goods, Customer shall submit a written request to Interlake Mecalux, Inc. describing the proposed use and certifying that in Customer's opinion such part of the Goods is substantially complete and can be used without significant interference; Customer will not make such partial usage without Interlake Mecalux, Inc.'s written consent. Such partial usage will constitute acceptance of such portion of the Goods.

#### **5. Insurance**

a. Interlake Mecalux, Inc. carries prudent levels of general liability, automobile liability and workers compensation insurance. Customer carries prudent levels of general liability, automobile liability and workers compensation insurance. Customer will name Interlake Mecalux, Inc. as additional insured on liability policies and, upon request, provide a certificate of insurance.

b. Each party retains the right to be represented, at its sole option and expense, by attorneys of its own selection in connection with any claims or legal proceedings covered hereunder. The exercise of this right to select its own attorneys will not detract from the other party's obligation to procure insurance.

#### **6. Price**

Any proposal price is based on utilizing local non-union labor, working an eight hour shift Monday through Friday. Unless otherwise stated in a final proposal by Interlake Mecalux, Inc., none of the following have been included in the purchase price: (a) wages for overtime or holiday work, (b) extra expenses due to importing labor, (c) wages due to overtime demanded by a labor union as a condition of employment, or (d) increases in union wage rates at the time of installation above such rates in effect as of the date of the contract between Customer and Interlake Mecalux, Inc. If Interlake Mecalux, Inc. experiences increases in costs thereby, Customer will reimburse Interlake Mecalux, Inc. for the amount of such increase in cost plus fifteen percent (15%) of such amount to provide for additional insurance, taxes, handling, profit and miscellaneous charges.