

SALES TERMS AND CONDITIONS

Koala Kare Products, "A Division of Bobrick Washroom Equipment, Inc., A California Corporation ("Koala") agrees to sell and the purchaser ("Purchaser") agrees to buy the goods ("Goods"), subject to the following terms and conditions and those on the face hereof (collectively the "Terms and Conditions"):

1. **Sale of Goods** – All orders of Goods accepted by Koala are on the condition that Purchaser accept the "Terms and Conditions", Koala's failure to object to any provisions of any document used by Purchaser relating to the Goods shall not be deemed a waiver of any of the Terms and Conditions. These Terms and Conditions shall apply to all dealings between Purchaser and Koala.
2. **Acceptance of Goods** – Purchaser's acceptance of all or any part of the Goods delivered shall constitute Purchaser's acceptance of these Terms and Conditions.
3. **Price and Taxes** – Prices contained in any Koala brochure, catalog, price list, or other document are subject to change without notice. The purchase price for the Goods shall be as set forth on the face hereof, payable in U.S. Dollars. Such purchase price is F.O.B. point of manufacture or origin and does not include any taxes and shipping charges unless otherwise indicated. All applicable duties, sales, use or excise taxes and shipping charges will be added to the purchase price and itemized and/or invoiced separately.
4. **Terms** – Unless otherwise stated in writing, all terms are net 30 days, with a 1 ½% monthly service charge on the unpaid balance, not to exceed the maximum amount permitted by law. Koala may withhold services and Goods until payments on this or any other order are current. The full purchase price shall be paid when due, without any deduction, setoff or counterclaim. Purchaser agrees to pay all associated court costs, collection charges, attorney's fees, and expenses incurred by Koala in collection efforts, including all costs of repossession and resale. Koala shall not be obligated to make any further deliveries to Purchaser in the event of Purchaser's default.
5. **Purchaser's Cost Upon Cancellation** – If an order is terminated for any reason, Purchaser agrees to pay to Koala all cost incurred by Koala, including without limitation cancellation costs to suppliers and unreimbursed advances on Goods, if any, together with any specifically identifiable, incidental and/or consequential expenses incurred in fulfilling the order.
6. **Returned Goods** – Returned Goods must be accompanied by an authorization number provided by Koala. Only Goods that are new and unused, currently manufactured and that have been shipped to Purchaser within 90 days will be considered for return. Goods accepted for credit are subject to a minimum restocking charge of 30% of the purchase price, plus all insurance and transportation charges incurred. Damaged Goods will not be accepted or considered for credit.
7. **Delivery; Shipment Dates** – Identification and delivery of the Goods shall take place at the time Koala makes the Goods available to Purchaser or its agent, or to the common carrier, whichever is earlier. The shipment dates set forth on the face hereof are Koala's best estimate of when it will fabricate and ship the Goods. Koala is not responsible for delays in fabrication or shipment beyond its immediate and exclusive control.
8. **Short Shipment** – Claims for discrepancies in filling an order must be reported to Koala within 10 days after delivery of the Goods.
9. **Warranty and Disclaimer** – Koala warrants that at the time that any baby changing station, child protection seat, infant seat kradle, high chair, booster chair, wire and bead table, block table, fun wall, carpeting, table or chair is delivered to Purchaser they will be free from defects in material and workmanship under normal use and service, with proper maintenance, for a period of five (5) years (excluding wooden high chairs and wooden booster seats). Koala warrants that at the time any wooden high chair or wooden booster seat is delivered to the purchaser, they will be free from defects in material and workmanship, under normal use and service, with the proper maintenance, for a period of one (1) year. Koala warrants that at the time any other item not specifically included above, is delivered to Purchaser, it will be free from defects in material and workmanship, under normal use and service, with proper maintenance, for a period of one (1) year. All replacement parts and replacement kits are excluded from the warranty policy. These warranties are limited to, at the option of Koala, the repair or replacement of the defective item, provided that such item is returned to Koala, transportation prepaid, for Koala's inspection and approval.

THE EXPRESS WARRANTIES HEREIN CONTAINED ARE PURCHASER'S SOLE AND EXCLUSIVE REMEDIES AND ARE IN LIEU OF ANY AND ALL OTHER WARRANTIES. EXPRESS OR IMPLIED INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE PURCHASER ACKNOWLEDGES THAT IT IS NOT RELYING UPON KOALA'S SKILL AND JUDGEMENT TO SELECT OR FURNISH GOODS SUITABLE FOR ANY PARTICULAR PURPOSE AND THAT THERE ARE NO WARRANTIES WHICH ARE NOT CONTAINED IN THIS AGREEMENT. KOALA SHALL NOT BE LIABLE FOR DAMAGES, INCLUDING SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE PERFORMANCE OF THE GOODS OR THEIR USE BY PURCHASER. THESE WARRANTIES SHALL EXTEND ONLY TO PURCHASER AND KOALA MAKES NO WARRANTIES, EXPRESS OR IMPLIED, TO ANY SUBSEQUENT PURCHASER OF THE GOODS OR TO ANY OTHER PARTY. THESE WARRANTIES SHALL NOT APPLY TO GOODS WHICH HAVE BEEN SUBJECT TO MISUSE OR ABUSE, MISAPPLICATION, REPAIR OR TAMPERING IN ANY WAY SO AS TO AFFECT PERFORMANCE.

Some states do not allow the exclusion of implied warranties or the limitation or exclusion of incidental or liability for consequential damages, so the above limitations or exclusions may not apply to Purchaser. In no event shall Koala's liability to purchaser or any third party exceed, in the aggregate, the purchase price paid for the Goods.

10. **Replacement** – Any end user who experiences vandalism to a Koala BCS, regardless of age or type of unit, can purchase a new, like unit directly from Koala for a small deductible (1/3 of the current list price for the BCS, plus freight FOB Centennial, CO). Only Koala Kare Baby Changing Stations are part of this policy. Private label or relabeled products are excluded. The vandalism claim must be documented by Koala to authorize a replacement.
11. **Title; Risk of Loss; Security Interests; Remedies upon Default** – Title and ownership of the Goods shall remain in Koala until payment is made in full, including any additional charges provided for herein and Purchaser expressly agrees to keep in full force fire, theft and accident insurance for the benefit of both parties as their interests appear on the date of delivery. Risk of loss shall pass to Purchaser upon delivery of the Goods to Purchaser or Purchaser's agent, or to the common carrier, whichever is earlier. Purchaser grants to Koala a security interest in the Goods, together with all accessions and addition thereto and proceeds therefrom, as security for the payment and performance of Purchaser's obligations. Purchaser is in default of its obligations under this Agreement if it fails to pay any charge when due, in which event Koala may do any one or more of the following: (i) terminate this or any other obligation or agreement with Purchaser upon notice; (ii) whether or not this or any other agreement is terminated, take possession of any or all Goods sold pursuant to this Agreement, and for such purpose, enter upon any premises without liability for so doing; and (iii) retain all or a portion of any property of Purchaser in Koala's possession, including any security deposit and suspend further performance of this or any other contractual obligations as an offset to Purchaser's liability for such default, without waiving Koala's right to proceed against Purchaser for any sums due and unpaid under this or any other agreement. Purchaser shall be liable for all costs of collection, including reasonable attorney's fees. The rights afforded the parties hereunder are not exclusive but shall be in addition to any other rights or remedies provided by law.
12. **Force Majeure** – Koala shall not be liable for the failure to perform due to acts of God, the public enemy, or any government or agency, or any other cause beyond the exclusive control of Koala.
13. **Conflict Between Documents** – Acceptance of this offer is expressly conditioned upon agreement to all terms and conditions herein. In the event of a conflict between the terms and conditions of Purchaser's purchase order or other form and these Terms and Conditions, the latter shall govern.
14. **Choice of Law; Venue** – Koala and Purchaser hereby agree that any court action related to Goods shall be brought in Arapahoe County, Colorado and that Colorado law shall govern these terms and conditions. Purchaser hereby submits to the jurisdiction of such courts.
15. **Miscellaneous** – This Agreement shall be governed by the substantive laws of the State of Colorado, U.S.A. This Agreement constitutes the entire agreement between Koala and Purchaser with respect to the purchase of the Goods, superseding all prior correspondence of agreements between the parties, including, without limitation any purchase orders submitted by Purchaser to Koala. No provision of this Agreement shall be deemed waived, amended or modified by either party unless such waiver, amendment or modification be in writing signed by the party against whom enforcement is sought.
16. **Advertising; Publicity** – Neither party shall use the other party's names or marks in any advertising, promotional efforts or publicity of any kind without the prior written permission of the other party.