

## FERGUSON ENTERPRISES, LLC. TERMS AND CONDITIONS OF SALE

### 1. ENTIRE AGREEMENT:

These Terms and Conditions of Sale together with Ferguson's Privacy Policy (collectively the "Terms") establish the rights, obligations, and remedies of Ferguson Enterprises, LLC, and/or its wholly owned affiliates ("Seller") and the buyer ("Buyer"), form the entire agreement between Seller and Buyer, and apply to all sales transactions between Seller and Buyer unless otherwise specifically agreed to in writing by both parties. All prior oral or written agreements, including, but not limited to, terms in Buyer's purchase order, which are different from or in addition to these Terms are not binding on Seller unless expressly accepted in writing by Seller's duly authorized representative.

### 2. SHIPMENT:

All orders are shipped FCA, Seller's facility (Incoterms® 2020). Risk of loss will transfer to Buyer upon tender of products and/or parts ("Products") to Buyer, Buyer's representative or common carrier. The cost of any special packaging or handling caused by Buyer's requirements or requests will be added to the amount of Buyer's order. If Buyer causes or requests a delay of shipment, or if Seller ships or delivers an order erroneously as a result of inaccurate, incomplete, or misleading information supplied by Buyer or Buyer's agents or employees, all storage and other additional costs and risk will be borne by Buyer.

### 3. PRICE:

All prices are subject to change unless otherwise noted on Seller's applicable quotation. Buyer will be invoiced at prices in effect at the time of shipment. All taxes, transportation costs, duties and other charges are in addition to quoted prices. The amount of any sales, excise or other taxes, if any, applicable to the Products shall be added to the purchase price and shall be paid by Buyer unless Buyer provides Seller with a valid tax exemption certificate.

### 4. DELIVERY:

Seller will make a good faith effort to deliver Products in accordance with Buyer's schedule. Seller will pay for expedited shipping of delayed Products if the delay in delivery is solely caused by Seller. Seller assumes no responsibility or liability for Seller's non-performance caused by a force majeure event including, but not limited to an act of God, war, labor disputes, civil unrest, accidents, pandemics, the inability to obtain materials or Products, delays of carriers, contractors or suppliers, or any other causes beyond Seller's control.

### 5. CANCELLATION:

Buyer may not cancel or modify an order without the written consent of Seller and payment by Buyer of all applicable cancellation or re-stocking fees.

### 6. PAYMENT:

Buyer shall pay for the Products Net 10th Prox from date of Seller's invoice. In the event of a late payment, Seller is entitled to treat Buyer's entire account(s) as immediately due and payable without notice or demand. All past due amounts will be subject to a service charge accruing at a rate of up to 1.5% per month. Buyer shall not be allowed to retain or holdback payment and Buyer's payment obligations are not contingent on any event other than Seller's performance. Buyer's receipt of payment or funds from any third party shall in no way relieve Buyer's obligations to pay Seller. Buyer is not entitled to set-off any amounts due to Seller by Buyer in connection with any transaction governed by these Terms. Buyer's credit application to Seller is hereby incorporated by reference.

### 7. LIENS:

To the extent payment is received by Seller without retention, Seller warrants there are no liens on the furnished work or the Products. Seller shall execute mutually agreed and appropriate lien waivers upon request of Buyer; provided that Seller shall have no obligation to provide lien waivers, release of claims or other documents from its suppliers and/or subcontractors. Any lien waivers shall be conditioned upon full payment to Seller by Buyer. Seller does not relinquish any statutory lien and/or bond rights; such rights are only relinquished to the extent payment is actually received without retention. Any provision in a lien waiver that waives rights beyond payment shall be null and void.

## 8. INSPECTION AND ACCEPTANCE:

Buyer shall examine all Products upon receipt and prior to installation. All claims for damage, shortage, and errors in shipment or improper delivery must be made to Seller in writing within two (2) business days of delivery, after which date Buyer will be deemed to have accepted the Products and will have no right to reject the Products or to revoke acceptance. Buyer must make any claims for billing errors or adjustments to Seller in writing within ten (10) business days from the invoice date. Claims not received in writing within such period of time will be waived by Buyer.

## 9. RETURNS:

Within 30 days of purchase, Buyer may return any Products which Seller stocks and which are not special-order items if: (i) the Products are in new condition, suitable for resale in undamaged original packaging and with all original parts; and (ii) the Products have not been used, installed, modified, rebuilt, reconditioned, repaired, altered, or damaged. All returns are subject to a re-stocking fee, unless otherwise agreed to by Seller. Special orders or non-stock Products may be returned if the manufacturer is willing to accept the return and Buyer agrees to reimburse Seller for any restocking or cancellation fees charged by the manufacturer.

## 10. COMPLIANCE WITH EXPORT CONTROL LAWS:

Buyer warrants that it is not subject to United States ("U.S."), European Union ("E.U."), or United Nations ("U.N.") sanctions, including, but not limited to, being identified on the U.S. Specially Designated Nationals ("SDN") List, or more than 50 percent owned by an SDN. Buyer further acknowledges that Products are subject to U.S. export control laws and regulations and cannot be exported, reexported, or transferred except in compliance with such laws and regulations. If Seller delivers Products to Buyer within the U.S., Buyer expressly assumes any and all duties and liability associated with subsequent export of the Products, including but not limited to determining export licensing requirements, obtaining all required authorizations, and submitting Electronic Export Information, if required. Seller shall not be named the U.S. Principal Party in Interest (USPPI) in any export transaction without Seller's prior express approval. If Buyer is located out of the U.S. and Seller delivers Products to Buyer's U.S. Authorized Agent, the export shall be routed. Seller shall not be responsible for submitting Electronic Export Information, if required. Buyers located outside of the U.S. expressly assume all duties and liability associated with obtaining an U.S. Authorized Agent to file Electronic Export Information. Buyer expressly assumes responsibility for determining export licensing requirements under the Export Administration Regulations and obtaining authorization for the export as may be required. Seller shall not serve as Buyer's U.S. Authorized Agent. Seller has the right to request information regarding Buyer's U.S. Authorized Agent, such as the data elements filed in the Automated Commercial Environment, the Internal Transaction Number, the date of export, and the filer name.

## 11. WARRANTIES:

a.) *Private Label Products*: Unless otherwise specified in the product specifications, Seller warrants title to the Products and that for a period of twelve months after delivery to Buyer, Seller's Private Label Products shall conform to their specifications and be free from defects in material or workmanship. Buyer's sole and exclusive remedy for non-conformity with these warranties shall be repair or replacement of the non-conforming Products at Seller's expense, or refund of the purchase price for non-conforming Products returned during the warranty period.

b.) *All Other Products*: Seller warrants only title to the Products sold to Buyer. All other warranties are those extended by the product manufacturer. Seller assigns to Buyer any and all manufacturer warranties and will assist Buyer to obtain repair, replacement, or other applicable remedy for a breach of warranty made known to Seller during the warranty period.

c.) *Installation Warranty*: For those Products installed by Seller, if any, for a period of twelve (12) months from installation or first use (whichever occurs later, but in no event longer than eighteen (18) months from date of installation), Seller warrants that services shall be performed in a professional and workmanlike manner and in accordance with manufacturer's installation instructions and local code requirements. Upon receipt of notice from Buyer that installation services were not performed in accordance with the limited warranty herein, Seller shall re-perform the services to the Buyer's satisfaction. The foregoing shall not apply if there is evidence of abuse or misuse by Buyer or any third party.

d.) *Services*: Seller warrants that all services provided by Seller shall be performed in a professional and workmanlike manner with qualified personnel.

e.) *Warranty Exclusions*: These warranties shall be void if there has been misuse, accident, modifications, unsuitable physical or operating environment, improper maintenance, storage, or installation of the Products. SELLER DISCLAIMS ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR USE OR A PARTICULAR PURPOSE EVEN IF KNOWN BY SELLER. SELLER MAKES NO REPRESENTATION, WARRANTY, OR PROMISE THAT THE PRODUCTS OR SERVICES WILL CONFORM TO ANY APPLICABLE LAWS, ORDINANCES, REGULATIONS, CODES OR STANDARDS, INCLUDING BUT NOT LIMITED TO LOW LEAD OR LEAD-FREE LAWS OR REGULATIONS, EXCEPT AS SPECIFIED AND AGREED TO IN WRITING BY AN AUTHORIZED REPRESENTATIVE OF SELLER.

## **12. INDEMNIFICATION:**

Each party ("Indemnitor") shall indemnify, defend and hold harmless the other party and its employees, officers, directors, and agents (each an "Indemnitee") from any suit, cause of action, arbitration/mediation proceeding, judgment, or claim ("Claim") for damages to property or bodily injury, loss of life, infringement, liability of any nature, costs, fines, penalties, and expenses, including reasonable attorney fees and any other cost of litigation ("Damages") to the extent caused directly by the negligent act or omission or intentional misconduct of the Indemnitor. Indemnification shall not apply to Damages proximately caused by the negligence of Indemnitee.

## **13. INSURANCE:**

Seller shall maintain all insurance as required by law and shall not allow such coverage to lapse. Seller agrees to maintain Worker's Compensation coverage as required by applicable state law, \$2 million per occurrence and \$4 million aggregate in commercial general liability coverage, including product liability coverage, and \$5 million in automobile liability coverage. All such coverage can be met through a standard, umbrella, or any combination of policies thereof. Seller is not bound to pay any premium or other fee to an Owner Controlled Insurance Program ("OCIP") or Contractor Controlled Insurance Program ("CCIP") type insurance program. Unless expressly provided in Seller's quotation to Buyer, payment and performance bonds are not to be provided by Seller.

## **14. LIMITATION OF LIABILITY:**

IN NO EVENT SHALL SELLER BE LIABLE FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, STATUTORY, LIQUIDATED, OR INDIRECT DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFIT, REVENUES, CAPITAL, BUSINESS OPPORTUNITY OR DOWNTIME COSTS, ARISING OUT OF THE SALE OF PRODUCTS AND/OR SERVICES TO BUYER. This limitation shall apply regardless if the claimed damages arise from breach of contract, breach of warranty, tort, strict liability, or any other legal theory.

## **15. U.S. GOVERNMENT CONTRACTS:**

If Buyer is procuring, directly or indirectly, for sale to or on behalf of any agency of the U.S. Government, and/or the Buyer's prime contract is funded in whole or in part by U.S. Government federal procurement funding or the end customer is the U.S. Government, Buyer agrees that (a): All Products provided by Seller meet the definition of a "commercial product", specifically a "commercially-available-off-the-shelf (COTS) item", and/or all services provided by Seller meet the definition of a "commercial service" as those terms are defined in Federal Acquisition Regulation ("FAR") Part 2.101; and (b): All Products and/or services are provided by Seller on a firm-fixed-price basis, and governed by FAR Part 12 and its implementing regulations. Seller agrees to the incorporation of mandatory flow-down clauses aligned with the value of the Products, those FAR and Defense Federal Acquisition Regulation Supplement ("DFARS") clauses applicable to COTS products, and those clauses that apply to the specific Products and/or services provided under these Terms, including but not limited to FAR 52.244-6, FAR 52.212(e), and DFARS 252.244-7000. Clauses that are not applicable by their terms are self-deleting and not applicable under these Terms. With regard to any Made in America Law, including the Buy American Act, Buy America Act, Trade Agreements Act, or any other domestic preference requirements that may otherwise be applicable, a Products' country of origin is unknown unless otherwise specifically stated by Seller in writing and prepared in connection with such order. If the reasonableness of a Product's price cannot be established, if cost or pricing data is required for any other reason, or if the Products and/or services cannot be considered "commercial", Seller may cancel its acceptance of the applicable order without liability. The version of any applicable FAR or DFARS clause listed in this Clause 15 shall be the one in effect on the date of sale.

## **16. SEVERABILITY:**

These Terms will be construed as if prepared jointly by the parties hereto and any uncertainty or ambiguity will not be interpreted against any one party. If any provision contained in these Terms is held to be unenforceable then such provision will be given effect in such reduced form as may be decided by a court of competent jurisdiction, provided that, if any provision should be declared unenforceable or invalid for any reason, such unenforceable or invalid provision will be severed from the remainder of these Terms without affecting the enforceability or validity of the remaining provisions.

## **17. NON-WAIVER:**

The failure of Seller to insist upon the strict performance of any of these Terms will not be deemed to be a waiver of any of the rights or remedies of Seller, nor of its right to insist upon strict performance of such term or of any other term in the future. No waiver of any of these Terms will be valid unless in writing signed by a duly authorized representative of Seller.

## **18. DISPUTE RESOLUTION:**

The parties shall attempt in good faith to resolve promptly any dispute arising out of or relating to these Terms by negotiation between executives who have authority to settle the dispute. The executives must be at a higher level of management than the persons with direct responsibility for administration of these Terms. If a dispute cannot be resolved by negotiation, then either party may bring a legal action in accordance with Section 19 of these Terms.

## **19. GOVERNING LAW:**

For Products and/or services delivered within the U.S., all disputes related to or arising out of a Buyer's order shall be governed by the laws of the jurisdiction where the applicable Products are delivered and/or services are performed, excluding the rules on the conflict of laws. For Products and/or services delivered outside of the United States, all disputes related to or arising out of Buyer's order shall be governed by the laws of the Commonwealth of Virginia, excluding the rules on the conflict of laws. Any legal action related to or arising out of Buyer's order shall be brought in the relevant state or federal court in such jurisdiction. The United Nations Convention on Contracts for the International Sale of Products, and any successor thereto, shall not apply.

*Rev. May 2025*