

TERMS AND CONDITIONS OF SALE

1. **AGREEMENT:** These terms and conditions constitute a continuing sale Agreement between Life Fitness, Brunswick Billiards, Cybex, SCIFIT or Indoor Cycling Group (ICG) (hereinafter collectively referred to as "LF") and Buyer for all products, parts and/or services provided by LF to Buyer. No other terms and conditions nor modifications hereof shall be binding upon the parties unless accepted in writing by LF. If Buyer uses its own purchase order form to place orders for products, parts and/or services, any terms and conditions on its form which are in addition to or inconsistent with the terms and conditions of this Agreement are null and void.

2. **DELIVERY:** LF shall use its best efforts in the ordinary course of business to affect deliveries to Buyer as specified. In no event shall LF be liable for any damages, consequential or otherwise, arising from LF's failure to meet any delivery date. Delays at Buyer's request or due to Buyer's failure may result in storage fees.

3. **PARTIAL SHIPMENT:** As products and/or parts ordered by Buyer become available, LF may make partial shipments and each shipment shall be invoiced separately. Partial shipments shall not relieve Buyer from its obligation to accept shipment of the remainder of the order.

4. **RISK OF LOSS:** Title and risk of loss of the products and/or parts passes to Buyer at the time the products and/or parts are delivered to Buyer. The F.O.B. point is LF's designated plant or warehouse unless otherwise specified.

5. **PAYMENT:** LF shall invoice Buyer for the purchase price of each of the products and/or parts shipped and/or services rendered pursuant to this Agreement. The invoice shall be in USD and shall include charges (as applicable) for freight, handling, taxes (as applicable) and other amounts payable to LF. All amounts specified on the invoice shall be paid by Buyer to LF within thirty (30) days from the date of the invoice or pursuant to such other terms as LF may agree. LF may require payment in advance of all or any part of the purchase price of any product, part and/or service. Payment terms and credit lines are subject to LF's credit approval. Until LF receives payment in full for the products and/ or parts, Buyer grants LF a security interest in and a lien on all products and/ or parts and, upon request, Buyer may be required to execute UCC statements evidencing

LF's security interest/ lien. Payments not made by Buyer on or before the due date shall bear interest at one and one-half percent (1-1/2%) per month or the maximum rate permitted by law, whichever is less. Such interest shall be in addition to and without limitation of any other rights or remedies which LF may have under this Agreement or at law or in equity. Buyer agrees to pay any attorney's fees and costs incurred by LF in enforcing its rights under this Agreement. Buyer is responsible for all applicable sales, use and/ or excise taxes for the purchase of products, parts and/or services. Taxes are in addition to the sales price unless Buyer presents a valid tax exemption certificate.

6. GOVERNING LAW & COMPLIANCE: This Agreement shall be governed by the laws of the State of Texas.

7. RETURNS: Within thirty (30) days of delivery, Buyer may contact LF to discuss return options, which may include, **at LF's sole discretion**, (A) return of new, unused products and/or parts for credit; or (B) return of non-stocked or used products and/or parts for a repurchase price. Approved credits or repurchase prices will not include freight, fuel and installation charges incurred by LF. **Authorized returns require a Return Material Authorization (RMA) Number.** To obtain an RMA number contact LF at 1.800.735.3867. The returned product and/or part must be returned in its original packaging, as applicable with the RMA number boldly written on the outside of the package. LF assumes no responsibility for damage caused by shipping or improper packaging. Each returned product and/or part is subject to a re-stocking fee of twenty percent (20%) of the purchase price.

8. CANCELED ORDERS: Shipped orders which are refused by Buyer or orders canceled after shipment or production begins for Built-to-Order products and/or parts are subject to a restocking fee of twenty percent (20%) of the purchase price.

9. ACCEPTANCE BY BUYER: Products and/or parts shall be deemed accepted by Buyer on the date they are received by Buyer unless, within fifteen (15) days after receipt, Buyer gives LF written notice that the products and/or parts are not accepted and specifies in detail the reasons therefor. LF may then, at its sole discretion, proceed to make any necessary corrections, in which case such corrective action by LF shall be Buyer's sole remedy for non-acceptance of a product and/or part. Upon completion and acceptance of such corrections, the products and/or parts shall be deemed accepted by Buyer. Under no circumstances shall Buyer be entitled to revoke Buyer's acceptance of the product and/part.

10. **WARRANTY: (A) Products:** Each product has its own limited manufacturer's warranty (see www.lifefitness.com, www.brunswickbilliards.com, www.cybexintl.com, www.scifit.com, www.teamicg.com). Such warranty shall be the original Buyer's sole and exclusive remedy for any breach of warranty. **(B-1) Parts (Life Fitness and Hammer Strength branded products only):** Parts shall have the following limited warranty: Parts are warranted to the original Buyer for ninety (90) days from the date they are received. Such warranty shall be Buyer's exclusive remedy for any breach of warranty. To make a claim (parts only) during the warranty period, Buyer must contact LF for an RMA Number (see Paragraph 7). For Non-Consumable (NC) part claims, Buyer will be subject to an “**Unreturned Equipment Charge**” which may be the price of the replacement part, if the replaced NC part is not returned within thirty (30) days of opening the claim. If, in LF's sole discretion, the part is damaged due to accident, misuse, abuse, fire, flood, events of force majeure, or other contingencies beyond LF's control, LF may deny the claim, in which case Buyer shall not be entitled to a credit, and any replacement parts must be purchased pursuant to LF's credit terms. **(B-2) Parts (Billiards and related products only):** Parts shall have the following limited warranty: Parts are warranted to the original Buyer for a period not to exceed the original warranty of the product purchased. THE WARRANTY STATEMENTS SET FORTH IN THIS PARAGRAPH 10 ARE THE SOLE WARRANTIES MADE BY LF WITH RESPECT TO THE PRODUCT, PART AND/OR SERVICE PURCHASED BY OR PROVIDED TO BUYER PURSUANT TO THIS AGREEMENT AND IS IN LIEU OF ALL OTHER WARRANTIES BY LF, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

11. **CONSEQUENTIAL DAMAGES:** NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, NEITHER PARTY SHALL HAVE ANY LIABILITY WHETHER ARISING IN CONTRACT, TORT OR OTHERWISE, FOR LOSS OF CAPITAL, LOSS OF PRODUCT, LOSS OF PROFIT, LOSS OF USE, LOSS OF POWER, POWER OUTAGES, COST OF REPLACEMENT POWER, OR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES.

12. **LIMITATIONS OF LIABILITY:** IN NO EVENT SHALL LF'S LIABILITY TO BUYER ARISING OUT OF OR RELATING TO THE SALE OF ANY PRODUCT, PART AND/OR SERVICE PURSUANT TO THIS AGREEMENT EXCEED THE PURCHASE PRICE PAID BY BUYER TO LF FOR SUCH PRODUCT, PART AND/OR SERVICE, UNLESS CAUSED BY LF'S GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT.

13. FORCE MAJEURE: Delay in or failure to carry out the duties imposed upon either party (except Buyer's duty to make invoiced payments to LF) under this Agreement shall not constitute default hereunder or give rise to any claim for damages if such delay or failure results directly or indirectly from acts of God, acts of any civil or military authority, civil disturbances, war, strikes or other labor disputes, shortages of labor or materials, fire, transportation contingencies, laws, regulations, acts or order of any government or agency or official thereof, other catastrophes or any other similar occurrences beyond such party's reasonable control, all of the aforesaid being herein for convenience referred to as "events of force majeure." In the event that LF's work is delayed, impeded or rendered costlier by an event of force majeure, LF shall provide Buyer with at least thirty (30) days' prior written notice advising Buyer of any price increase. Force majeure delays shall also extend the estimated delivery date on a day by day basis.

14. TERMINATION: (A) Products and/ or Parts: Either party may terminate this Agreement for convenience by providing fifteen (15) days prior written notice. In the event of termination, Buyer and LF shall be relieved of all further obligations hereunder except Buyer's obligation to pay LF the total of LF's outstanding invoices as of the date of termination and invoices on all orders and invoices in progress including without limitation, all costs, expenses and liabilities (including cancellation charges) incurred by LF as a result of such termination. **(B) Subscription Services:** Either Party may elect to terminate any Buyer Subscription Services account at the end of Buyer's then current Subscription Term by providing notice in compliance with the Subscription Agreement, on or prior to the date thirty (30) days preceding the end of such Subscription Term. Unless Buyer's Subscription Services account is so terminated, Buyer's Subscription Term will automatically renew for a Subscription Term equivalent in length to the then expiring Subscription Term at LF's then current Subscription Charges unless otherwise provided by LF in writing.

15. WAIVER: No waiver of any provision of this Agreement or any rights or obligations of either party hereunder shall be effective or a continuing waiver, except pursuant to a written instrument signed by the party or parties waiving compliance. Any such waiver shall be effective only in the specific instance and the specific purpose stated in such writing.

16. SEVERABILITY OF PROVISIONS: In the event that any provision hereof is found invalid or unenforceable pursuant to judicial decree or decision, the remainder of the Agreement shall remain valid and enforceable according to its terms. WITHOUT LIMITING THE FOREGOING, IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT EACH AND EVERY PROVISION OF THIS AGREEMENT WHICH PROVIDES FOR A LIMITATION OF LIABILITY, DISCLAIMER OF WARRANTIES OR EXCLUSION OF DAMAGES IS INTENDED BY THE

PARTIES TO BE SEVERABLE AND INDEPENDENT OF ANY OTHER SUCH PROVISION AND TO BE ENFORCED AS SUCH. FURTHER, IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT IN THE EVENT ANY REMEDY HEREUNDER IS DETERMINED TO HAVE FAILED OF ITS ESSENTIAL PURPOSE, ALL LIMITATIONS OF LIABILITY AND EXCLUSIONS OF DAMAGES SET FORTH HEREIN SHALL REMAIN IN EFFECT