

NFM Liquidation Auctions Terms of Purchase

Last Updated: May 10, 2023

These NFM Terms of Purchase are an ongoing contract between you and NFM, Inc. ("NFM" or "we") and apply to your use of NFM's online marketplace located at (<http://NFM.bstock.com>) (the "Site"), hosted and configured by B-Stock Solutions, LLC ("B-Stock"), including your viewing, bidding upon, and purchase of NFM's inventory from the Site ("Inventory Products"). If you are entering into these Terms of Purchase on behalf of a company or other legal entity, you represent that you have the authority to bind such entity to these Terms of Purchase. You may not use the Site if you do not have such authority. When you register on and subsequently use the Site, B-Stock is collecting the information that you provide and will protect and use it in accordance with its privacy policy. Should you bid on and win Inventory on the Site, you will become a NFM customer and B-Stock will share the information required for NFM to fulfill your order. NFM will protect and use that information according to the terms of its privacy policy. Therefore, by registering to use this Site, you are agreeing to B-Stock's Terms of Use, these Terms of Purchase, and both B-Stock Solutions' and NFM's privacy policies

Persons in any of the following categories are not eligible to make bids on or purchase any Inventory Products on this Site: (a) employees, contractors, or agents of NFM or its affiliates, and (b) persons who are in the immediate family of any person in the preceding categories (including mother, father, sister, brother, daughter, son, spouse, grandmother, grandfather, children, or grandchildren), regardless of where they live; or persons who reside in the same household, whether related or not, as any person in any of the preceding categories.

Any Inventory Products purchased from the Site may not be resold through any third-party e-commerce marketplace site, including but not limited to Amazon/Amazon Marketplace, Ebay, Mercari, Facebook Marketplace, and Wayfair. NFM reserves the right to reasonably audit your compliance with this restriction.

1. Acceptance and Modification of Terms of Purchase

1.1 Acceptance of Terms. By checking the "I agree to the Terms of Purchase" box, you accept and agree to be bound by these Terms of Purchase each time you log into the Site. If you do not agree to these Terms of Purchase, you may not bid on or purchase Inventory Products from the Site. You may preserve these Terms of Purchase in written form by printing it for your records, and you waive any other requirement that these Terms of Purchase be evidenced by a written document.

1.2 Modifications to Terms. We reserve the right, from time to time, with or without notice to you, to change these Terms of Purchase in our sole and absolute discretion. If we make material changes to these Terms of Purchase, we will notify you with an in-app message, by email, or by means of a notice on our Site. The most current version of these Terms of Purchase will supersede all previous versions and can be reviewed by clicking on "Terms of Purchase" located at the bottom of the pages of the Site. Your continued use of the Site following the posting of changes indicates your agreement to and acceptance of the changes. We will indicate the date on which these Terms of Purchase were last changed at the beginning of these Terms of Purchase. You agree to keep your email address and other contact information current at all times.

2. Additional Definitions

2.1 "Buyer" or "you" or "your" shall mean the entity that registers or logs into the Site for the purpose of viewing, bidding upon and/or purchasing Inventory Products.

2.2 A "Completed Purchase" occurs when (i) you have provided to NFM all of the purchase information requested in the Notification (defined below) in the manner specified in such Notification to complete your purchase and (ii) the Purchase Price for the Inventory Products has been received as specified in the Notification.

2.3 "Extended Listing" shall mean any Listing where the time to bid is extended, one or more times, due to a bid being placed within the final 5 minutes of the Listing. Each extension is for a period of 3 minutes.

2.4 "Listing Data" shall mean the content on the Site associated with particular Inventory Products, including, but not limited to, the description and quantity of the Inventory Products. NFM shall have the right to modify or correct any Listing Data at any time and such modification shall be binding on any purchase of any Inventory Products made after such modification

2.5 "Promotional Content" shall mean any and all information, materials, or content provided or otherwise made available to you by NFM or its agents in any medium in connection with these Terms of Purchase, including promotional content and Listings displayed on the Site.

3. Listing Process.

3.1 Inventory Products. Inventory Products may consist of customer returns or company stock items, some of which may have been previously shipped. The condition of the Inventory Products will vary and standard designations regarding a product's condition will be set forth in the Listing. The Inventory Products are provided to you "as is" for purchase on the Site. The quantity and/or value of actual Inventory Products in each lot may vary up to 5 percent (5%) less or greater than the number set forth in the Listing and may include up to 5 percent (5%) quantity and/or value of more damaged items than designated as "Damaged" in the Listing Data. Accessories such as remote controls, cables and instructions may or may not be included. Inclusion of accessories will be delineated in the Listing

3.2 Information. To participate in any auction and/or purchase any Inventory Products at this Site, you must submit a valid and current state-issued resale certificate and such additional information as may be requested via the Site or by B-Stock or NFM . You agree to (i) provide accurate, current and complete information; (ii) maintain and promptly update any information in your account (including all contact information); (iii) maintain the security of your password and accept all risks of unauthorized access to your account and the information you provide under this Agreement; and (iv) promptly notify B-Stock and NFM if you discover or otherwise suspect any security breaches related to your account or the Site.

3.3 Listing Process. Inventory Products will be sold pursuant to the listing process set forth in this Section 3 (the "Listing"). If you wish to bid on Inventory Products, you will be required to enter your bid amount. In order to be eligible for the Listing, your bid must be (i) in an amount higher than the bid listed as the minimum opening bid and the "current winning bid," as applicable, (ii) in the bid increments set forth on the bid page and (iii) placed before the scheduled closing time for such Listing (including any additional time added for an Extended Listing). If your bid is the highest bid at the conclusion of a Listing (the "Winning Bid") you will be notified by email (the "Notification") at the email address you provided when you registered for your account (or as subsequently updated by you by following instructions on the Site). The Notification will serve as your official proof of purchase and/or official invoice. Any additional formal invoice or proof of purchase outside of the original winning notification is not available. It is your responsibility to keep your email address current and to timely check your email to determine if you are the winning bidder for any Listing in which you participated. NFM is not responsible for the failure of a Notification to reach a winning bidder for any reason, including, but not limited to, technical problems or other system error.

3.4 Winning Bids. If your bid is deemed the Winning Bid at the end of the Listing for certain Inventory Products, you agree to promptly purchase such Inventory Products within two (2) business days of the Notification pursuant to the terms and instructions set forth in these Terms of Purchase and in the Notification. Penalties for failure to make a Completed Purchase within two (2) business days for any Listing for which you have the Winning Bid are set forth in Section 4.1 below.

3.5 Deactivation; Cancellation. NFM reserves the right, in its sole discretion at any time and for any reason, to deactivate your Site account, reject any offer to purchase Inventory Products or suspend or cancel any Listing or purchase of Inventory Products, including fulfillment of a purchase after completion of a Listing and payment for the Inventory Products. If NFM cancels any purchase of Inventory Products after you have submitted payment for such Inventory Products, NFM will direct B-Stock to issue a refund to the designated payment method that you used to make such payment or other method selected by NFM or B-Stock.

4. Conditions to Sale; Payment

4.1 Purchase Price. . In consideration for your payment of the Winning Bid amount for a Listing, and any applicable shipping costs, taxes, and fees (the "Purchase Price"), NFM hereby agrees to sell to you the Inventory Products for such Listing subject to your compliance with the terms set forth in this Terms of Purchase and the Notification. You agree to pay the Purchase Price for the Inventory Products in accordance with the instructions included in the Winning Bid Notification, within 2 business days after end of the Listing. If you fail to register a Completed Purchase, including by failing to pay the Purchase Price, within two (2) business days of when the Notification is sent by NFM , you shall forfeit any right to purchase such Inventory Products and NFM may deactivate your account and password so you can no longer access the Site and, at its sole discretion, may choose to (i) offer to sell such Inventory Products to the next highest bidder at such bidder's bid price or (ii) post such Inventory Products on the Site for sale in a new Listing. You shall be responsible for all taxes, shipping costs and any other expenses incurred in connection with your purchase hereunder.

4.2 Canceled Bids and Purchases.. We reserve the right, at our sole discretion, to refuse or cancel any bid or purchase for any reason. By way of example, but not limitation, NFM may cancel your bid or purchase if there are inaccuracies or errors in product or bid information, or problems identified by our credit and fraud avoidance department. While NFM strives to provide accurate product and bid information, typographical or system errors may

occur. In the event that bids for Inventory Products are incorrectly listed or Inventory Products are listed with incorrect information due to an error in quantity or other product information, we shall have the right, at our sole discretion, to refuse or cancel any purchases placed for such Inventory Products. In the event that we must cancel a bid or purchase, we will cancel your bid or purchase and notify you by email of such cancellation.

4.3 Payment Terms. You shall submit the Purchase Price in accordance with the payment terms set forth in the Notification and on the Site. NFM may revise the payment terms from time to time in its sole and absolute discretion upon notice to you; provided, however, that any change to payment terms will not be effective for any then-pending sale but will only be effective for sales subsequent to such notice. Upon acceptance of the Purchase Price and the fulfillment of all other conditions to the sale, NFM will sell, assign, transfer and convey to you all of NFM 's right, title and interests in and to the Inventory Products and shall arrange with you for removal and/or delivery of such Inventory Products in the manner set forth in Section 5 below.

4.4 Identification of NFM . You shall not sell, lease or otherwise transfer or dispose of any of the Inventory Products that you purchase, unless you first Demanufacture such Inventory Products. "Demanufacture" means, in accordance with any NFM 's specifications provided to you, to remove, if possible, all of the identifying marks, including, but not limited to, NFM 's or its affiliates' names, brands, logos, serial numbers, UPC numbers, RA numbers, and other identifying marks (including but not limited to tags, labels, price stickers, bar codes, or other carton or packaging markings) from the packaging. Although you should not have access to any NFM customer information, including without limitation, sales receipts, addresses, phone numbers, credit card numbers or other personally identifiable information, if you receive any such information that may be included with the Inventory Products, you will not use such information and agree to promptly remove, delete, and destroy all such information. You shall not under any circumstances (i) identify NFM , its parent or any of its affiliates or divisions as the source of the Inventory Products; (ii) advertise the Inventory Products using any name relating to NFM, its parent or any of its divisions or affiliates, or any of its or their private labels or brands, in any manner; (iii) make reference to NFM or its parent or any of its affiliates, divisions or brands in any signing or advertising; or (iv) advertise the Inventory Products using any name related to NFM 's suppliers.

4.5 Restrictions on Sale in Certain Markets Certain Inventory Products may be prohibited for sale or installation in certain markets under applicable state or local requirements. You agree that you shall not sell, lease or otherwise transfer or dispose of any of the Inventory Products in violation of any such law, rule, or regulation, and will take commercially reasonable efforts to inform any further buyers of this requirement.

5. Shipment and Acceptance of Inventory Products

5.1 Removal and Shipment of Inventory Products. Please refer to B-Stock's Shipping Policy, which is incorporated into these Terms of Purchase by this reference, for information on the various options available to NFM for shipping Inventory Products to Buyers. You acknowledge and agree to be bound by all such shipping terms set forth in the Shipping Policy. The shipping option for a particular shipment will be set forth in the Listing or in the Notification. In no event will B-Stock be liable for loss of or damage to Inventory Products during shipping. Nor will B-Stock have any responsibility for transportation arranged directly by NFM to Buyer. To the extent your employees, equipment, and property, and that of your agents, enter and remain on NFM's premises, it is done entirely at your risk as regards any and all hazards excepting only those found to be caused by NFM's sole negligence and you will comply with all of NFM's applicable onsite safety requirements. While on NFM's premises, your employees and agents must observe all of NFM's rules and regulations. You shall remove all Inventory Products from the Inventory Location within five (5) business days of receiving notice from NFM that the Inventory Products are ready for pick up. If you fail to remove such Inventory Products within this time, NFM , in its sole discretion, may choose to keep such Inventory Products, list such Inventory Products for listing on the Site and refund to you the Purchase Price you paid to NFM less (i) a storage charge of \$10 per pallet per each of the days NFM held the Inventory Products for you after you registered a Completed Purchase and (ii) a restocking fee of twenty percent (20%) of the Purchase Price.

5.2 Title; Risk of Loss. Title to the Inventory Products shall remain with NFM until you or your agent take possession of the Inventory Products as set forth under the Shipping Policy. You expressly acknowledge that risk of loss and liability for the Inventory Products shall pass to you upon your or your agent's receipt of the Inventory Products at the Inventory Location, or to the carrier appointed by NFM for shipment to you, as applicable. Without limiting the foregoing, you release B-Stock of any liability and waive all claims against B-Stock with respect to Inventory Products.

5.3 Acceptance Your acceptance of possession of the Inventory Products from NFM pursuant to Section 5.2 shall constitute an unqualified acceptance of the Inventory Products and a waiver by you of all claims with respect thereto except as set forth in Section 5.4. All sales are final. No returns or refunds are allowed.

5.4 Inspection. You shall have five (5) business days from the date of delivery of Inventory Products to inspect the shipment for any discrepancies in the quantity/quality delivered and report such discrepancy to NFM in writing. Buyer must provide a detailed manifest, identifying each item that is missing or damaged, and, if damaged, the exact nature of such damage, as well as any supporting images or other documentation. NFM reserves the right to conduct an additional inspection at its own expense. If NFM, acting reasonably and in good faith, agrees that an under delivery and/or damage has occurred greater than 5%, based on the listed retail value of the Listing (or unit count if retail value is not available), claims shall be made according to the Shipping Policy. NFM will reimburse you in an amount equal to the approved discrepancy. By way of example, if Buyer wins a Listing and pays a Winning Bid of \$1,000, and the shipment is missing an item that is 10% of the value of the Listing, NFM will issue Buyer a reimbursement in the amount of \$100 (i.e., 10% applied to the winning bid amount of the Listing). Such reimbursement may be in the form of an offset against any amount you may owe to NFM or a credit to your B-Stock account. Following the five (5) business day inspection period, you shall no longer have the right to claim any reimbursement for under-delivery/damage.

5.5 Further Assurances. Each party agrees that it will execute and deliver, or cause to be executed and delivered, all such other instruments, and it will take all reasonable actions, as may be necessary to transfer and convey the Inventory Products to Buyer and to consummate the transactions contemplated herein.

6. Confidentiality

6.1 Confidential Information. Each party acknowledges that by reason of its relationship to the other party hereunder it will have access to certain information and materials concerning the other party's business that are confidential and of substantial value to the other party, which value would be impaired if such information were disclosed to third parties. In particular, the parties hereto acknowledge that the information regarding the Purchase Price and any particular sale are confidential to NFM. Each party will, and will cause its affiliates and employees to, protect and not disclose information that is considered confidential and use this information only to fulfill its obligations under these Terms of Purchase. Notwithstanding the foregoing, you understand that B-Stock will have access to confidential information pertaining to you. You may not make any public announcement about these Terms of Purchase without NFM's prior written approval and consent. Notwithstanding anything in this Section 6.1 to the contrary, any information (i) already in the public domain through no fault of the receiving party, (ii) independently developed by the recipient without the use of or access to the other party's confidential information, or (iii) released to the public through no action or inaction by the receiving party, will not be considered confidential information hereunder. The receiving party may disclose the disclosing party's confidential information upon the order of any court of competent jurisdiction or as otherwise required by law or legal process, provided that prior to such disclosure the receiving party shall inform the disclosing party of such order, if permitted by law, in order to provide the disclosing party with an opportunity to contest such order or to seek such other protective action as the disclosing party may elect. This Section 6 shall survive each purchase transaction hereunder.

7. Representations and Warranties; Indemnity

7.1 You shall indemnify, defend, and hold harmless NFM and B-Stock, their respective affiliated companies, and each of their respective officers, directors, agents, and employees (the "Indemnified Parties") against any claim, liability, loss, damage, cost or expense, including reasonable attorneys' fees, incurred by any Indemnified Party arising from or relating to (i) your use of the Site, (ii) any sale, use or handling of the Inventory Products, including any recall of the Inventory Products, (iii) any infringement or misappropriation of any proprietary right by you, (iv) your negligence or intentional misconduct, or (v) your breach of these Terms of Purchase

7.2 The indemnity obligation under this Section 7 shall survive each purchase transaction hereunder

8. Warranty Disclaimer; Limitation of Liability EXCEPT AS EXPRESSLY SET FORTH IN THESE TERMS, THE INVENTORY PRODUCTS ARE PROVIDED BY NFM TO YOU "AS IS", "WITH ALL FAULTS", AND "WHERE IS", AND NFM DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, WITH RESPECT TO THE INVENTORY PRODUCTS, THE SITE, OR ANY OTHER MATTER, INCLUDING WITHOUT LIMITATION THE INVENTORY PRODUCTS' CONDITION OR QUALITY AND THE WARRANTIES OR CONDITIONS OF NONINFRINGEMENT, MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. SELLER ALSO DOES NOT WARRANT OR REPRESENT THAT YOUR ACCESS TO OR USE OF THE SITE OR ANY LINKED SITE WILL BE UNINTERRUPTED OR FREE OF ERRORS OR OMISSIONS, THAT DEFECTS WILL BE CORRECTED, OR THAT THE SITE OR ANY LINKED SITE IS FREE OF COMPUTER VIRUSES OR OTHER HARMFUL COMPONENTS. EXCEPT FOR THE INDEMNITY OBLIGATIONS SET FORTH IN THESE TERMS OF PURCHASE, NEITHER PARTY WILL BE LIABLE FOR ANY LOSS OF PROFITS OR OTHER CONSEQUENTIAL, INDIRECT, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES OF ANY KIND, WHETHER IN CONTRACT OR IN TORT, INCLUDING NEGLIGENCE, ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THE INVENTORY PRODUCTS,

ACCESS TO OR USE OF OR INABILITY TO ACCESS OR USE THE SITE OR ANY LINKED SITE OR ITS CONTENTS, INCLUDING BUT NOT LIMITED TO LOST PROFITS, LOSS OF GOODWILL, BUSINESS INTERRUPTION, OR LOSS OF PROGRAMS OR OTHER DATA ON COMPUTER SYSTEMS OR OTHERWISE, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL NFM'S LIABILITY FOR ANY AND ALL LOSSES OR DAMAGES ARISING FROM OR IN CONNECTION WITH THESE TERMS OF PURCHASE, EXCEED THE PURCHASE PRICE PAID BY YOU TO NFM FOR THE INVENTORY PRODUCTS AT ISSUE. NFM SHALL NOT BE HELD LIABLE FOR ANY ERROR IN A LISTING. THIS LIMITATION OF LIABILITY SHALL SURVIVE EACH PURCHASE TRANSACTION. Some states do not allow the exclusion or limitation of incidental, consequential, or special damages, or the exclusion of implied warranties. Therefore, some of the limitations set forth in this Section may not apply to you.

9. Use of the site

You agree and acknowledge that neither NFM nor B-Stock make any guaranty of the accuracy, correctness or completeness of any Promotional Content and are not responsible for: (i) any errors or omissions arising from the use of any thereof; (ii) any failures, delays or interruptions in the delivery of any Promotional Content contained with the Site; (iii) losses or damages arising from the use of the Promotional Content provided by the Site; (iv) any conduct by you in connection with the Site; or (v) any Promotional Content or products provided through or in conjunction with the Site. You must comply with the operating rules and policies applicable to the Site as may be published or provided by B-Stock or NFM in writing (including by posting on the Site) from time to time.

10. Breach of Terms of Purchase

If you fail to comply with any term or condition in this Terms of Purchase, NFM may immediately terminate your account, deactivate your password and seek any other remedy available to NFM or its affiliates.

1. General Provisions.

1.1 Inventory Products. Inventory Products may consist of customer return These Terms of Purchase will be governed by and interpreted in accordance with the laws of the state of California, without reference to any applicable conflict of law rules, the Convention on Contracts for the International Sale of Goods, or any local laws implementing such convention in any jurisdiction where the Inventory Products are sold. You irrevocably consent to the exclusive venue and jurisdiction of San Diego County, California courts for any action or proceeding arising out of these Terms of Purchase. YOU HEREBY WAIVE ANY RIGHTS THAT YOU MAY HAVE TO BRING DISPUTES FOR RESOLUTION BEFORE ANY OTHER COURT, TRIBUNAL OR FORUM. No waiver of or failure to enforce any provision of these Terms of Purchase shall constitute a continuing waiver, and no waiver shall be effective unless made in a signed writing. The division of these Terms of Purchase into separate sections, subsections and/or exhibits and the insertion of titles or headings is for convenience of reference only and shall not affect the construction or interpretation of these Terms of Purchase. If any provision is held to be invalid, then that provision will be modified to the extent necessary to make it enforceable, and any invalidity will not affect the remaining provisions. Any claim under these Terms of Purchase must be brought within one (1) year after the cause of action arises (or such shorter period as set forth herein regarding Inventory Products), or such claim or cause of action is barred. You agree to the admissibility of computer records and electronic evidence in any dispute herein

1.2 Force Majeure. NFM shall not be liable to the other party for failure or delay in performance hereunder due in whole or in part to an act of God, strike, lockout or other labor dispute, civil commotion, sabotage, fire, flood, explosion, acts of any government, unforeseen shortages or unavailability of fuel, power, transportation, or supplies, and any other causes which are not within NFM's reasonable control, whether or not of the kind specifically enumerated above.