

GENERAL TERMS AND CONDITIONS OF SALE

1. Agreement

1.1 The supply of hides and leathers ("**Products**") of DANI S.p.A ("**DANI**") shall be governed by these general terms and conditions. These general terms and conditions are an integral and essential part of the sale agreement of the Products ("**Agreement**") that will be executed between DANI and the Client.

1.2 The Client's purchase terms and conditions inserted and/or specified in the Client's forms and/or in other documents sent to DANI, and/or of which DANI has been made aware of in any manner whatsoever, shall not apply to the Agreement and the supply of the Products, unless expressly accepted by DANI. Specific terms and/or conditions of supply shall apply to the Agreement only if reported in DANI's order confirmation. Any further change and/or amendment shall be binding and valid only if accepted in writing by both parties.

1.3 The Agreement comes into force between the parties upon the Client's receipt of DANI's order confirmation or upload of DANI's order confirmation in the Client platform. The order confirmation shall be deemed as tacitly accepted by the Client unless expressly rejected in writing by the latter within the 2 (two) working days following the date of receipt.

1.4 DANI shall have the right to vary the range of the Products as well as to stop the production of one or more Products, at its own discretion, due to production or marketing reasons, or in case of entering into force of new rules related thereto.

1.5 In the event the Client withdraws the Agreement for customized Products, without prejudice to DANI's right to withhold any amount paid by the Client as a compensation for damages and to claim for any further damages, DANI will have the right to claim the payment of the following amounts:

- 10 % of the price of the Products in case of withdrawal from day 9 to day 20 as of the date of execution of the Agreement,
- 50% of the price of the Products in case of withdrawal after day 21 as of the date of execution of the Agreement.

2. Place and terms of delivery

2.1 Unless otherwise indicated in the Agreement, Products will be delivered according to the Incoterms®2020 clause specified in the Agreement. Partial deliveries are always allowed unless otherwise specified in the Agreement. DANI will not be responsible for any damage, loss or theft which may occur to the Products after delivery according to this section 2.1.

2.2 Under no circumstances shall the terms of delivery of the Products set forth in the Agreement be deemed as of the essence for the Client.

2.3 In case of delays in the delivery of the Products caused by a fortuitous event, force majeure or other causes not depending on DANI's willful misconduct and/or gross negligence, the Client shall not be entitled to claim any compensation for damages, nor to ask for the termination of the Agreement and/or price reduction.

2.4 In case of a delay in the collection of the Products exceeding 3 weeks from the agreed delivery date, the Client shall bear all the expenses concerning the occupation of the warehouse, granting to DANI a consideration amounting to € 100,00 per any week and/or fraction of week of delay. In any case, the risk of damage, deterioration and/or theft of the Products shall be borne by the Client from the initially agreed delivery date.

2.5 The Client shall ensure that the Products can be freely imported in the country of destination. Limits or prohibitions which come into force in the country of destination at the time of importation shall not prevent the Client to pay the price of the Products.

3. Price and Payments

3.1 The price of the Products (i) is specified in the Agreement according to DANI's price list valid on the date of issuance of the Agreement and/or (ii) is determined according to the formulas set forth in the Agreement. Notwithstanding the above, the Client acknowledges and accepts that, unless otherwise indicated in the Agreement, the price of the Products may vary according to the Jacobsen index.

DANI is entitled to update the price list at any time, it being agreed that the new and adjourned price list will apply to any further Agreement unless otherwise specified by DANI.

3.2 The price of the Products shall be paid by the Client as per the terms and ways of payment specified in the Agreement. Any late collection or non-collection of the Products by the Client shall not cause an extension and/or postponement of the terms of payment. In case of late payments, the Client shall pay interests on the unpaid amount at the rate provided by the Italian law.

3.3 DANI shall be entitled to suspend the delivery of the Products: **(a)** should the Client's assets and/or financial standings endanger the relevant payment; **(b)** should the Client fail to timely pay Products previously supplied by DANI, also on the basis of other contractual relationships, until full payment of the outstanding credit and/or until receipt of proper guarantees for any delivery in progress, without prejudice to DANI's right to claim for any damages suffered as a consequence thereof.

3.4 In no event shall any claim for defected Products and/or any delay of delivery as to the agreed terms give the Client the right to suspend the relevant payments and/or any other payment for whatever reason due to DANI also under other contractual relationships.

4. Retention of title

4.1 In case of installment payments, DANI shall be the sole owner of the Products until the date of their full payment.

4.2 The Client undertakes to take all necessary measures to set up a valid reservation of title, to the extent permitted by the applicable law, and to work with DANI to establish all adequate measures to protect the property rights of DANI.

4.3 Should the Agreement be terminated due to the Client's breach of contract, the installments already paid by the Client shall be kept by DANI as an indemnity, within the limits set forth by the applicable law, without prejudice to DANI's right to claim for further damages.

5. Warranty

5.1 Products are supplied by DANI according to the technical sheets available on DANI's website or in any other manner made available to the Client, DANI's packaging standards, DANI's production standard - which shall comply with the rules and regulations of the country of production of the Products -, DANI's technical standards and certifications. Any other standard, rule and regulation other than those specified by DANI, shall not apply to the Agreement unless expressly confirmed in writing by DANI. The Client expressly acknowledges and agrees that DANI may vary the contents of the technical sheet at any time due to production reasons. It is the Client's duty to control the technical sheet referred to in the Agreement.

5.2 The weights, dimensions, capacity, prices, output and other data reported in DANI's catalogues, advertisements, illustrations constitute approximate specifications. The said data and information are not binding upon DANI unless expressly provided in the Agreement.

5.3 DANI guarantees that the Products comply with the technical sheet and standard as mentioned above and are free from defects for a period of 1 year as of the delivery date. In case of defected Products and related warranty complaints raised by the Client within the above-mentioned term, which are accepted and acknowledged by DANI, the latter shall replace or repair the defective Products. Subject to the loss of warranty, the Client shall notify DANI in writing within 8 days as of the discovery of the defect, by registered letter return receipt requested – or equivalent means.

It is understood that the warranty obligations herewith undertaken shall be effective and binding upon DANI only provided that the latter has the opportunity to verify the defects raised by the Client. DANI's warranty obligation shall be deemed as fully fulfilled with the replacement or repair of the defective Product, without any further obligations.

5.4 The warranty is expressly excluded for defects of the Products arising from or consisting in:

- alteration and/or modification of the Products not authorized in writing by DANI;
- improper use of the Products;
- improper deposit and/or maintenance of the Products or improper deposit and/or maintenance not in compliance with DANI's instructions;
- any processing or finishing made by a third party or by the Client.

5.5 Without prejudice to the compulsory product's liability law and any liability for willful misconduct and/or gross negligence, DANI shall not be liable for direct, indirect or incidental damages caused to the Client and/or to third parties as a consequence of the defects of the Products.

5.6 In no event shall the aggregate DANI's liability for damages arising out of defects of the Products pursuant to the Agreement exceed their aggregate price.

6. Exclusive Jurisdiction - Arbitration clause

6.1 Should the Client is established in a Member State of the EU, the court of Vicenza (Italy) shall have exclusive jurisdiction for any dispute arising out of or related to the Agreement and/or to the supply of the Products.

6.2 Should the Client is established in a country outside the EU, any dispute arising out of or related to the Agreement and/or to the supply of the Products shall be finally settled by arbitration under the rules of the Milan Chamber of Arbitration (the "Rules"), by a sole (one) arbitrator appointed in accordance with the Rules. The site of arbitration shall be Milan, Italy. The language of the procedure shall be English.

7. Governing Law

These general conditions of sale, any Agreement and the supply of the Products shall be governed by and construed in accordance with the Italian law.

8. Waiver

Failure by DANI to enforce at any time the provisions of these general conditions, shall not be construed as a waiver of such provision or of the right to thereafter enforce each and every provision herein.

9. Intellectual property rights - Confidentiality

9.1 The Client hereby acknowledges that any intellectual property right as well as any and all patterns, specifications, samples, designs, technical information or data related to the Products are and shall remain the exclusive property of DANI. Nothing in the Agreement and in these general terms and conditions shall be construed as a license or transfer of DANI's intellectual property right.

9.2 The Client shall not make any modifications to the Products nor alter, remove or in any way tamper with the trademarks or any plate, trade name, information or number affixed or printed thereon.

9.3 For the purpose of this general terms and conditions and the Agreement, DANI's confidential information shall mean the know-how and any and all proprietary information, including - but not limited to - technical, business, financial, economic, and other information of whatsoever nature, formulas, sketches, drawings, reports, contracts, graphs, procedures, techniques, sample which are communicated by DANI to the Client either orally or in written form, or of which the Client become aware of during the negotiation, execution and performance of the Agreement and/or the supply of the Products. Without the prior written consent of DANI, the Client shall not (a) disclose DANI's confidential information to any third party, and (b) use DANI's confidential information for any purpose other than the execution and performance of the Agreement.

10. Code of Ethics

10.1 The Client expressly declares to be aware of DANI's Code of Ethics adopted according to Legislative Decree 231/2001 (available at the link https://www.gruppodani.com/en/constitute_documents)

and therefore undertakes to comply – and ensure that their employees comply – with the principles and rules set forth therein in order to reduce the risk of the Code of Ethics being violated and DANI being sanctioned by the competent authorities.

10.2 In the event of breach of the Code of Ethics or non-compliance of the Client of the duty set forth herein, DANI will be entitled to terminate any and all Agreements executed with the Client and claim for the damages

11. Assignment

The Client shall not transfer and/or assign to any third party the credits and rights related to the Agreement and these general terms and conditions without DANI's prior written consent.

12. Force majeure

12.1 No liability shall result to any party hereto for delay in performance or for non-performance of any obligation (except for the payment of any sum of money payable and due hereunder) if such delay or non-performance is caused by circumstances reasonably beyond its control, including but not limited to fires, floods, accidents, explosions, nuclear incidents, earthquakes, storms, epidemics, shortage of raw materials, breakdown of equipment or machinery, breakdown of IT systems, sabotage, strikes or other labour disturbances, civil commotions, riots, invasions, war (present or future, declared or undeclared), acts or omissions of any governmental authority (de jure or de facto), port congestion, acts of God.

12.2 The party claiming force majeure under this clause shall promptly notifies the other party of such circumstances in writing, giving full particulars of the causes relied upon and their anticipated duration.

12.3 Upon remedying or overcoming such cause, the party claiming force majeure shall promptly notify the other party of the termination of such force majeure condition.

12.4 Any party hereto shall have the right to terminate the Agreement upon written notice should the force majeure lasts for more than 4 months.

12.5 It is agreed that the current COVID-19 pandemic shall be deemed force majeure.

The Client hereby states and declares to have carefully read and expressly approved each of the following clauses:

§ 1.5 Liquidated damages

§ 2.3 Exclusion of DANI's liability for delays in delivery;

§ 2.4 Storage expenses for late collection;

§ 3.3 DANI's right to suspend the supply in progress for non-fulfillment also relative to other contractual relationship;

§ 3.4 *Solve and Repete*;

§ 4 Retention of title;

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DANI

§ 5.4 Exclusion of the warranty;

§ 5.5 Limitation of DANI's liability;

§ 5.6 Maximum liability cap;

§ 6.1 Exclusive court

§ 6.2 Arbitration clause

§ 7 Applicable Law

§ 8 Waiver

§ 10.2 DANI's right to terminate the Agreement

§ 12 Assignment

§ 12.4 Termination for force majeure

The Client
