

GENERAL CONDITIONS OF SALE FOR TEXTILE PRODUCTS

1) ACCEPTANCE OF CONDITIONS OF SALE

The present General Conditions of Sale shall apply to every contract of Giardini Produzioni S.r.l. ("Seller") for the sale of goods or articles, created, invented and produced by this latter ("Merchandise") to any person, company or entity who has purchased or agreed to purchase Merchandise from Seller ("Buyer"), unless Seller otherwise specifically agrees in writing.

By placing any order for Merchandise, the Buyer will then accept in full these General Conditions of Sale.

Any other terms or conditions which may at any time be indicated by the Buyer, in the Buyer's order form or otherwise shall be null and void and of no effect, even if not expressly objected to by Seller.

2) ACCEPTANCE AND CONFIRMATION OF ORDER

All orders of the Buyer, whether taken by any agent of Seller or otherwise, are subject to Seller's approval. No order of the Buyer will be binding upon Seller unless accepted by Seller at Seller's head office in Settimo Milanese, Via F.lli Rosselli, 07, Italy, on Seller's form of Order Confirmation, signed by an officer or employee of Seller duly authorized to sign on behalf of Seller, and then only as and to the extent set forth in such Order Confirmation.

Every order of the Buyer will be binding on the Buyer unless and until is rejected in writing by Seller.

3) PRICES

Unless otherwise specifically agreed by Seller in writing, the Buyer will pay the prices of Seller for the Merchandise in effect at the time of shipment.

All prices are for delivery ex factory, excluding transportation and shipping charges, taxes, fees and customs duties. Seller's prices may, at Seller's option, be increased, after Seller's acceptance of the Buyer's order, to reflect any increases in Seller's raw materials, labor, fuel or other costs.

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If the price increase exceeds 20%, Buyer may recede from the Contract by giving prior notice to Seller in writing, strictly within 10 days from receiving the price increase notification, waiving any right to claim compensation for damages.

4) DISCOUNTS AND ALLOWANCES

Except as otherwise agreed by Seller in writing, the Buyer will not be entitled to any discount or allowance of any kind. No agent of Seller is authorized to agree to any such discount or allowance on behalf of Seller.

5) DELIVERY TIME AND TERMS

Any delivery dates specified by Seller will be deemed to be estimates only. In no event is the time of delivery of the Merchandise of the essence.

Seller reserves the right to cancel, suspend or delay, whole or in part, any orders due to any event in the nature of force majeure or beyond Seller's control.

Seller also reserves the right to discontinue particular Merchandise in response to production and market requirements and demands. The Buyer waives any and all claims and rights relating to any cancellation or delay in delivery of the Merchandise including, without limitation, any and all claims for or rights to direct, indirect, incidental, consequential or other damages or compensation.

6) RISK OF LOSS

Irrespective of the terms of sale which may be specified, and irrespective of whether the transportation or shipping charges are paid by Seller, all risk of loss or damage to the Merchandise shall pass to the Buyer upon delivery of the Merchandise by Seller to a carrier and any claim for loss or damage shall be made by the Buyer solely against the carrier.

7) TECHNICAL DATA AND DOCUMENTS RELATED TO THE SUPPLY

Weights, dimensions, prices, performances, colours, pictures and other information, including samples characteristics, indicated in Giardini Produzioni's catalogues, price lists, circular letters or other sales and technical literature are merely indicative and not binding unless Giardini Produzioni S.r.l. expressly refers to them in its quotation or order confirmation.

Giardini Produzioni S.r.l. reserves the right at any time to make changes to its products technical specifications, colors and aspects, priority informing the Buyer in writing in case the above changes are substantial.

8) TITLE RETENTION

Until Seller collect in full all amounts required to be paid by the Buyer for the Merchandise, in accordance with article 1523 of the Italian Civil Code, the Merchandise will remain property of Giardini Produzioni S.r.l..

In case the Buyer fails to performs his obligations as specified in art.s 3 and 9, Giardini Produzioni S.r.l. has the right to immediately retrieve the goods, wherever they are located.

The Buyer already authorizes Giardini Produzioni S.r.l. to enter the place where the goods are delivered by or for the Buyer.

The Buyer grants Giardini Produzioni S.r.l. irrevocable power of attorney to decide, at the discretion of this latter, which goods have been paid for by the Buyer, and which haven't.

All costs connected with the retrieving of the goods are at the Buyer's expense. Additionally, Giardini Produzioni S.r.l. is entitled to charge any damage caused to the goods or any reduction in the value of the goods to the Buyer.

9) PAYMENT TERMS

The Buyer shall make payment at Seller's head office in Settimo Milanese, Via F.lli Rosselli, 07, Italy in accordance with the provisions of the Contract.

For no reason may the Buyer delay or suspend the payment, notwithstanding any claim, including, without limitation, any claim for any alleged defect, fault or irregularity in the Merchandise, without prejudice to the right to claim any amounts that the letter can prove to have been unduly paid.

Acceptance by Seller of any check, draft, promissory note or other instrument will not constitute payment until Seller has collected the full amount in cash.

In the event of any delay in payment, even partial, Seller shall have the right to suspend deliveries and may, at its option require immediate payment of all sums owned by the Buyer, or guarantees or terminates the Contract.

In the event Seller does not receive any payment by the due date, the Buyer shall pay to Seller interest on the unpaid amount, from the due date to the date payment is actually received by Seller, at a rate equal to five percent above the official rate of the Bank of Italy during such period or the highest rate permitted by law, whichever is less.

Irrespective of any payment or credit terms specified or agreed to by Seller, Seller may, in its sole discretion, at any time, require payment in cash before shipment of any or all of the Merchandise.

If Seller believes that the Buyer's ability to make the payments required by the Contract is or may become impaired, Seller may, in its sole discretion, terminate the Contract, the Buyer remaining liable to pay for any Merchandise already shipped.

In the event that the Seller takes proceedings to cash any sum due by Buyer or avails itself of any right pursuant to this contract, including title retention, Buyer must refund Seller of all express, charges and fees arising out of judgement.

10) WARRANTIES

Except for such express written warranties, Seller makes no warranty, express or implied, with respect to the Merchandise, including, without limitation, any warranty of merchantability or fitness for any particular purpose.

Upon receipt of the Merchandise, Buyer must subject it to an accurate check of this latter. The Buyer takes full and complete responsibility for ascertaining whether the Merchandise meets the requirements of or is suitable for the Buyer's intended use.

The Buyer acknowledges that variations in colour, tone and shade are characteristics of the merchandise and are inherent and unavoidable.

Under no circumstances does Seller make, or shall Seller be deemed to have made, any warranty, express or implied, by reason of any statement, description or illustration in any brochure or other literature.

11) CLAIMS

Any breach of warranty or other claim by the Buyer of any and every kind, including, without limitation, claims for defects, must be specific and must be made in a writing dispatched to Seller, by registered air mail, to Seller's head office in Settimo Milanese, Via F.lli Rosselli, 07, Italy, return receipt requested, in any event, not later than 15 days from the date of receipt of the Merchandise with respect to which the claim is made. Failure to make any claim in such manner or within such time shall constitute an irrevocable acceptance of the Merchandise and an admission by the Buyer by the Merchandise fully complies with all the specifications of the Contract.

Having made a claim in the manner and within the time mentioned, Buyer must keep the Merchandise with respect to which the claim is made at the disposal of Seller for any checks.

No Merchandise may be returned by the Buyer without the prior written authorization of Seller.

In the event of any ascertained defects, Seller may, at its election, either replace the Merchandise affected or cancel or terminate the Contract, in whole or in part, without any obligation to replace any Merchandise.

The Buyer waives any and all other claims, including, without limitation, any and all claims for or rights to direct, indirect, incidental, consequential, punitive or other compensation or damages, and any and all rights to terminate or cancel the Contract, in whole or in part.

12) LIABILITY

The total liability of Giardini Produzioni S.r.l., on all claims of any kind, whether in contract, warranty, indemnity, tort (including negligence), strict liability, or otherwise, arising out of the performance or breach of the contract or use of any product, shall not exceed the value of the product such liability is related to.

In no event shall Giardini Produzioni S.r.l. be liable for loss of profit or revenues ("lucro cessante"), loss of use of the Merchandise, claims of Buyer's or third parties for such damages, or for any special, consequential, incidental, indirect or exemplary damages.

13 INTELLECTUAL PROPERTY

Unless otherwise specifically agreed, any and all intellectual property rights in connection with the Merchandise shall always remain in the Seller's exclusive and complete ownership under all circumstances whatsoever, notwithstanding any sale of Goods hereunder and whether the Merchandise shall be standard or designed or manufactured to a specific order.

Use of Giardini Produzioni S.r.l.'s designs: copying or any kind of use of such intellectual property rights is not permitted without the prior approval of the intellectual property owner.

The Buyer shall refrain at all times and for whatever purpose from infringing, contesting, disputing or questioning such rights, patents, trademarks, titles or interests, nor shall it aid or allow others to do so, regardless of whether directly or indirectly.

14) PERSONAL DATA USE

The Buyer is informed that all personal data provided to Giardini Produzioni S.r.l., can be treated in accordance to the Italian Privacy Law.

15) APPLICABLE LAW

The Contract shall be governed by and construed in accordance with the law of Republic of Italy.

16) TERRITORIAL COMPETENCE - JURISDICTION

Should arise any litigation between Giardini Produzioni S.r.l. and the Buyer regarding the validity, interpretation, performance and cancellation of the contract agreed upon the present selling conditions, Milano Law Court will be the sole and exclusive competent one.