

## **SALES TERMS AND CONDITIONS**

1) The skins are contracted and sold through a measure that is calculated according to the decimal metric system. For extra EEC sales, the reference measure can be the 30x30 square foot. In case of dispute, the measurement shall be carried out according to the method prescribed by UNI EN ISO 11646. Tolerance of use shall be applied.

For skins of "wrinkled" and / or "washed" and /or "paired" and/or "elasticized" type, measurement is carried out prior to the final draining or washing or coupling stage and tolerances of up to 10% are to be accepted in any case. For "paired/elasticized" skins, tolerance of up to 22% is to be accepted.

- 2) The quantity of each order, as well as that of any single item and/or colour and/or size, is intended to be subject to the clause "about" (10% +/-) in our favour; this tolerance is not to be applied to the agreed percentages of choice.
- 3) Each order constitutes an independent contract, the price of which does not bind the parties in subsequent negotiations. In case of split deliveries, each delivery will be considered autonomously for any complaints and disputes. In case of controversy, the parties mutually renounce the clearing between entries referring to separate orders or separate deliveries.
- 4) The agreed delivery terms are indicative and not peremptory. In case of delivery delay attributable to the seller, the buyer may command the delivery within a reasonable time adequate to the order's size, but never less than 10 working days in any case. If, within this period, the delivery is not occurred in whole or in part, the buyer may withdraw from the contract for the part not being fulfilled. Except for fraud or gross negligence of the seller, no further action will be entitled to the buyer.
- 5) Delivery is deemed to be occurred when the goods leave the seller's factory or any other place of storage, even if the transport has been agreed upon by the seller. The goods are not insured against the risks of transport. Unless otherwise agreed, the sale price does not include shipping charges.
- 6) The buyer commits himself to pay the goods according to the arrangements made on the order or on subsequent written agreements. The entire non payment on the agreed due date or, failing that, on the one indicated on the invoice issues to the buyer formal notice of default without the need of specific notice.
- 7) In accordance with Legislative Decree 192/12, implementation of EU Directive 2011/7/EU, the deadline for payment of supplies is thirty days from receipt of the invoice. Notwithstanding, the largest payment delays arranged by written agreement on commercial documentation remain valid in case the greater payment delay is supported by the provision of suitable guarantees, that is, by the issuance of bankable funds, cash order included. In case of non payment on the agreed due date, the initial moment of the interest rate's expiry and amount due will be the one determined in the same manner as the foregoing paragraph, at the rate established by the

aforementioned law. Failure of the entire payment in due course authorises the seller to issue a sight draft for the sum due (except in the presence of another title), in addition to the interest for late payment, with the effective date above indicated. Changes in the economic situation of the buyer, suspensions or late payment, entitle the seller to ship goods cash on delivery on previous notice as an alternative to the normal remedies, reducing the price at the rate of 1% for each month of delay previously agreed upon. In this calculation, the part of the month when the invoice is issued is not to be considered.

- 8) The seller shall deliver leather of a good mercantile quality, machined to the best technique and skill, and with use of raw materials and adequate processing products. To the state in which they are delivered to the buyer, finished goods comply with the current European regulations governing the content of hazardous chemicals. To a thickness of 1 mm and over, the goods are guaranteed respecting the physical parameters of tension required by the UNI rules; at a minor thickness (or for lasered/carved articles), to an inferior thickness (or to lasered/carved articles) can correspond inferior values of resistance in respect to the guaranteed ones. Overlapped and particular finishing (featured in laminated, varnished, sequin, lasered, carved, waxed, oily articles) can present inferior production characteristics in respect to the guaranteed ones. Colors, also the sample ones, are indicative and liable to variation of tone and solidity. The seller's website, which is periodically updated, shows the main characteristics of the production and contains indications for a correct use of the skins.
- 9) Guarantee is provided in relation to the type and quality of the goods and for their normal use; a different destination of use will be under the buyer's responsibility, unless it has been declared at the time of purchase and expressively accepted by the seller.
- 10) The buyer is required to check the goods within and not more than ten real days from receiving it, and before submitting it to any processing, trasformation or cutting. In addition, it is also required to check it for its measure and write any complaints to be addressed solely to the seller. If the buyer has checked the goods before delivery, he may claim only for the quantity within the abovementioned period. No rights will be entitled to the buyer for any defects in the goods that were or should already be known to him at the time of the contract or single order. The right to return the goods must be exercised by a written declaration made within 10 days from the definition of the complaint and must have as object at least the 70% of the disputed item in original conditions, in respect of the original selection percentages.
- 11) Under no circumstances, the buyer can claim for indirect damages, such as loss of customers, rebates on this, delivery delays, termination of work and workmanship, negligence, merchandise processing costs and akin, except in the case of guilty or gross negligence of the debtor.
- 12) The seller has the right to property on sold goods until the payment of all the existing claims at the moment of order. This also applies if some or all of the credits have been included in a bank account for which the balance has been drawn and confirmed; in this case, the reservation of title guarantees the respective balance.

XIII) This contract is governed by the Italian law; for supplies made to Foreign Customers to the Vienna Convention of 11th April 1980, even if their seat is in a non-contracting country. Any and all disputes concerning the interpretation, execution and termination of this contract will be submitted to the knowledge of the Court of AVELLINO, as the exclusive competent court.

These sales conditions are supplemented by technical data sheets; both documents are published on the website <a href="https://www.dmdsolofra.it">www.dmdsolofra.it</a> and are periodically updated.

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