

GENERAL CONDITIONS OF SALE (rev. 03.2005)

These sale conditions cancel and replace all previous ones

Art. 1 General provisions

1.1 Any contract entered into by I Dogi Group srl (hereinafter, the "Seller") for the supply of its products (hereinafter, the "Products") to a customer (hereinafter, the "Buyer") shall be subject to these General Conditions of Sale.

The current General Conditions of Sale, except for any exceptions specifically agreed in writing, enforce all current and future sales. Any reference made to trade terms (such as EXW, CIP, etc.) is deemed to be made to Incoterms published by the International Chamber of Commerce and current at the date of conclusion of this contract.

1.2 In addition to these General Conditions of Sale, any contract between the Seller and the Buyer will be subject to the particular conditions of sale set forth in the order confirmation issued by the Seller (hereinafter, "Order Confirmation").

1.3 In case of conflict between these General Conditions of Sale and the particular conditions of sale set forth in the Order Confirmation, the particular conditions set forth in the Order Confirmation shall prevail.

1.4 These General Conditions of Sale and the particular conditions set forth in the Order Confirmation supersede any earlier written or oral agreement between the Seller and the Buyer.

Art. 2 Formation and purpose of the contract

2.1. Each contract shall come in to force only by the execution of the down payment by the Buyer, with which the Buyer accepts in full all the General Conditions of Sale and confirms the order as per written Proforma/Order Confirmation of the Seller. The Seller is therefore committed to each contract only after the execution of the down payment by the Buyer.

As the Condition of Payment is provided for an advance payment stating an amount or percentage with respect to the overall value of the order, no obligation arises on the part of the Seller before the Seller has received such advance payment.

2.2 No amendments to these General Conditions of Sale and to the particular conditions of sale set forth in the Order Confirmation shall be valid unless made in writing between the Seller and the Buyer. Similarly, no additional obligation on the part of the Seller may subsequently be validly agreed between the parties if not in writing.

2.3 Any instructions, verbal or telephone communications must be confirmed in writing by the Buyer; should this not be case, the Seller is to be relieved of any responsibility for errors or consequent misunderstandings.

2.4 Catalogues, prices, offers and other advertising matters of the Seller have the only purpose to indicate the type of Products, it being understood what expressly agreed and provided in paragraph 13.1. about the artisanal character of the manufactured goods; the only prices and the only binding contractual conditions are those contained in the Proforma/Order Confirmation and in these General Conditions of Sale.

Art. 3 Delivery

3.1. Except for other written agreement, delivery is Ex-works Venice – Italy, even if it is agreed that the Seller will take care, in whole or in part, of the shipment management. All risks of loss and damage to which the Products are exposed, from the time of delivery, including risks of transport, shall entirely be borne by the Buyer.

3.2. In the event of non-collection, the Buyer will be bound to pay stock expenses, and all subsequent expenses.

When the "goods ready" notice is given, the Buyer must immediately pick up the Products at the factory in Venice – Italy in accordance with all the agreed conditions. Delays in picking up the Products shall be regulated as follows:

-up to 30 days from the "goods ready" notice: the Products remain deposited at the Seller's place without any additional expense charged;

-over 30 days and up to 60 days: the Products remain deposited at the Seller's place with charges for safe deposit of 0.2% of the value of the Products for each day of delay after the thirtieth, up to a maximum of 6% of their value.

- over 60 days: the Seller shall be entitled to place the Products at the Seller's discretion at a third party deposit, with the Buyer charged with all consequent expenses, including any costs for insurance of the Products against damage, fire or theft. If the Buyer has not paid the entire amount of the price of supply, the Seller shall be entitled, at the Seller's discretion, to sell the Products to third parties, even in separate batches, after simple written notice to the Buyer, to be intended as a notice of termination of the contract, in whole or in part, pursuant to art. 1456 of the Italian Civil Code. In this case, the Seller shall definitively retain any already received advance payment including the down payment as damages compensation, it being understood the right of the Seller to be reimbursed and compensated for the deposit costs and all other expenses and damages incurred, if any, for the Buyer's failure to collect the Products.

3.3. The delivery terms agreed are indicative. In the event of delays, the Buyer, therefore, will not be able to forward any claim for compensation for damages.

Art. 4 Packaging

4.1. Standard packing is in cardboard boxes whose cost is already included in the selling prices. Non-standard packaging like wooden cases or other can be provided if expressly requested in advance at the order and will entail an extra charge of 3% on the amount of the order.

Art. 5 Cancellation of orders

5.1. The Buyer's down payment constitutes a firm purchasing order. No order can be cancelled without the written consent of the Seller. In the event of cancellation of orders, the advance payment including the down payment or the already received price will be not reimbursed, and the Seller also reserves the right to demand compensation for damages (as the reimbursement of the incurred costs and the compensation for further damages if any).

Art. 6 Design – Technical data

6.1. The Seller reserves the right to stop, without warning, the manufacture of any model and to alter models during production, with no obligation to carry out the same modifications to previously sold products.

6.2. The data and features in the Seller technical and publicity documentation (by way of example and without limitation catalogues, handbooks, publicity brochures, illustrations, technical drawings) are subject to modifications and are not binding.

Art. 7 Prices

7.1. Prices are net (discount already deducted) and net of all bank transfer fees and currency exchange commissions, in euro, valid for the whole order and not for only a part of it and do not include any customs duty, certificate and local or international tax.

Any tax, levy, testing cost, packaging and transportation cost of the Products from the Seller's warehouse to destination, tax stamp on bills and promissory notes and in general all present and/or future costs and risks in connection with the contract, including the risks of currency fluctuation related to the price of the supply and the installation shall be borne by the Buyer

7.2. Prices refer to goods with delivery Ex- works Venice – Italy as per Incoterms published by the International Chamber of Commerce and current at the date of conclusion of this contract, unless otherwise agreed.

7.3. Prices, quotations and discounts are subject to variation without the obligation of forewarning on the part of the Seller.

Art. 8 Payment

8.1. Payment terms are always 50% in advance at the order and 50% before pick up of the goods and in each case by 30 days from the notification that the goods are ready. The General Conditions of Sale are considered completely accepted by the receipt of the down payment.

8.2. Payment of goods is considered validly made only when the Seller has been credited with the relative amounts.

8.3. Any delay or irregularity in payment gives the Seller the right to suspend supplies, even if they do not pertain to the payments in question, and also the right to compensation for any damage (including that related to currency devaluation). The Seller has the right in each case – starting from the expiry date of payment, without the need of a default action – to legal interest, which will be increased by 5 (five) points.

8.4. The Buyer is bound to full payment also in the event of dispute or controversy.

8.5 In the event that the aforementioned payment terms are not respected even if only partially, the Seller will withhold, as compensation for damages, the goods which will remain property of the Seller and the amounts collected up to that moment including the down payment, except for any other action for greater damage.

The Seller has the right – at its discretion – to demand from the Buyer payment of the full sum.

Art. 9 Retention of title

9.1. The products remain the property of the Seller until the moment of full payment of the price by the Buyer, according to the provisions of art. 1523 of the Italian Civil Code.

Art. 10 Circumstances beyond control and excessive onerousness

10.1. Events constituting cases of exemption from responsibility are by way of example and without limitation government measures, lockouts, strikes, occupation of premises, fire, explosions, natural disasters, collapse, floods, delay or non-delivery of supplies, transport difficulties, boycotts and closures, energy black-outs or other events due to circumstances beyond control, which impede or considerably reduce production by the Seller or its suppliers, or seriously hinder transport of the sold goods.

10.2. If the fulfilment of obligations, before their execution, by the Seller is considered excessively onerous, for any unexpected reason by a trader with normal experience in this sector – with regard to the original agreement thus altering the ratio itself by 20% or more – the Seller will be able to request a review of contractual terms or, in the event of non-agreement, declare the contract null and void, without any compensation or damages for the Buyer.

Art. 11 Claims

11.1. The Buyer is bound to check the Products received, and to declare any damage to the product, or non-conformity in delivery that could be discovered when in possession of the goods, in specific detail in writing with adequate photographic documentation suitable to allow the Seller to verify the contents of the complaint attached, within and no more than 8 (eight) days from the time the goods were made available.

In case of failure, incomplete or late notification, the Buyer's right to complain about the above defects will be considered lapsed.

11.2. Any defects in conformity that are not identified following a check of the goods as in paragraph 11.1 must be declared by the Buyer, or will be null and void, not later than the time provided by Italian law, i.e. 8 (eight) days from the discovery and nonetheless 1 (one) year from the moment the goods themselves were made available to the Buyer.

Art. 12 Assembly

12.1. The installation of the Products must be carried out strictly in accordance with the instructions and requirements stated in the Seller documentation. The components or other parts of the item must not be altered from the original state at the time of supply.

12.2. The installation must be performed by qualified workers and must ensure compliance with the national regulations in force, as well as be authorized to carry out the installation.

The installation is always under the cost, care and responsibility of the Buyer. It is responsibility of the installer to choose the materials, to carry out the work correctly, to check the condition of the system to which the appliance is connected and the suitability of the system to guarantee safe use. Installation, structural and building works, masonry, electrical works and plants and any work not included in writing will be realized by the Buyer at his cost, care and responsibility even when coordinated by personnel appointed by the Buyer.

It is completely forbidden to use the appliance in ways that differ from those expressly detailed or other than those for which it was built. The Seller will not assume responsibility for any damage occurred to people and/or things caused by improper use or installation.

12.3. In the event that the Buyer requires to the Seller the coordination of personnel appointed by the Buyer during assembly and/or installation of all or certain Products, the relevant cost of the coordination is not included in the selling price, is established by the Seller by a separate proposal only for the coordination, borne by the Buyer and shall be entirely paid in advance within the relevant term provided in the Order Confirmation.

12.4. The Buyer shall inform the Seller in writing and in advance of the precise place where the assembly and/or installation operations should be made and the date from which the Products may be accessible for the assembly and/or installation operations.

12.5. The Buyer shall allow the Seller's personnel to access the premises identified for the assembly and/or installation with appropriate modalities and conditions (e.g. presence of electricity, premises in order and free from other contractors such as installers or other suppliers of floors, false ceilings, etc.) for the relevant operations between the hours of 09.00 and hours 18.00 of each of the working days previously agreed. In the event that the Products to be assembled and/or to be installed are placed at the premises of a third party other than the Buyer, the Buyer should obtain consent from such third party and the commitment to allow the operations in the period and according to the modalities agreed between the Seller and the Buyer. In the event that the ownership of the Products has been transferred to a third party other than the Buyer, the Buyer shall obtain such third party's consent and commitment to allow the assembly and/or installation operations in the period and according to the modalities agreed between the Seller and the Buyer.

12.6. In the event that the personnel appointed by the Seller for the coordination of the assembly and/or installation does not have full access to the premises between the hours of 09.00 and hours 18.00, or the premises appear unsuitable for the installation (e.g. for lack of space, electricity etc.) this will lead to an hypothesis of "Works Stoppage".

12.7 For each day or part of a day of Works Stoppage, the Buyer shall recognize the Seller an additional amount equal to €500,00 per person/day (the "Penalty for Works Stoppage"), plus reimbursement of expenses of on-site stay of personnel and any travel costs of the same personnel (the "Costs for Works Stoppage").

12.8. In the event that the Seller does not pay the Penalty for Works Stoppage and/or the Costs for Works Stoppage, the Seller shall have the right to suspend without any other communication all the services until the receipt of the related payment.

Art. 13 Guarantee

13.1. The Seller's Products are handcrafts items made manually, whose high value derives from the artisanal character of the manufactured goods, which are naturally subject to variations and cannot be standardized in the fashion as industrial products. Colours and finishings in general may vary

time by time, particularly in view of the characteristics of the products of the Seller. If the Buyer should make re-orders, the faithfulness of the colors and the reproduction of decorations may only be guaranteed in the presence of a sample of the previous order and subject to the availability of related materials always taking into account the artisan nature of the manufactured goods.

In any case, slight color, sizes and shape differences may not lead to complaint.

There may be slight variations between the final product and a particular sample or item seen or photo with respect to the finish, colour, tone, shape, or precise measurements. Hand-made products are by nature irregular. The Seller products will substantially conform to descriptions but are not guaranteed against minor variation in finish, colour, tone, shape or precise dimensions. The guarantee and consequential intervention that are necessary to eliminate any defects in conformity of appliances will be the entire and final responsibility of the Buyer, unless other written agreements are made with the Seller

13.2. The Seller represents and warrants to the Buyer that the Products shall be compliant with the products specifications for a period of 12 (twelve) months from the date when the Products were made available.

13.3. The Buyer will lose its right to the warranty if he will not notify to the Seller the defects of the Products within the terms indicated above (clause 11).

In agreement with the contents of its Warranty Conditions, the Seller guarantees for the period stated by the norms in force in Italy, the absence of defects in conformity for the Products, provided that they are used for non-commercial and non-professional purposes by the final consumer (private consumer).

13.4. The guarantee is valid only if installation of the appliance is carried out strictly in accordance with the instructions and requirements stated in the Seller documentation. The Buyer or the final consumer, or whoever is responsible on their behalf, will be liable for any removal, re-positioning and related expenses. The guarantee is no longer valid if components or other parts of the Products are altered from the original state at the time of supply.

13.5. Total or partial replacement of the Products, (even with similar products), will not be carried out if considered impossible, or if this should entail unreasonable expense for the Seller in comparison with repair, also taking into account costs related to replacement of the appliance and the inconvenience caused for the final consumer.

13.6. The guarantee is not valid if there is non-compliance due to causes that are not attributable to the Seller. For example: bad or careless maintenance of the appliance or its alteration or modification, different use to that stated in the instruction manual, the use of non-original spare parts, damage during transport, inefficiency or non-conformity of the electric or water supply systems, lightning, particular climate and weather conditions and exceptional atmospheric events, or any type of anomaly that is not due to defects in the conformity of the Products.

13.7. The Buyer is directly responsible towards the final consumer.

13.8. The following are not covered by the guarantee: damage due to a Products being left in disuse, missing profit and any type of indirect or accruing damage, damage caused by the use of accessories that are not the Seller original parts and the parts subject to normal wear and tear.

No damage or defect originating from events subsequent to the delivery can be attributed to the Seller and, by way of example, no responsibility can be attributed to the Seller in the event that the transportation to the place of destination exposes the Products to thermal shock or other conditions able to damage the Products, in whole or in part, or to cause other defects or damages even in the event they are shown deferred in time. In the event that the Buyer requires assembly or installation services for all or some Products, no responsibility shall be attributable to the Seller if the assembly or installation operations have been carried out in whole or in part by persons other than the personnel appointed by the Seller. Likewise, the Seller shall not be subject to any liability if any defective Products have been repaired by persons other than the personnel responsible for the repair appointed by the Seller.

13.9. The Seller does not warrant that the Products conform to particular specifications or technical features nor that they are suitable for particular usage, except to the extent such characteristics have been agreed upon in writing between the parties.

13.10. The services carried out in compliance with the obligations provided by this guarantee do not extend beyond the period of original guarantee.

13.11. The guarantee is null and void when the Buyer keeps the Products in stock for more than 12 months. The Seller reserves the right to request reimbursement from the Buyer for any services owed and returns under guarantee for the final consumer regarding these appliances, with the entire charge of every and any related expense.

13.12. The Seller shall not be held responsible of any loss or damage suffered by the Buyer for (by way of example, but not limited to) cancellations of orders from the Buyer's customers, penalties for delayed deliveries to the Buyer's customers, and for any other damage, penalty or reimbursement due in connection with the commercial relationships between the Buyer, its customers or other third parties.

13.13. The Seller will use reasonable care in the performance of its duties under the Agreement and without prejudice to clause 13.1. 13.2, 13.2, 13.3.

13.4, 13.5, 13.6, 13.7, 13., will not be responsible for any loss or damage suffered by the Buyer, except for those that are a direct result of fraud or wilful default on Seller part in the performance of its duties; in any case the Seller liability will not exceed the price of the products objects of the agreement.

Art. 14 Return of goods

14.1. Products produced custom-made will never be returned.

Art. 15 Termination and the Seller's right of withdrawal

15.1 Pursuant to art. 1456 of the Italian Civil Code, the Seller shall be entitled to terminate, by means of simple written notice, with immediate effect, the contract with the Buyer if:

a) the Buyer fails to perform any of its payment obligations within the due dates pursuant to 8.3. and 8.5. above;

b) the Buyer does not fulfill its obligation to withdraw the Products within 30 days from when the Buyer has received the "goods ready" notice pursuant to art. 8.1. above.

In both cases a) and b) above the Seller shall be entitled to definitively retain the advance payment including the down payment or the already received price as damages compensation and to request the reimbursement of the incurred costs and the compensation for further damages if any. Any solicitations by the Seller to the Buyer cannot in any case be interpreted as a waiver by the Seller to the Seller's right to terminate the contract.

Art. 16 Interpretation – Modifications

16.1. Any reference to the Seller prices, general conditions or other materials refers to the documents in force at the time of the same reference, unless otherwise specified.

16.2. Except for cases provided for under the current general conditions, any modification carried out by parties to the order to which the current general terms apply must be in writing, or will be null and void. The exception to one or more provisions of the current general terms must not be interpreted extensively, or by analogy, and does not mean the general terms, as a whole, will cease to apply.

Art. 17 Controversies

17.1. This Agreement shall be governed exclusively by Italian law, without applying the principles of private international law. The competent law courts of the place where the Seller has his registered office (Venice-Italy) shall have exclusive jurisdiction in any action arising out of or in connection with this contract. However, as an exception to the principle hereabove, the Seller is in any case entitled to bring his action before the competent court of the place where the Buyer has his registered