

# CANALI

## GENERAL CONDITIONS OF SALE

1. These General Conditions of Sale ("**General Conditions**") will govern all the sales agreements ("**Agreement/s**") of the products bearing the Canali Trademarks ("**Products**") which Canali S.p.A. ("**Canali**") may conclude with your Company ("**Client**").
2. These General Conditions will apply from the acceptance signature of the Client and in any case, whenever the Client sends Canali an order proposal to buy the Products ("**Order Proposal**").
3. **The transmission of an Order Proposal implies the full automatic acceptance** of these General Conditions by the Client. Any exception to these General Conditions will be effective only if agreed in writing by the Parties and will be limited to such Order Proposal and the relevant sales. All the Agreements will be governed by these General Conditions.
4. The Client's Order Proposal sent for the purchase of the Products constitutes **irrevocable offer** in accordance with Article 1329 of the Italian Civil Code, that binds the Client for six months.
5. The Order Proposal is considered accepted by Canali and **the relevant Agreement concluded** when:
  - i. **Canali send a written (by e-mail, fax or mail) order confirmation ("**Order Confirmation**")**, according to the terms and conditions of the Order Proposal;
  - ii. **7 working days have passed from the receipt of the Canali's Order Confirmation** containing terms and conditions different from those indicated in the Order Proposal, without any written objection from the Client in the such period of time.
6. **The Order Proposals regularly accepted by Canali cannot be revoked by the Client without the prior written consent of Canali.**
7. Even if it is not expressly specified in the Order Proposal, **Canali's execution of an Agreement** is subject to the clause "**unless prevented by an Act of God**", meaning, just for example, natural disasters, fires floods, war (declared or undeclared), civil insurrections, riots, embargoes, sabotages, labor disputes, strikes, preventative measures arising from any public or governmental authorities both local and national, including laws ordinances, rules and regulations, whether valid or invalid and any other similar occurrence. In case of any Act of God event, Canali could terminate the Agreement immediately, without any charge for damages that may directly or indirectly be suffered by the Client.
8. These General Conditions regulating a specific Order Proposal apply also to any eventual Order Proposal addition , unless expressly specified by Canali.
9. The quality, design, color and weight of **the cloth samples** sent in relation to an Order Proposal shall be considered **indicative** only. In any event, the customary tolerances shall be permitted.
10. **Shipment shall be complete upon delivery of the Products to the carrier as specified in the Order Confirmation.** The Products will be shipped to the address indicated in the Order Proposal.
11. **Delivery times indicated in the Order Confirmation shall include a tolerance of fifteen days.** Canali disclaims any responsibility for any delivery delay not resulting from its own willful misconduct or gross negligence. **The noncompliance of the delivery terms indicated in the Order Confirmation does not grant the Clients the right for damages or for Order Proposal cancellation.**
12. Unless otherwise agreed between the Parties, the Products will be invoiced at the prices indicated in the Order Confirmation. These prices are indicated as net prices.
13. Canali could require the Client a percentage of the total amount of the Agreement, as deposit. **This deposit will be retained by Canali in case of breach of the Agreement by the Client.**
14. The price shall be paid according the terms and conditions specified in the Order Proposal. Late payments interests will be applied in accordance with the terms of art. 5 of the Italian Legislative Decree no. 231/2002 and will accrue in favor of Canali until the payment is made. The interest rate will be the key refinancing rate of the Central European Bank applied to its most recent key refinancing operation made on first day of the semester in question plus seven percent points.
15. **The Client must check the Products upon receipt and give notice of any fault, defect, non conformity, mishandling or shortage within fifteen days after receipt** by means of a registered letter with advice of receipt, upon penalty of forfeiture of rights. The Parties expressly stipulate the exclusion of Client's right of recover provided for by art 131 of Italian Consumers Code (Italian Legislative Decree 206/2005).
16. **Canali must give in advance written authorization for any Products returns**, including in the event of disputes. If no authorization has been given, the Client shall be required to safeguard the Products with all consequent expenses and responsibility.

CANALI S.P.A. UNIPERSONALE

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SOCIETÀ CONTROLLATA DA CANALI HOLDING S.P.A.

# CANALI

17. **Disputes or complaints do not relieve the Client of its obligation to make payments within the terms** and in the amounts agreed ( as the “**solve et repete**” clause must in all cases be respected).
18. **Canali may suspend delivery or cancel the Agreement**, including any portion of the Agreement which remains to be executed, in the event the Client 's legal, commercial or patrimonial situation changes or if the Client commits even a non material **breach of payments** or other obligations assumed, also referring to previous relationships.
19. **The Client undertakes to refrain from transferring the Products acquired from Canali to another retailer, even if foreigner;** should such transfer take place without the written authorization of Canali. the Client shall be required **to pay a penalty equal to one half of the total consideration paid for the Products delivered during the past twelve months regardless of the seriousness of the breach and subject to any greater damages.**
20. These General Conditions and the Agreements shall be governed by the Italian laws. The Italian Civil Code shall be applied to what not expressly regulated therein. **Any dispute** regarding the interpretation and/or execution of these General Conditions and the Agreements shall be **under the sole jurisdiction of the Court of Milan**. If the Client has its headquarter outside the Republic of Italy, Canali shall have the power to choose between the alternative of going before the Italian judicial authorities or before the judicial authorities of the Country where the Client has its headquarter, or the other Country where Canali deems it appropriate to elect domicile.
21. The failure to exercise or delay in exercising a right or remedy provided by these General Conditions does not constitute a waiver of the right or remedy or a waiver in exercising these General Conditions in the future.
22. Canali has adopted its own Code of Ethics and the Organization. Management and Control Model as provided for by the Italian Legislative Decree no. 231/01 on the “administrative liability of legal entities deriving from offence”. The Clients undertakes to comply with such rules, dispositions and principles herein contained. The Clients undertakes not to commit any acts that could even potentially incorporate the offenses referred to in the Italian Legislative Decree no. 231/01.
23. According to Legislative Decree no.196/2003 (Privacy Code) Canali, as Data Controller, process the personal data of the Client for activities closely connected to the management of the relationship and commercial and legal purposes. The data processing will be carried out automatically and / or manually, with means and methods that will guarantee maximum security and confidentiality. According to the Privacy Code art. 7, the Clients shall have the right to obtain information, the update or cancellation of the data, applying to Canali

## CANALIS.P.A.

## THE CLIENT

In giving you a further confirmation of these General Conditions of Sale **we expressly declare that we accept all said General Conditions** and that we have focused particular attention on the provisions of the following points, which we have specifically approved in accordance with and for purposes of articles 1341 of the Italian Civil Code **n. 5** (irrevocable offer), **n. 7** (act of God), **n. 10** (no responsibility on Canali for carrier choice), **n. 11** (delivery tolerance – responsibility exclusion), **n. 13** (deposit); **n. 14** (late payment interest); **n. 15** (terms and procedures for living notice of complaints – right of recover exclusion); **n. 17** (solve et repete); **n. 18** (suspension or cancellations of the Agreements), **n. 19** (prohibition against transfer and agreed penalty), **n. 20** (exclusive jurisdiction and applicable law), **n. 22** (Code of Ethics and the Organization. Management and Control Model), **n 23** (Privacy Consent).

## THE CLIENT