

TERMS OF SALE: TEXTILES, WALLCOVERING & LEATHER

ALL SALES ARE FINAL. Accepted orders may not be cancelled by Purchaser and accepted merchandise may not be returned. Should Donghia, Inc. (defined throughout these Terms of Sale as "Donghia") make an exception to this rule and agree to accept the return of goods a handling charge equal to the greater of 25% of the order value or \$100.00, will be levied. No returns or cancellations will be accepted on 'made-to-order' pieces. Costs of shipping will be payable by Purchaser. Merchandise returns without a return authorization number pre-assigned by Donghia, will not be accepted and will be returned to the shipper freight collect. Merchandise must be delivered, prepaid, to the Donghia Warehouse (500 BIC Drive, Building 4, Gate 3, Milford, CT 06460) unless otherwise arranged by Donghia. No COD shipments will be accepted.

All monies paid on account of this order shall be credited to the account of the named Purchaser. Donghia's acceptance of payment from anyone other than Purchaser shall be as an accommodation only and shall not create a vendor-vendee relationship express or implied with a payee other than the Purchaser.

The acceptance of Purchaser's order is subject to all of the terms and conditions hereof, which terms and conditions supersede Purchaser's order form, if any, and constitute the complete and exclusive statement of the entire agreement between Purchaser and Donghia. No course of prior dealings between the parties and no trade usage shall be relevant to supplement or explain any term herein. This writing shall be binding as to the merchandise specified, either (a) when signed and returned by Purchaser; (b) when retained by Purchaser for five days (5) without objection; (c) when Purchaser submits an e-mail or other document accepting or referencing this writing or Donghia's Sales Order; (d) when Purchaser has accepted delivery of any part of the merchandise or has furnished to Donghia specifications or assortments, delivery dates, shipping instructions or instructions to build and hold; or (e) when Purchaser has otherwise confirmed acceptance, expressly or impliedly.

This Agreement is not binding on Donghia until accepted and approved by an authorized representative of Donghia. If any part of the terms and conditions stated herein are held void or unenforceable, such part will be treated as severable, leaving valid the remainder of the terms and conditions.

This agreement shall be governed by the laws of the State of New York, and cannot be changed, except by a further writing signed by the party against whom such change is sought to be enforced. Purchaser consents to the exclusive jurisdiction of the federal and state courts located within the county of New York, State of New York in connection with any controversy or claim arising out of or relating to this Agreement.

Credit Terms

Open terms are available upon request and review. Each shipment made is considered a separate sale. Donghia shall have the right to charge the Purchaser interest computed at the lesser of one percent (1%) per month, or the highest rate permitted by law from the date payment is due. Purchaser will be liable for all reasonable costs, expenses and fees, including attorney's fees, incurred by Donghia in collecting monies due or to become due hereunder.

Ordering Information

Purchase orders must be submitted to Donghia in writing and must provide complete information, including billing and shipping addresses and phone numbers. All reserves are held for 18 days, after which time the reserve will automatically expire without notice. When placing a reserve for leather, please specify the square footage needed so that appropriate pieces may be assigned to the order.

Orders will be processed as indicated on Donghia's order confirmation. Donghia may accept, at their discretion, reasonable changes to orders with the following conditions: 1) Requests must be submitted in writing and received in time to be implemented. 2) Additional charges may be applied for materials, labor and administrative costs. Minimum orders are two yards on all fabrics and two rolls (or two yards where applicable) on all wallcoverings, per item. There is a \$25 cut fee orders below the minimum quantity. Goods sold by the yard are sold in half yard increments only. Minimum orders are two hides on most leather items. Please check each item for specific minimum order requirements. A service charge of \$35.00 will be applied for single hide orders.

Custom colors and custom constructions are available. All custom orders are subject to acceptance. There is a minimum \$50.00 non-refundable strike-off fee for custom development, which is applied towards the placement of a custom order. Custom quotations, minimums and lead times are available upon request from your Donghia sales representative. Up to 10% variance will be charged and shipped on

all custom orders. A 50% deposit is required upon placement of order. No cancellations or refunds are allowed for custom orders.

All samples on loan from Donghia must be returned within 60 days or they will be billed at current price.

Prices

All prices quoted herein re net per unit - yard - FOB our warehouse and are exclusive of freight, insurance, special processing or local delivery charges. Donghia reserves the right to change prices without notice prior to order confirmation. Custom quotations are honored for a period of 60 days from issuance.

Shipping

All shipments are made F.O.B. point of origin. Delivery arrangements are the responsibility of Purchaser and complete shipping method and route instructions must be forwarded to Donghia. Complete street addresses, including zip codes, are required; Donghia cannot ship to a P.O. Box. If such instructions are not received, Donghia will determine the best method and route. Purchaser is responsible for all shipping costs incurred as determined by Donghia. If Purchaser arranges for delivery of the merchandise, the carrier shall be deemed the agent of Purchaser and a \$50 service charge will be added to the order. Donghia shall not be responsible, in any event for any damage caused to the merchandise during shipment, or in storage. Purchaser should report, in writing, such damage directly to the carrier. All claims for freight overcharge or damage to goods while in transit must be settled with the carrier.

Bergamo textiles are generally shipped three times a week from Nuremberg, Germany and Venice, Italy. Delivery is typically 2-3 business days after shipment via the FedEx International Priority Direct distribution service.

Delay of Delivery

Quoted delivery dates are approximate and Donghia shall not be responsible for any delay or failure in performance for any cause beyond Donghia's control (including but not limited to supply, transportation difficulties, accidents, fires, acts of God) or any event which interferes with Donghia's normal business operations.

Force Majeure

Donghia is not liable for any delay or failure to deliver or perform due to strike, lock-outs or other labor difficulties, accidents, fires, acts of God, or other cause of like or unlike nature beyond our control

Waiver of Consequential Damages

In no event shall Donghia be liable for any consequential damages or shall Donghia's liability, for any reason, exceed the amount actually paid by Purchaser to Donghia for the subject merchandise.

Claims

Donghia's merchandise will substantially conform to the description on the confirmed order, except that such merchandise may vary slightly in finish, color match, weave, texture or pattern from description or sample; described sizes are approximate only. Certain hand-made products are by nature irregular. Slubs, variations in texture and/or color are inherent to leather and in no way constitute flaws. Donghia's merchandise is not guaranteed against fading or shrinkage. Donghia is not responsible for precise color matching due to possible spinning, yarn, weaving or dye lot variations. It is the Purchaser's responsibility to request cuttings of current stock for approval. Due to the inherent qualities of handmade textiles and certain other geometric prints and wovens, side matching may not be exact and cannot be guaranteed. Donghia textiles are not treated or backed unless noted. Costs and arrangements for all special treatments are the responsibility of the Purchaser.

No claim shall be made in any event if the merchandise has been cut, treated, or altered in any way regardless of the reason. Less than 3 yards of fabric or 3 rolls of wallcovering, used merchandise, custom orders, weavedowns, and cut yardage are not returnable. All claims against Donghia, including defects, shortages and errors, must be made within 10 days after receipt of the merchandise. Failure to make any claim against Donghia within such 10 day period shall constitute acceptance of the merchandise and a waiver of said defects, shortages, errors or other claims.

TERMS OF SALE: FURNITURE & ACCESSORIES

Conditions of Sale

All furniture orders require an initial payment of at least fifty (50%) percent to begin production, with the balance (including delivery, packing, crating, shipping, in transit insurance and other related charges or other taxes) to be paid before delivery unless other arrangements have been agreed to, in writing, by Donghia, Inc. (defined throughout these Terms of Sale as "Donghia")

ALL SALES ARE FINAL. Accepted orders may not be cancelled by Purchaser and accepted merchandise may not be returned. Should Donghia make an exception to this rule and agree to accept the return of goods a 50% handling charge will be levied. No returns or cancellations will be accepted on 'made-to-order' pieces. Costs of shipping will be payable by Purchaser. Merchandise returns without a return authorization number pre-assigned by Donghia, will not be accepted and will be returned to the shipper freight collect.

All monies paid on account of this order shall be credited to the account of the named Purchaser. Donghia's acceptance of payment from anyone other than Purchaser shall be as an accommodation only and shall not create a vendor-vendee relationship express or implied with a payee other than the Purchaser.

The acceptance of Purchaser's order is subject to all of the terms and conditions hereof, which terms and conditions supersede Purchaser's order form, if any, and constitute the complete and exclusive statement of the entire agreement between Purchaser and Donghia. No course of prior dealings between the parties and no trade usage shall be relevant to supplement or explain any term herein. This writing shall be binding as to the merchandise specified, either (a) when signed and returned by Purchaser; (b) when retained by Purchaser for five days (5) without objection; (c) when Purchaser submits an e-mail or other document accepting or referencing this writing or Donghia's Sales Order; (d) when Purchaser has accepted delivery of any part of the merchandise or has furnished to Donghia specifications or assortments, delivery dates, shipping instructions or instructions to build and hold; or (e) when Purchaser has otherwise confirmed acceptance, expressly or impliedly.

This Agreement is not binding on Donghia until accepted and approved by an authorized representative of Donghia. If any part of the terms and conditions stated herein are held void or unenforceable, such part will be treated as severable, leaving valid the remainder of the terms and conditions.

This agreement shall be governed by the laws of the State of New York, and cannot be changed, except by a further writing signed by the party against whom such change is sought to be enforced. Purchaser consents to the exclusive jurisdiction of the federal and state courts located within the county of New York, State of New York in connection with any controversy or claim arising out of or relating to this Agreement.

Credit Terms

Open terms are available upon request and review. Each shipment made is considered a separate sale. Donghia shall have the right to charge the Purchaser interest computed at the lesser of one percent (1%) per month, or the highest rate permitted by law from the date payment is due. Purchaser will be liable for all reasonable costs, expenses and fees, including attorney's fees, incurred by Donghia in collecting monies due or to become due hereunder.

Ordering Information

Purchase orders must be submitted to Donghia in writing and must provide complete information, including billing and shipping addresses and phone numbers. Orders will not be accepted or put into production until the necessary information is received. This includes: 1) Item name and number. 2) Dimensions, if not standard: overall length or width, depth and height. 3) COM: Identify supplier, description, style number, color and yardage. Special COM instructions regarding pattern, direction of stripes, right side of material, etc must be included. Customers should provide a cutting of the COM with orders to facilitate identification of their material. 4) All other specification as required. All custom orders must be marked CUSTOM, and include exact information as to changes to be made.

Orders will be processed as indicated on Donghia's order confirmation. Donghia accepts no responsibility for COMs shipped to locations other than that given on our order confirmation and shipping tag. If there is any discrepancy, Donghia must be notified by the Purchaser within 10 days from the order confirmation date. Order confirmation cannot be modified except in writing to Donghia. After the order confirmation Donghia may accept, at their discretion, reasonable changes to orders with the following conditions: 1) Requests must be submitted in writing and received in time to be implemented. 2) Additional charges may be applied for materials, labor and administrative costs.

Prices

Donghia reserves the right to change prices without notice prior to order confirmation. Custom quotations are honored for a period of 60 days from issuance.

Shipping

All shipments are made F.O.B. point of origin. Delivery arrangements are the responsibility of Purchaser and complete shipping method and route instructions must be forwarded to Donghia. If not received, Donghia's preferred freight option is Donghia Bestway (DBW). DBW shipping quotes are based on furniture freight movement from the F.O.B. point of origin to a Receiving Warehouse within the USA. If Purchaser arranges for delivery of the merchandise, the carrier shall be deemed the agent of Purchaser and a \$75 service charge will be added to the order. Donghia shall not be responsible, in any event, for any damage caused to the merchandise during shipment, or in storage. Purchaser should report, in writing, such damage directly to the carrier. All claims for freight overcharge or damage to goods while in transit must be settled with the carrier. In all cases, it is the responsibility of the customer to determine if the size of the completed furniture is suitable for acceptance and installation at the location of final delivery.

Storage

Purchaser will receive notification from Donghia as to the date merchandise will be available for shipment. If payment is not made within 30 days from the date of product completion, Donghia reserves the right to transfer the merchandise to storage. Customer bears the risk of loss or damage and all costs incurred by such transfer and storage. Postponement of shipment beyond 30 days of availability will result in storage charges per month equal to 2% of the price for such merchandise.

Fire Code Requirements

All foam cores and resilient materials comply with California TB 117. Special requirements to meet specific Fire Code Regulations can be accommodated. An additional charge for content variation will be applicable. Please consult your area representative for price quotes.

Force Majeure

Donghia is not liable for any delay or failure to deliver or perform due to strike, lock-outs or other labor difficulties, accidents, fires, acts of God, or other cause of like or unlike nature beyond our control.

Waiver of Consequential Damages

In no event shall Donghia be liable for any consequential damages or shall Donghia's liability, for any reason, exceed the amount actually paid by Purchaser to Donghia for the subject merchandise.

Claims

Donghia's merchandise will substantially conform to the description on the confirmed order, except that such merchandise may vary slightly in finish, color match, weave, texture or pattern from description or sample; described sizes are approximate only. All claims against Donghia, including defects, shortages and errors, must be made within 10 days after receipt of the merchandise. No claim shall be made in any event if the merchandise has been cut, marred, treated, or otherwise altered. Failure to make any claim against Donghia within such 10 day period shall constitute acceptance of the merchandise and a waiver of said defects, shortages, errors or other claims.

Warranty

Donghia furniture and accessories are warranted against defects in materials and workmanship for one (1) year from date of delivery. This warranty does not extend to COM fabrics or other COM materials.

ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, ARE EXPRESSLY EXCLUDED, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

During warranty period Donghia will repair, or at our option, replace defective merchandise free of charge. This warranty does not extend to damage resulting from shipping, accident, alteration, misuse, tampering, negligence, abuse, or ordinary wear and tear. Donghia will repair, or at its option, replace such nonconforming or defective merchandise or part thereof free of charge. Donghia is not responsible for damages relating to C.O.M. (customer's own material), C.O.L. (customer's own leather) or finishes resulting from shipping, accident, misuse, negligence, alterations, staining, ordinary wear and tear, natural fading, or discoloration, oxidation, climate, humidity, prolonged exposure to sunlight or salt air or unusual conditions. Wood, stone, iron and other metal finishes vary in tone, color, character and texture; variations are inherent in such products and finishes and are anticipated.