

# GERRY WEBER CANADA LTD.

## GENERAL TERMS AND CONDITIONS OF SALE

### 1. Scope

These General Terms and Conditions of Sale ("Terms") shall govern the sale by GERRY WEBER Canada Ltd. ("GERRY WEBER") of all products between GERRY WEBER and the customer ("Purchaser"). In the event of any inconsistency between the terms and conditions contained in any other document and these Terms, these Terms shall prevail unless otherwise agreed upon in writing by GERRY WEBER. GERRY WEBER shall not be bound by any terms and conditions affixed to Purchaser's purchase order or other procurement documents that are in addition to or inconsistent with these Terms. These Terms are subject to change from time to time at GERRY WEBER's sole discretion.

### 2. Quotations & Orders

Unless otherwise specified in writing, all written quotations shall be intended for reference purposes only, constituting neither an offer to sell nor imposing any obligations or liability on GERRY WEBER. All written quotations and offers to sell automatically expire thirty (30) days from the date quoted. No order placed by Purchaser shall be deemed to be accepted by GERRY WEBER unless and until confirmed in writing by GERRY WEBER.

### 3. Price & Terms of Payment

The price for all products shall be expressly set out in GERRY WEBER's order confirmation. Where no price has been specified, the price shall be based on GERRY WEBER's price list in effect on the date of the delivery of products. GERRY WEBER reserves the right, by giving notice to Purchaser at any time, to increase the price of products to cover: (i) foreign exchange fluctuation and increases in the costs of labour, materials (including leather materials) and manufacturing; and (ii) any delay or change in delivery dates, quantities or specification of products occasioned or requested by Purchaser.

Unless otherwise stated in writing by GERRY WEBER, the price of products shall be Delivery Duty Paid (Incoterms 2010).

Full payment shall be due within: (i) ten (10) days net from the date of GERRY WEBER's invoice where the Purchaser wishes to receive a 4% discount; (ii) thirty (30) days net from the date of GERRY WEBER's invoice where the Purchaser wishes to receive a 2.25% discount; (iii) sixty (60) days net in which case no discount shall be applied to GERRY WEBER's invoice; or (iv) such greater or lesser period which GERRY WEBER may agree upon in writing from time to time. Unless otherwise agreed upon in writing by GERRY WEBER, all payments shall be made in the currency stated in GERRY WEBER's order confirmation and must be made directly to GERRY WEBER in accordance with the payment options described in GERRY WEBER's invoice or order. A service charge will apply in respect of any returned cheques. All payments must be received by GERRY WEBER no later than the due date in order for booking discounts to apply. GERRY WEBER will not allow any discounts including booking discounts on invoices not paid as per terms. Purchaser shall not have any right of deduction or set-off whatsoever. Payments received by the Purchaser will always be applied to the oldest outstanding items plus any accrued default interest and costs, including those incurred by GERRY WEBER in relation to bringing legal action.

If Purchaser fails to make payment for the products by the due date, without prejudice to any other right or remedy available, GERRY WEBER reserves the right to charge interest on the outstanding balance of any overdue accounts at a rate equal to the lesser of eight percent (8%) per annum, accruing daily and payable monthly, and the maximum rate permitted by applicable law. Where the invoice is payable in installments, GERRY WEBER reserves the right to charge interest on overdue installments at the said rate from the date payment is due to the date of payment. If at any time GERRY WEBER determines in good faith that Purchaser's financial condition or credit rating does not justify a sale on credit or if Purchaser is at any time in default of any payment or obligation owed to GERRY WEBER, then GERRY WEBER may: (i) suspend further delivery of products until payment is received in full; and/or (ii) require prepayment or other form of security including a letter of credit or bank guarantee in advance of delivery of products; and/or (iii) refuse to deliver any undelivered products, without incurring any liability to GERRY WEBER for non-delivery or any delay in delivery; and/or (iv) demand the return of any products in respect of which payment has not been received by GERRY WEBER; and/or (v) terminate all or part of the order. Purchaser agrees to submit such financial information from time to time as may be reasonably requested by GERRY WEBER for the establishment and/or continuation of credit terms. Purchaser agrees to pay any and all legal fees and other costs and expenses associated with payment collection.

### 4. Delivery of Products

Unless otherwise agreed upon in writing, GERRY WEBER shall deliver products Delivery Duty Paid (Incoterms 2010) at any time after GERRY WEBER has notified Purchaser that products are ready for collection by means of an order confirmation. Selection of the carrier and route of delivery shall be made by GERRY WEBER. In no event shall GERRY WEBER have any liability in connection with transport or shipment, nor shall the carrier be deemed to be an agent of GERRY WEBER. Packaging costs will be charged only if the Buyer requests special packaging for shipping.

GERRY WEBER will use commercially reasonable efforts to meet requested dates and times for delivery of products. However, specific dates and times will not be guaranteed and time shall not be of the essence unless previously agreed upon in writing by the parties. GERRY WEBER shall not be liable to Purchaser for any delay or failure to deliver products arising from any cause beyond GERRY WEBER's reasonable control, including, without limitation, any Act of God, fire, casualty, flood, earthquake, war, strike, lockout, epidemic, illness or injury to workers, delayed or failed deliveries by subcontractors or sub-suppliers, power failure, damage or destruction of production facilities, riot, insurrection, transportation delays or defaults, delay in supply or shortages of fuel, components, raw materials or supplies, labour shortage, acts or omissions of third parties, action of any governmental authority, or any other cause beyond the reasonable control of GERRY WEBER (the "Force Majeure"). In such event, GERRY WEBER must promptly provide Purchaser with written notice of the Force Majeure. GERRY WEBER's time for delivery shall be extended for a period equal to the time lost by reasons of the Force Majeure without subjecting GERRY WEBER to any liability or penalty. If the Force Majeure event lasts longer than forty-five (45) calendar days, GERRY WEBER may immediately terminate all or part of the order, without incurring any liability or penalty whatsoever, by providing written notice of such cancellation to Purchaser.

GERRY WEBER shall not be liable for any damages, losses, costs or expenses (collectively, the "Damage") resulting from GERRY WEBER's delay in delivery of products to Purchaser unless such Damage arises from the gross negligence of GERRY WEBER.

### 5. Title, Solvency & Security Interest

The Purchaser represents and warrants to GERRY WEBER that it is solvent. Title to the products and all proceeds of the foregoing, shall remain with GERRY WEBER until payment in full is received from the Purchaser in respect of same. The Purchaser shall not encumber, pledge or charge by way of security any products where legal title remains vested in GERRY WEBER. The Purchaser must inform GERRY WEBER immediately in writing of any attempt by third parties to seize the products, the ownership of which is retained, or those claims that have been ceded. Notwithstanding the foregoing, the Purchaser shall be entitled to resell the products in the ordinary course of its business provided the proceeds of any such sale shall be held by the Purchaser for the account of GERRY WEBER, to be applied first in payment of all sums due by the Purchaser to GERRY WEBER.

GERRY WEBER retains a security interest in the products to secure payment of the purchase price and all other indebtedness and obligations that the Purchaser now and in the future owes to GERRY WEBER. Purchaser shall take all actions that GERRY WEBER requests to perfect, and to obtain and maintain first priority of that security interest, and Purchaser shall pay, or reimburse GERRY WEBER for, all fees, taxes and other costs that are incurred in connection with those actions.

The Purchaser hereby grants to GERRY WEBER a security interest in all its present and future right, title and interest, if any, in and to all products supplied hereunder and all additions, substitutions, accessories, proceeds, and products thereto and thereof, which security interest shall continue until the full purchase price for the products delivered hereunder from time to time is paid to GERRY WEBER. The Purchaser agrees that GERRY WEBER may execute, file and/or record any notice, financing statement, continuation statement, instrument or other document that GERRY WEBER may consider reasonably necessary or desirable to create, preserve, perfect, continue, effect or validate the security interest granted hereunder, including without limitation a purchase money security interest. To the extent permitted by law, the Purchaser waives the requirement of being provided with a copy of any financing or verification statement or renewal thereof. If default is made in any of the payments herein, GERRY WEBER may retain any partial payments which have been made, as liquidated damages, and GERRY WEBER shall be entitled to the immediate possession of the products and shall be free to enter the premises where the products may be located and remove them as GERRY WEBER's property, without prejudice to GERRY WEBER's right to recover any further expenses or damages GERRY WEBER may suffer by reason of such non-payment.

### 6. Changes and Cancellation

No order which has been approved in writing by GERRY WEBER may be cancelled or amended by Purchaser unless the prior written approval of GERRY WEBER is first obtained.

### 7. Return of New and Unused Products

The return of all products must be approved in writing by GERRY WEBER prior to shipping. The Purchaser must obtain a return authorization number before shipping product back to GERRY WEBER. GERRY WEBER reserves the right to refuse unauthorized returns. The shipping of returns is to be prepared by the Purchaser and GERRY WEBER reserves the right to apply a restocking charge of 15% for all products that are not the subject of a warranty claim. Only the return of new and unused products will be accepted.

### 8. Limited Warranty

Except as otherwise specified herein, GERRY WEBER warrants that: (i) all products purchased hereunder are free from defects in material and workmanship; and (ii) GERRY WEBER has good title to products and the right to sell them to the Purchaser. The warranty period for the products is one (1) year from the date of shipment (the "Warranty Period"). The Purchaser must contact GERRY WEBER for handling of warranty claims and shipping instructions. The Purchaser must inspect the products within twelve (12) days of receipt, in the case of visible defects, and within twelve (12) days of detection in the case of non-visible defects. Warranty claims must be addressed to GERRY WEBER in writing. Before a product can be returned to GERRY WEBER, the Purchaser must receive a return authorization number from GERRY WEBER. GERRY WEBER will not accept returns that are not clearly marked with a return authorization number. If GERRY WEBER determines that the warranty claim is justified, GERRY WEBER shall have the right to repair or replace the product in question or refund the applicable purchase price at GERRY WEBER's sole and entire discretion. If shipping is required for repairs or replacement, GERRY WEBER will pay for such shipping provided the defects or deficiencies are covered under GERRY WEBER's warranty.

Warranty Exclusions: This warranty excludes: (i) normal wear and tear; (ii) minor variations in quality, colour, shape, processing, material properties, texture, finishing, measurement, size, weight, design and fittings that are customary in the trade or are unavoidable for technical reasons; (iii) misuse or abuse; (iv) improper use or care, including soiling; (v) negligence; (vi) alteration; (vii) accident; (viii) use of incompatible supplies or cleaning agents, including damage or defects caused by use of chemical treatments on the products; (ix) foreign object damage; or (x) fading or other damage resulting from exposure to sunlight.

The preceding paragraphs set forth the exclusive remedy for all claims based on failure of, or defect in, products sold hereunder, whether the failure or defect arises before, during or after the warranty period, and whether a claim, however instituted, is based on contract, indemnity, warranty, tort (including negligence), strict liability or otherwise. Upon the expiration of the warranty period, all such liability shall terminate. THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL, IMPLIED OR STATUTORY. NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE SHALL APPLY.

### 9. Limitation of Liability

GERRY WEBER'S LIABILITY WITH RESPECT TO ALL CLAIMS OF ANY KIND, WHETHER BASED ON CONTRACT, INDEMNITY, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE (INCLUDING PRODUCT LIABILITY CLAIMS), FOR ALL LOSSES OR DAMAGES ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM THIS AGREEMENT, OR THESE TERMS, OR FROM THE PERFORMANCE OR BREACH THEREOF, OR FROM ANY PRODUCTS COVERED BY OR FURNISHED UNDER THE AGREEMENT OR ANY EXTENSION OR EXPANSION THEREOF (INCLUDING REMEDIAL WARRANTY EFFORTS), SHALL IN NO CASE EXCEED THE PRICE ALLOCABLE TO THE SPECIFIC PRODUCT THAT GIVES RISE TO THE CLAIM, PLUS SHIPPING COSTS WHERE THERE IS A JUSTIFIED WARRANTY CLAIM.

IN NO EVENT, WHETHER BASED ON CONTRACT, INDEMNITY, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, SHALL GERRY WEBER, ITS EMPLOYEES, ITS DIRECTORS, OFFICERS, SHAREHOLDERS, AGENTS, SUPPLIERS AND AFFILIATES BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS OR REVENUE, LOSS OF USE OF ANY PROPERTY, COST OF CAPITAL, BUSINESS INTERRUPTION COSTS, DOWNTIME COSTS, INJURY TO PERSON OR PROPERTY OR DEATH, OR CLAIMS OF PURCHASERS OF PURCHASER FOR SUCH DAMAGES OR LOSSES, AND PURCHASER WILL INDEMNIFY GERRY WEBER, ITS EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, SUPPLIERS AND AFFILIATES AGAINST ANY SUCH CLAIMS FROM PURCHASER'S CUSTOMERS.

### 10. Indemnification

Purchaser shall indemnify, defend and hold harmless GERRY WEBER from and against all claims, demands, causes of action (including third-party claims), losses, damages, expenses (including consequential and incidental damages, court costs and attorney fees) and liabilities of every kind and nature that GERRY WEBER incurs as a result of Purchaser's breach of any of Purchaser's obligations under these Terms.

### 11. Notice

Any notice, approval, consent, waiver, or other communication to be given hereunder shall be in writing and shall be deemed to be given if delivered personally, or sent by registered mail in which case such notice, approval, consent, waiver or other communication shall be deemed to be received on the second business day following the mailing thereof by registered mail:

to GERRY WEBER Canada, 277 Richmond Street West, Suite 100, Toronto, Ontario M5V 1X1; and

to Purchaser at such mailing address, facsimile, or email address provided by Purchaser.

### 12. Prohibited Acts & Transshipment Restrictions

The Purchaser shall not, either directly or indirectly, represent, advertise, promote, quote, consign, deliver, tranship, offer for sale, sell or otherwise make any products purchased under these Terms to any person or entity outside of the designated territory in which the purchaser has been authorized to sell the products by GERRY WEBER.

### 13. Remote trade, social networks and resellers:

The Purchaser may resell GERRY WEBER's products via remote trading only with the prior written consent of GERRY WEBER. Products may not be sold or auctioned online; doing so will automatically be considered a trademark violation and breach of this agreement and will result in corresponding claims for damages. Any representation, advertising, promotion or other marketing by the Purchaser of GERRY WEBER and its products on social networks requires the prior written consent of GERRY WEBER. The Purchaser is only permitted to sell GERRY WEBER's products to end consumers and not resellers.

### 14. Applicable Law and Jurisdiction

The Terms shall be governed by and interpreted according to the laws of the Province of Ontario and the federal laws of Canada applicable therein, without reference to its choice of law rules and excluding the United Nations Convention on the International Sale of Goods. The parties hereby attorn to the exclusive jurisdiction of the courts of the Province of Ontario. Notwithstanding the foregoing, the purchaser retains the right to seek injunctive or equitable relief in any court of competent jurisdiction.

### 15. Language

These Terms and any document relating thereto have been prepared in the English language at the express request of the parties. Les parties exigent, et par les présentes confirment leur demande, que ce contrat et tous les documents y afférents soient rédigés en anglais seulement.

### 16. Entire Agreement

These Terms constitute the entire agreement between the purchaser and GERRY WEBER with respect to all matters addressed herein and neither party relies upon or regards as material any representations or writing whatsoever not set forth herein. These Terms shall not be altered or amended except by express written instrument signed by both parties.