

General Terms and Conditions of Sale

January 2015

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1. Scope of Applicability

- 1.1 These General Terms and Conditions of Sale ("GTCS") apply to all sales of goods by us notwithstanding any conflicting, contrary or additional terms and conditions in any purchase order or other communication from you. No such conflicting, contrary or additional terms and conditions shall be deemed accepted by us unless and until we expressly confirm our acceptance in writing. They prevail over the purchasing terms and conditions unless formal and written acceptance is made by the seller. Any condition to the contrary put up by the buyer will thus, failing express acceptance, be binding on the seller, regardless of when it may have been brought to his attention. The fact that the seller does not take advantage of any of these general terms of sale at a given time cannot be interpreted as a waiver of taking advantage of any of the aforementioned conditions at a later stage.
- 1.2 We reserve the right to change these GTCS at any time. We will give you thirty calendar days' notice of any changes by posting notice on our website.
- 1.3 Each product is the subject of a product technical specification which is communicated to the customer on request. The customer may only communicate these sheets to the members of his staff who need to have knowledge thereof for the marketing of products. The customer refrains from disclosing this product sheet to any other person and commits to make his employees respect this duty. This duty of confidentiality exists even before the conclusion of the contract and subsists after the end of the contract. In case of violation of this duty of confidentiality, the customer is held liable. Furthermore, the contract can be terminated by the seller without prejudice.
- 1.4 The seller reserves the right to modify or to remove products from its catalog without express and prior authorization from the customer by informing the buyer three months in advance.

2. Offers, Purchase Orders and Order Confirmations

- 2.1 All offers made by us are open for acceptance within ten calendar days from the date of issue, unless otherwise specifically stated therein, and are subject to the availability of the goods offered. The first order from any new customer must be preceded by an application to open an account sent by e-mail to the following address: sales@io-europe.com
- 2.2 To be valid, all purchase orders issued by you shall specify as a minimum the description, type, references of the product sold and quantity of goods requested the references of the sold product, applicable unit prices, delivery place and requested delivery dates. The orders are definitive only when they were confirmed in writing (fax or e-mail).
- 2.3 The confirmation of the order implies for the buyer acceptance of the terms of sale of the seller, acknowledgment of perfect knowledge of them and waiver to take advantage of its own purchasing terms.
- 2.4 Any order has to concern a minimal quantity which will be defined in the offer issued by the seller according to the type of products ordered. The orders concerning large volumes must be accepted by the seller at least twelve (12) weeks before desired delivery date.
- 2.5 In case of shortage, the seller will meet the orders according to their arrival order and goods availability.

- 2.6 The profit on the order is the buyer's own and cannot be transferred without agreement from the seller.
- 2.7 The seller reserves the right to refuse any order the volume of which would be insufficient, if the delivery deadline is too short, or if the buyer did not present sufficient financial guarantee.

3. Modification of the order

- 3.1 Any modification of the order must be accepted beforehand in writing by the seller. If the seller does not accept the modification or the resolution, the paid account cannot be restored.

4. Refusal to deliver the order

- 4.1 The seller reserves the right to refuse to honor any order he deems likely to place him in competition with another seller.

5. Prices and Terms of payment

- 5.1 The prices for goods shall be those set forth in our order confirmation. All prices are exclusive of taxes, impositions and other charges, including, but not limited to, sales, use, excise, value added and similar taxes or charges imposed by any government authority. Any change of the rate can be passed on to the product price.
- 5.2 Unless expressly stated otherwise in our order confirmation, payment for goods shall be made within 30 days without offset or deduction.
- 5.3 Prices in EUR are linked to EUR/USD rate at the date of offer, and will be revised accordingly if this rate fluctuates more than 5% at the delivery date.
- 5.4 The prices mean the net price, "delivered at place" (DAP), exclusive of tax on the basis of price lists communicated to the buyer. Any taxes, duties, fees or other provisions to be paid in application of French regulations or those of an importer country or a country of transit are payable by the buyer.

6. Invoicing – Payment

- 6.1 An invoice is established for every delivery and delivered at the time thereof.
- 6.2 Unless otherwise agreed, the settlements will be made by **payment in 30 days of delivery by bank transfer** with following details:

HSBC France, Paris

EUR payments	
Account Name	IMAGINORIENT EUROPE SAS
IBAN code	FR 76 30056 00979 09790061635 06
SWIFT/BIC code	CCFRFRPP
USD payments	
Account Name	IMAGINORIENT EUROPE SAS
IBAN code	FR 76 30056 00979 09790061648 64
SWIFT/BIC code	CCFRFRPP

6.3 In case of deferred or forward payment, establish a payment within the meaning of this article, not simple delivery of a bill of exchange or a check involving an obligation to pay, but their express payment at agreed due date.

6.4 In case of delay in payment, the seller can suspend all the orders on hand, without prejudice to any other course of action.

6.5 **Any sum not paid when due as appearing on the invoice implies penalties from the date following the date of payment on the aforementioned invoice, of an amount of the refinancing rate of European Central Bank increased by 10 points, from the date following the settlement date of the invoice.**

Moreover, in accordance with article L441-6 of Code of Commercial, for any unpaid invoice, the buyer shall pay a fixed allowance of recovery of an amount of 40 €.

In case of recovering charges are more considerable than fixed allowance of recovery, the seller can raise amount of this allowance of recovery.

6.6 In case of non-payment, forty eight hours after a formal demand remained fruitless, the sale will be canceled by rights of the seller who can ask, in emergency proceeding, for the return of products, without prejudice to any other damages. The termination will strike not only the order in question but, also, all the previous unpaid orders, whether they are delivered or in the course of delivery and whether their payment fell due or not. In the case of payment by bill of exchange, the defect on bill returns will be considered as non-acceptance equivalent to a non-payment. Also, when the payment is staggered, the non-payment of a single installment will entail the immediate pay-ability of the entire debt, without formal demand.

In all of the above cases, the sums which would be due for the other deliveries, or for any other cause, will become immediately due if the seller does not opt for the termination of the corresponding orders.

The buyer will have to reimburse all the expenses incurred by the contentious recovery of the due sums, including the fees of members of the legal profession.

In no event may payments be suspended or be the subject of any compensation without the prior written consent of the seller. Any partial payment will impute at first on the part not privileged by the claim, then on the sums the payability of which is the oldest.

The seller does not intend to grant any discount for cash payment or at a date prior to that resulting from the general conditions.

6.7 You must submit such financial information from time to time as may be reasonably requested by us for the establishment or continuation of payment terms. We may in our sole discretion at any time change agreed payment terms without notice by requiring payment cash in advance or cash on delivery, bank guarantee, letter of credit or otherwise.

7. Terms of Delivery and Late Delivery

7.1 Unless expressly stated otherwise in our order confirmation, all deliveries of goods shall be DAP place of destination, in accordance with Incoterms 2010. The risk of loss of or damage to goods shall pass to you at the destination provided for in the order confirmation.

7.2 The buyer commits to take delivery of the order on the day of the notice of provision. When this deadline has expired, the seller may consider that the order is one-sidedly canceled at the

fault of the buyer.

7.3 The deliveries are operated only according to the availability and in the order of arrival of the orders. The delivery deadlines are indicated as precisely as possible but depend on the possibilities of supply and transport of the seller.

Exceeding the delivery deadlines cannot give rise to damages, to restraint or to cancellation of orders in progress.

7.4 We reserve the right to make delivery in partial shipments.

8. Acceptance of goods

8.1 You must inspect goods delivered upon receipt. Claims on visible defects or the non-compliance of a delivered product with the product ordered or freight note must be set out in a registered letter with acknowledgement of receipt within seven calendar days after delivery of the goods.

8.2 It will be up to the buyer to provide any proof as to the reality of the defects or the anomalies noticed. He will have to enable the seller to easily observe these defects and to remedy them. He will abstain from intervening himself or from bringing in a third party to this end. For the packaged products sold, the weights and measurements upon departure prove delivered quantities. The quantitative tolerances affecting the delivery will be more or less 5 % calculated on the basis of the number of units appearing in the order.

9. Warranty

9.1 We warrant that upon delivery and for a period of twelve months from the date of delivery goods purchased hereunder will conform in all material respects to the applicable manufacturer's specifications for such goods and will be free from material defects in workmanship, material and design under normal use. The warranty does not cover damage resulting from misuse, negligent handling, lack of reasonable maintenance and care, accident or abuse by the buyer or the third party. The guarantee does not come into play for the visible defects.

9.2 With respect to goods which do not conform to the warranty our liability is limited, at our election, to (i) refund of the purchase price for such goods less a reasonable amount for usage, (ii) repair of such goods, or (iii) replacement of such goods with the exception of any compensation or damages; provided, however, that such goods must be returned to us, along with acceptable evidence of purchase, within fourteen calendar days after you discovered the lack of conformity or ought to have discovered it.

9.3 We make no other warranty, express or implied, with respect to goods delivered hereunder, and the warranty constitutes our sole obligation in respect of any lack of conformity of goods delivered hereunder. In particular, we make no warranty with respect to the merchantability of goods delivered or their suitability or fitness for any particular purpose.

9.4 The interventions under the guarantee would not have the effect of extending the duration thereof.

10. Intellectual Property Rights Infringement

10.1 If the goods delivered by virtue of the present imitate the patent of a third party, a model, the design, the mark or the other intellectual property right, the customer can choose between (a) replacing the properties imitated by products of similar characteristics or (b) paying off the purchase price of the goods

less a reasonable amount for the use, with the exception of any compensation or damages.

11. Limitation of Liability

11.1 The seller disclaims all liability as regards the harmful consequences which can result from the non-compliant use of its products. The customer waives in advance any appeal against the seller in case of non-compliant use of the material sold.

11.2 IN NO EVENT MAY THE LIABILITY OF THE SELLER TOWARDS THE CUSTOMER, FOR ANY VIOLATION OF GUARANTEE, EXCEED THE PRICE EXCLUDING TAX PAID FOR PRODUCTS REFERRED TO IN THE CLAIM.

11.3 The seller cannot be held liable for direct or indirect damage, the loss of income or delay due to a manufacturing defect in products; the customer will have to make sure of the compliance of the product before the order and more particularly before its integration. The customer waives claiming for immaterial and/or indirect damage such as in particular operating losses.

12. Force Majeure

12.1 A party is not held liable for the non-execution of any of its obligations as far as it proves that this non-execution was due to a hindrance independent from its will, that it could not reasonably have foreseen this hindrance and the effects thereof on its ability to execute the contract at the time of its conclusion, and that it would not have reasonably been able to avoid or to overcome this hindrance, or at the very least, its effects. A hindrance in the sense of the aforesaid paragraph can result from events such as the events below, this list not being exhaustive:

- war, declared or not declared, civil war, riots and revolutions, acts of piracy, sabotages;
- natural disasters such as heavy storms, cyclones, earthquakes, tidal waves, floods, destruction by lightning; explosions, fires, the destructions of machines, factories and facilities whatever they are;
- boycotts, strikes and lockouts in any form whatsoever, work to rule, the activities of factories and premises, work stoppages occurring in the companies of the party which asks for the exemption from its responsibility;
- government acts, whether they are licit or illicit;

12.2 For the application of the paragraph above, and unless otherwise stipulated in the contract, the hindrances do not include the absence of authorization, licenses, entry visas or authorization of stay, or approvals necessary for the execution of the contract and that must be issued by an any public authority of the country of the party which asks for the exemption from its responsibility.

13. Property reserve

13.1 **Transfer of ownership of the products is suspended until full payment of the price, in principal, interest, expenses and accessories, even in the case of granting deferred payment (Article L 621-122 of the Code of Commercial).**

13.2 The delivery of draft, check or of any other means creating an obligation to pay does not constitute a payment in the sense of this provision. The payment can be considered made only during the actual collection of the amount of the price by the seller.

13.3 Until full payment of their price, the buyer cannot pawn the products sold or transfer the property as guarantee. The buyer will inform his sub-buyers of the retention of title clause and will forward their contact details to the seller.

13.4 The expenses of restoration and/or repackaging of products and supplies taken back after the claim are payable by the customer.

14. Miscellaneous

14.1 The United Nations Convention for the International Sale of Goods shall not apply to these GTCS or to any contracts of sale entered into between the seller and the buyer.

14.2 No waiver of any provision of these GTCS shall constitute a waiver of any other provision(s) of the contract.

14.3 Should any provision of these GTCS be held by a court to be illegal, invalid or unenforceable, such provision may be modified by the parties in compliance with the law. All other terms and conditions of these GTCS shall remain in full force and effect and shall be construed in accordance with the modified provision.

14.4 These GTCS and all contracts of sale entered into between us shall be governed by and construed in accordance with the laws of France.

Failing to reach an amicable settlement of the dispute within a maximum period of one month, **the courts of Evry (France) alone will be competent in case of disputes of any nature or disputes relative to the formation or the execution of the order, unless the seller prefers to refer the matter to any other competent jurisdiction.**

This clause applies even in case of emergency proceeding, incidental request or in plurality of defendants or appeal in guarantee, and whatever the mode and the terms of payment, without the clauses allocating jurisdiction which may exist in the documents of the buyers being able to hinder the application of this clause.

14.5 In accordance with provisions of Law on IT and Liberties, the customer has a right to access, rectify or delete his personal data collected by the seller. These rights can be exercised on simple written request made to the following address: ImaginOrient Europe - 4 rue Mangeon 91300 Massy France