

IMPEX GENERAL TERMS AND CONDITIONS OF SALE

Applicable on January 1, 2017

1- Conclusion of the sale

These general terms and conditions of sale (hereafter the “GTCs”) are applicable for all the IMPEX products and for all of its clientele (hereafter the “Client(s)”). Any product order, regardless of origin, implies the acceptance without reserve of these GTCs, which cancel any clause to the contrary, that may be included in the Client’s conditions of purchase, agreements, documents or the Client’s correspondence, unless IMPEX has provided written and prior express derogatory approval.

The GTCs are drafted in accordance with the principle of transparency which determines the relations between IMPEX and the Clients and constitute the sole basis of the negotiation between the parties and the context of the business relations.

The Client undertakes to negotiate the annual agreements in good faith which may be entered into between the parties and not to exclude the GTCs, in principle, for the benefit of its own general purchasing conditions.

It is expressly understood that IMPEX is not obliged to accept the purchasing conditions or requests from the Client which would be inappropriate or overriding in relation to the GTCs.

2- Orders

2.1 The information provided in the catalogues, prospectus, tariffs are only given for information purposes by IMPEX, which reserves the right to make any modification, at any time, either to the products or their tariffs. In the context of the determination of a price agreed upon signing an annual agreement, IMPEX shall provide the Client with all the elements justifying the request for a tariff increase. The Client must issue a response within a period of two (2) months. Upon failure to provide proof of the Client’s refusal for the tariff increase, the new tariff shall apply at the latest within two (2) months of the request.

2.2 Any order must be sent to IMPEX by letter, fax, EDI or telephone.

Any order shall only be deemed to be accepted only within the limits of available stocks.

2.3 In any event, IMPEX reserves the right to suspend the fulfillment of the order, if a financial risk occurs for the Client or any other element that could have an impact upon the delivery. The acceptance of an order may be subject to the provision of guarantees by the Client, in particular, in the event of incapacity, dissolution or modification of the company, mortgage security on buildings or collateralization of the Client’s business.

2.4 Any modification or order cancellation by the Client shall only be taken into account if it is made to IMPEX in writing prior to the start of the order preparation and subject to IMPEX’ prior written acceptance.

The modifications subsequent to the order may:

- result in a surcharge which shall be indicated to the Client for acceptance;
- cause the order delivery schedules to be deferred, for which IMPEX shall inform the Client.

3- Tariff - Price - Products

3.1 Tariff

The products are sold at the rate applicable upon placing the order, such as mentioned on IMPEX' permanent tariff schedule, i.e., at the promotional prices negotiated with IMPEX' sales division upon placing the order. The commitments made by IMPEX' representatives shall only be valid after the written acceptance by the IMPEX sales division.

The applicable tariff shall only be valid for a quantity that corresponds to the packaging of a single item as indicated in the IMPEX general catalogue.

The tariff of the Products may be increased in the event of an increase in the price of raw materials.

3.2 Products

With the exception of private label products, IMPEX reserves the possibility to cease the commercialization of any product offered to the Client listed on the tariff schedule or the commercial documents and/or make any modifications to the products for technical or aesthetic development that it shall consider to be appropriate, which shall have no impact either on the quality or the price, after having first informed the Clients with a current order or promotional activity pending, by respecting a notice period of eight (8) weeks and without any obligation for IMPEX to make the same modifications to products already delivered or awaiting delivery and without being entitled to the payment of any damages and even in the event of the non-respect of the aforementioned consideration period.

IMPEX' products are compliant to the regulations applicable in France upon placing the order.

3.3 Promotional activities under mandate ("NIP")

For the activities for which the Client shall grant a reduction or another promotional benefit for the end Client on behalf of IMPEX, a mandate agreement shall be entered into in writing prior to the start of the activities. During the promotional activity period, the Client undertakes not to support the promotional mechanism set up by IMPEX, by granting an additional promotional benefit to its end Client. In order for IMPEX to be able to reimburse the Client for the costs incurred in accordance with the Articles relating to the mandate, the latter undertakes to provide an accounts reporting upon each promotional activity, which includes:

- the duration of the promotional activity and the start date,
- the promotional mechanism chosen,
- the number of sales outlets and brands involved,
- the product identification: EAN code and description of the products,
- the unit value, inclusive of taxes, of the financial benefit granted per product,
- the VAT rate applicable to the product in question,
- the total amount of the benefits granted by IMPEX during the period of promotional activity, with an indication of the amount of the corresponding VAT.

IMPEX may, in addition, upon simple request, ask the Client for the communication of the cash outputs on a sample of stores in which the promotional activity took place.

4- Conditions of payment

The invoices are payable by any means of payment at sixty days as from the date of issuance of the invoice. No discount for early payment shall be granted by IMPEX.

With regard to summary invoices, they are payable at 45 full days as from their date of issuance.

In the event of total or partial late payment, late payment penalties shall be applied as from the 1st day following the due date, calculated by applying a rate equal to three times the applicable legal interest rate on the amounts due and for a period corresponding to the number of days late acknowledged between the due date listed on the invoice and the actual payment in value date. These penalties are invoiced to the Client or set off with the amounts due to the Client. These provisions may by no means be considered as implying an extension on the payment period.

Furthermore, a flat-rate minimum amount of forty (40) euros per invoice unpaid shall be due as compensation for recovery costs. IMPEX reserves the right to request an additional indemnification upon justification.

Upon failure to make payment of any instalment whatsoever, shall give rise to the forfeiture of the term of all the current receivables and therefore their immediate payment.

In the event of periodic payments, the non-payment of any instalment shall give rise to the forfeiture of the term for the rest of the loan. IMPEX reserves the right to claim the immediate payment of all the remaining instalments and reserves the right to suspend any delivery until full payment of all the current invoices or to terminate the current orders, without prejudice to the exercise of any legal remedy.

It is expressly stipulated that, in this case, the amounts remaining due shall be increased, under a penalty clause, by a flat-rate indemnity fixed at 15 % of the amount of the debts due, without prejudice to any interests, costs and fees that could be incurred by litigation.

In any event, in the event of the Client's credit deterioration or if his financial situation would present a risk for the recovery of our receivables, or if the order was placed by a Client who would not have fulfilled all of his obligations resulting from previous matters, or in the event of exceeding the outstandings covered by the insurers, IMPEX reserves the right to request the payment prior to the delivery or to demand any payment guarantees that it would consider necessary. Upon failure to be able to obtain such guarantees, for any reason whatsoever, IMPEX reserves the right not to deliver the orders and/or to terminate the current orders.

In accordance with Article L. 442-6, I, 8th of the French Commercial Code, the Client undertakes not to automatically deduct the penalties or rebates from the invoice drafted by IMPEX, corresponding to the non-respect of a delivery date or the non-compliance of the goods, when the debt is not unquestionable, liquid or due, without IMPEX having been able to verify the accuracy of the relevant objection. In this regard, IMPEX shall benefit from an adequate time period to be able to acknowledge the Client's objections and the latter must provide IMPEX with a written statement of such objections.

5- Deliveries

5.1 Our products are delivered post paid for any order of a minimum amount of 600 €, excluding taxes, for all the products, delivered to a single location in France.

Concerning the deliveries to “allotted” warehouses, the minimal amount of the order per store may not be less than 350 €, excluding taxes.

5.2 Risk transfer

In the event of a sale ex works, the transfer of risks shall be made prior to loading at the place of collection of the goods, by the carrier selected by the Client.

In the event of a post paid delivery:

- For any delivery greater than three (3) tonnes, the risk transfer shall occur prior to unloading the products;
- For any delivery under three (3) tonnes, the risk transfer shall occur once the carrier has finished unloading;
- For the products shipped outside of France, the risk transfer shall occur in accordance with the incoterm listed on the invoice. If no incoterm is mentioned, the incoterm EXW (EX WORKS version 2010 of the Incoterms) shall be applied.

5.3 Delivery arrangements

In the event of partial delivery, each delivery shall be considered as a complete business transaction. A proportional payment must be made with each partial delivery.

5.4 Delivery schedules

The standard delivery schedules for France are five (5) working days as from the date of acceptance of the order. The maximum delivery period of five (5) days is only given as an indication, as only the time periods that are mentioned in the order acceptance are considered as final. The time period is given as an indication, if it has not been confirmed by IMPEX, until the date scheduled for the delivery appointment between the Client and IMPEX. Consequently, they may not be enforceable against IMPEX prior to this date, in particular for penalties, which must be proportionate to the harm actually suffered. In the event of an incomplete fulfillment of the order by IMPEX, the Client undertakes not to unilaterally notify any price reduction to IMPEX, as this shall only be possible if there is a prior, explicit and written agreement between the parties to this effect.

The total, partial, temporary or permanent default to fulfill an order, for reasons beyond our control, and in particular, the impossibility for the company to operate under standard conditions, the lack of the necessary materials for the production, the impossibility to deliver or have the products delivered, shall not hold IMPEX liable or give rise to a cancellation or refusal of the current orders and may not give rise to a price adjustment.

The Client may not rely on a faster average delivery time period than the standard delivery period referred to above to acknowledge a late delivery.

For seasonal products and given the duration for the supplies of these products by IMPEX, for the items subject to a promotion of private label brands, the final orders must reach IMPEX three (3) months prior to the scheduled delivery date.

If this period is not respected, no penalty may be applied to IMPEX.

Depending on the request, IMPEX may not deliver the entire order, if it does not have sufficient quantities. In such situation, IMPEX reserves the right to distribute the deliveries between the different Clients, after having firstly informed the Clients in question. In such situation, the Client shall undertake not to unilaterally notify a price reduction to IMPEX, as this shall only be possible if there is a prior, explicit and written agreement between parties to this effect.

No delay in the delivery shall enable the Client to modify the payments on the agreed instalment dates. Furthermore, no delay may result in the termination of current orders or a refusal of the goods.

No penalty of any nature whatsoever and no predefined penalty which may be listed in the Client's commercial documents shall be accepted by IMPEX, unless the latter has provided its prior and written specific, negotiated approval, regardless of the reason for the penalty.

In any event, the Client may only claim compensation for his direct, material and personal prejudice which he actually suffered, confirmed and assessed by a mutual agreement with IMPEX, for which the liability is explicitly limited to 5 % of the amount of undelivered goods within the contractual conditions.

5.5 Shipment conditions

In the event of damage, delays or missing items, it shall be the recipient's responsibility to register the objections and regular reserves with the carrier, on the receipt document which he must sign and have counter-signed by the carrier or his authorized driver and to date and confirm by registered letter within a period of three (3) days, not including public holidays, in accordance with the provisions of Article L. 133-3 of the French Commercial Code.

A duplicate must be sent to your services.

Upon failure to comply with the aforementioned rules, the Client, through his own neglect, shall have made IMPEX unable to initiate any action against the carrier and consequently, IMPEX shall not be obliged to compensate the Client.

5.6 Returns - Consequences

Product returns are only authorized if they have been previously accepted by IMPEX and they must be sent post paid with the packaging necessary for home delivery (Chimilin) in original factory condition and without having been subject to any modification. The costs and risks of return shall always be assumed by the Client.

In any event, in accordance with the ordinary law, a Client complaint on all or part of the products, for any reason whatsoever, if the validity of this complaint is not explicitly acknowledged in writing by IMPEX, shall not by any means authorize the Client to take his own measures to obtain justice and withhold the payment of any invoice, whether or not related to the dispute.

In accordance with Article L. 442-6, I, 8th of the French Commercial Code, the Client shall undertake not to refuse products or to make product returns if IMPEX was unable to verify the accuracy of the objection raised by the Client.

Under no circumstances may the Client assert a claim for deduction on an invoice for a return that he made if IMPEX has not yet validated this return.

In the event of IMPEX' approval for the product return, the latter shall reimburse the Client for the return costs.

The following are non returnable: the uncatalogued items that are subject to specific production or order requests, automotive batteries, Private Label products, products deriving from promotional activities (in this latter case, a return requires the prior approval from the sales division). In the event of malfunctions acknowledged by IMPEX, the aforementioned products may be returned to IMPEX, but only after IMPEX' prior and written approval.

Concerning the returns for remanufacturing which we accept, only new items may be reproduced. Any deteriorated or incomplete item may not be exchanged or reproduced, and shall automatically be deducted from the price invoiced to the Client.

Any product return accepted by IMPEX shall give rise to a credit note for the Client, after a qualitative and quantitative verification of the products returned, in consideration for a 30% discount on the sales price. In the event of a visible defect or non-compliance of the products delivered, the Client may obtain the reimbursement for the products in question at the exclusion of any indemnity or damages.

5.7 Breakdown in supplies attributable to the Client

It is recalled that, in accordance with the ordinary law, any breakdown in store supplies, directly or indirectly attributable to the Client, his services, organization, information system, may not give rise to the application of any penalty whatsoever.

Any change in the organization of logistics and/or delivery flows and/or place and time for delivery as requested by the Client shall only be enforceable against IMPEX if it was notified to IMPEX beforehand by Registered Letter with Return Receipt Requested and if it was validated with IMPEX at the latest eight (8) weeks prior to its actual enforcement. The organization of logistics is a fundamental part of the relations between IMPEX and its Clients. If the information procedures described above are not adhered to, no logistics penalty may be applied to IMPEX.

5.8 Direct deliveries to consumers

IMPEX offers a direct delivery service to the end consumers or clients who have purchased the products on the Client's commercial website. A written agreement must be specifically concluded between IMPEX and the Client for this purpose. This specific service shall be remunerated according to the conditions defined in the service provision agreement.

In addition to the delivery to the end client's domicile, IMPEX ensures continuous updates on the order processing through the Client's commercial website.

IMPEX shall be subject to very high administrative costs, in particular with regard to the absence of a minimum amount for the orders.

Therefore, any order placed by an end client on the Client's commercial website and for which the processing and delivery are assured by IMPEX, shall give rise to the invoicing of a minimum processing charge of 3.5 €, excluding taxes, per order.

5.9 Withdrawal – Recall

In the event of a product withdrawal – recall, the Client undertakes to cooperate with IMPEX in order to ensure an optimal limitation of the risk. In the event of a product withdrawal – recall, IMPEX shall not be liable for any amount to the Client if it proven, *in fine*, that the products, subject hereof, are not by any means subject to a defect or non-compliance.

6- Title retention clause

IMPEX shall retain the ownership of the goods delivered until full payment of the price. The following means shall not be considered as payment under this provision: the issuance of a bill of exchange or other instrument creating an obligation to pay, as the payment shall only be effective upon the receipt of the amounts on IMPEX' accounts.

During the term of the reserve of ownership as a depositary, with the risks having been transferred in the conditions referred to in Article 5.2 above, the Client shall insure the goods against any risk of damages or liabilities, and in particular shall subscribe to product liability insurance. The Client undertakes to enable at any time the identification and claims for goods delivered. By express agreement, the goods in stock at the Client are considered to be related to unpaid invoices.

The Client, authorized to resell the goods delivered under standard business trading, is obliged to immediately inform IMPEX of the seizure of the goods delivered, for the benefit of a third party, which are subject to the reserve of ownership.

The Client also undertakes not to pledge or assign the ownership of the goods as collateral. In the event of a resale, he undertakes to transfer to IMPEX the receivables that he has on the sub-purchasers up to the amounts due. In the event of the non-payment of a fraction or the integrality of any of the agreed due payment dates and fifteen (15) days after formal notice by registered letter which has remained without response, in full or in part, IMPEX reserves the right to continue the fulfillment of the sale or to reclaim the goods. In the latter case, the goods must be made immediately available for IMPEX, unless the latter requests the return of the goods at the purchaser's risks and costs. This claim may be made by any means (registered letter, fax, bailiff summons, stock-taking in the presence of the parties, etc...) at the Client's costs and risk. The recovery of the goods shall not be considered as a termination of the sales agreement.

All the amounts already paid by the Client (in particular, the advances) shall remain with IMPEX as initial damages and subject to any others thereof. The provisions above do not prevent the Client from transferring the risks of losses and deterioration of the products sold such as result from Article 5.2 above.

7- Guarantees

IMPEX shall provide guarantees within the limit of those granted by the manufacturers.

The actions taken under the guarantee shall not result in an extension of the period of coverage.

The guarantee may only be implemented once IMPEX has been able to acknowledge the reality of the defect or the non-compliance resulting in the implementation of the guarantee. The guarantee may not be implemented unless IMPEX has provided prior, written approval.

Under the guarantee, the only obligation incumbent on our Company is the reimbursement or compensation at our Company's discretion. Any shipping costs shall be assumed by IMPEX.

The guarantee shall be excluded for any damage resulting from a *force majeure*, ordinary wear and tear, inappropriate use, as well as for any damages due because of accidents, negligence, repairs made by the Client or by a third party or resulting from storage conditions that are incompatible with the nature of the products, or if the conditions of implementation listed in the operating and installation manual have not been respected.

For a claim based on the non-compliance of a product to be admissible, it must be formulated in writing and sent within a period of 8 days following the date of purchase substantiated by a sales receipt. The guarantee claim must specifically define in writing the defects in question. The returns are only authorized if IMPEX has previously accepted them and they must be sent post paid and in packaging for home delivery, in original factory condition, without having been subject to any modifications.

8- Liability

In accordance with the provisions of Article 1386-15 of the French Civil Code, IMPEX declines all liability for the damages caused to items which are not used by the Client, mainly for his personal use or consumption.

IMPEX' liability may only be upheld if the Client proves a direct, material and personal prejudice which would have been due to a fault attributable to IMPEX. IMPEX may not be held liable for any immaterial damages such as the loss of clientele, loss of turnover, loss of profit margin, or a detriment to the Client's image.

9- Resale at a loss

In the event whereby a third party were to request exorbitant and/or derogatory pricing conditions from IMPEX due to the Client's practice of resale at a loss, IMPEX shall be obliged to notify the Client to cease this practice. In the event whereby the Client fails to comply, IMPEX shall be obliged to suspend its deliveries, without prejudice to any recourse to the legal provisions, or those of its Clients who fail to respect the applicable regulations and, in particular, those who resell a product in its current condition at a price lower than its actual purchase price.

10- Specific agreements

10.1 The specific conditions of sale which would be negotiated between the parties shall be stated in the business plan of the single agreement such as defined in Article L. 441-7 of the French Commercial Code.

The GTCs, including the pricing conditions communicable to Clients, not expressly modified or repealed in a derogatory agreement, are fully applicable to the business relations.

10.2 IMPEX may conclude service provision agreements with its Clients within the meaning of Article L. 441-7 of the French Commercial Code, based on the fulfillment of services by the Client for the products' promotion with the consumers or other professionals. For this purpose, it is recalled that the performance of such services by the Client must give rise to the drafting of a written agreement in compliance with the stipulations of Article L. 441-7 of the French Commercial Code and an invoice which is compliant to the provisions of Article L. 441-3 of the French Commercial Code and which specifically mentions the services rendered and the start and end dates of the services in question.

Unless otherwise agreed between the parties, the invoices are paid by all means at 60 days as from the date of the invoice.

They may not give rise to any set off whatsoever with IMPEX' sale of goods invoices.

11- Interactive terminals

IMPEX owns interactive terminals that provide product information to the consumers.

These terminals may be sold or rented to the Client in the conditions which shall be set in an agreement.

12- Intellectual property rights

The Client undertakes to respect all of IMPEX' intellectual property rights or on which IMPEX has a user and/or exploitation license for which he declares to be perfectly aware thereof. The Client undertakes not to reproduce or have reproduced, in full or in part, the trade names, designs and models, or any other intellectual or industrial property right owned by IMPEX or on which it

benefits from a user and/or exploitation right, under threat of prosecution, and/or to provide any information of any nature whatsoever to third parties enabling the total or partial replication of these rights.

The Client undertakes not to disclose any information relating to IMPEX' know-how.

The Client also undertakes not to alter the image of IMPEX' products or to use the latest graphic chart relating to the products that IMPEX may provide upon simple request.

The Client undertakes not to impair IMPEX' distinctive signs which would not be protected by an intellectual property right.

13- Force majeure

IMPEX shall be discharged from its obligations for any event beyond its control, which impedes or delays the delivery of the products, considered under the agreement as a *force majeure*.

This shall be the case, in particular, if events occur at IMPEX or at its sub-contractors, such as: lock out, strike, epidemic, embargo, accident, disruption or delay in the transport, impossibility to obtain supplies, defect in raw materials, significant change in the country's political situation where the Client is located or any other event beyond IMPEX' control resulting in the partial or total downtime at IMPEX, or at its own suppliers.

IMPEX may not be subject to any penalty in the event of the occurrence of a *force majeure*.

14 Miscellaneous provisions

14.1 The dereferencing of IMPEX products during the year, whether total or partial, and for any reason whatsoever, shall automatically give rise to the loss of profit of all the end-of-year rebates related to a product brand update, such as provided in IMPEX' terms and conditions of sale.

14.2 Furthermore, the dereferencing of IMPEX products during the year, whether total or partial, and for any reason whatsoever, shall automatically give rise to the termination of the current service provision agreements and the cessation of the payment of advances by IMPEX, which were scheduled as remuneration for said services. The service provisions already carried out shall be settled pro rata.

14.3 If IMPEX failed to respect any of the obligations towards the Client, it shall not result in the immediate cessation of all the business relations, such as the termination of current orders and/or the cancellation of sales for the products already delivered to the Client.

14.4 The fact that IMPEX does not assert at any time any of the clauses of the GTCs may not be interpreted as a waiver from subsequently asserting such clauses.

15- Jurisdiction - Applicable law and Language

15.1 Jurisdiction

By express agreement, exclusive jurisdiction for all the disputes that may arise between the parties during their business relations arising under these GTCs shall be granted to the competent courts in the location of IMPEX' registered office, regardless of their place of delivery, the means

of payment accepted, and even in the event of the introduction of third parties or multiple defendants and regardless of the procedural arrangements for the action undertaken.

15.2 Applicable law and language

The relations with the Client are governed by French law. The English version of the GTC is provided for sake of comfort only and in case of discrepancies between the English translation and the French version of them, the French version shall prevail.

16- Effective date

The GTCs cancel and replace any other previous general conditions that may be listed on IMPEX' documents or agreed by any other means.

SPECIFIC AMENDMENT

A loan for use of sales material

IMPEX develops, has produced and purchases presentation materials for its own account that are specifically adapted for the sale of certain products of its collection. This material represents, in addition to its current value, a significant research and development value. It offers IMPEX' proposition an originality and a distinct and appreciable competitive advantage, which enables the significant development of sales for IMPEX' products.

IMPEX makes this sales material available for its Clients free of charge, on the strict condition that it is solely used for sales in stores of the products provided by IMPEX for which it was specifically intended, at the exclusion of any other product.

Since this concerns the loan for use of material governed by Articles 1875 *et seq.* of the French Civil Code, IMPEX reserves the right to recover the material if the supply of products by IMPEX for the products in question were to cease for any reason whatsoever.

The use of the material for other products than those provided by IMPEX shall result in the immediate termination of the loan agreement, without any notice period.

The material is owned by IMPEX. It is non-transferrable and not distrainable. It may not be used as a pledge for the Client's creditors, even in the event of legal redress or compulsory liquidation. The Client must ensure that the material is kept in proper condition and shall be responsible for damages of any kind that could occur to such material or which may be caused by this material.

In the event whereby a Client expressed his intent to keep this material, even in the absence of the products that were usually provided by IMPEX, this material would be invoiced by IMPEX at a price net of any discounts listed on the applicable tariff schedules.