



GENERAL TERMS AND CONDITIONS OF SALE

(January 2013 Edition)

These general terms and conditions of sale (**GTCS**) shall be applicable to the offering, manufacture, sale and delivery of products and services (herein both separately and jointly referred to as the **Products**) by any affiliated company of the Albéa Group (hereinafter referred to as **Albéa**). The issuance of a purchase order or acceptance of Albéa's quotation by a customer (herein, the "customer") shall be construed as an acceptance of the present GTCS and as a waiver by the customer of its right to enforce its own general terms and conditions of purchase notwithstanding any language in the customer's purchase order or acceptance of a quotation.

The GTCS may only be amended if the modifications are made in writing and executed by Albéa and the customer. No course of dealing between the parties shall be effective to amend or waive any provision of the GTCS.

Failure by Albéa to enforce at any time any provision of these GTCS shall not be construed as a waiver of Albéa's right to act or to enforce any such term or condition and Albéa's rights shall not be affected by any delay, failure or omission to enforce any such provision.

The customer acknowledges that it has read and understood these GTCS prior to issuing a purchase order.

1. Finalization of contract

All sales of the Products are final, and except as otherwise set forth herein, may not be exchanged or returned for a refund. Purchase orders issued by the customer are subject to the prior written approval of Albéa. In no event shall Albéa's commencement of performance of the customer's order be construed as tacit acceptance of the terms of such order.

All information, specifications and all prices appearing in Albéa's catalogs and/or documentation, including any quotation, shall be provided for information purposes only, and shall be binding on Albéa solely in accordance with the customer's order duly accepted by Albéa.

Unless otherwise provided in the written acceptance of the order, the studies and recommendations provided to the customer shall not be incorporated by reference into the order. The customer shall verify for itself such studies and recommendations, and shall ensure, prior to the design and manufacture of the product or performance of the service, that the Product is compatible with its contemplated use, if need be by appropriate testing. Albéa's sole warranty is set forth in Section 8.

The customer shall be solely responsible for obtaining in a timely manner, any permits, authorizations or other legal requirements required for, inter alia, importation exchange control, importing the Products into the country of delivery, or for payment of the Products sold, and the customer shall so inform Albéa in writing upon receipt or performance of such permits, authorizations or other legal requirements.

2. Tooling

Unless otherwise provided in the written acceptance of the order, tooling (equipment, machines, molds, prototypes, etc.) shall remain Albéa's property as an integral part of its production resources and intellectual property, even in the case where the customer makes a financial contribution and/or in the case where it contributes to the definition of the specifications. Any contribution by the customer to cover all or part of the cost for producing the tooling shall in no event result in the transfer of the ownership of such tooling to the customer, and shall not authorize the customer to ask for the transfer of such tooling to another supplier without Albéa's prior written consent. Nor shall such contribution limit Albéa's production of products with such tooling for other customers. Only Albéa's name shall be marked on the tooling.

Unless otherwise provided in the written acceptance of the order, when tooling is provided by a customer or when it is expressly agreed in writing, as an exception to the previous paragraph, that such tooling shall be produced for a customer and shall belong to such customer and the invoice for such tooling is paid by such customer, the tooling shall remain or become the customer's property. The customer shall be liable for all costs and expenses (development, repairs, modifications and restorations, duties, taxes, etc.) relating to the tooling and the customer shall be invoiced for all such costs and expenses, if any. Such tooling shall be kept in Albéa's premises and Albéa shall perform maintenance on it and keep it in operable condition in relation to its service life and its specific characteristics as stated and agreed in writing at the time of its delivery by or for the customer. Such tooling must be properly insured by the customer against damage to it or its destruction. The customer waives all rights of recourse against Albéa and its insurers on such basis and shall require its insurers to waive such rights of subrogation against Albéa. Tooling which is the property of the customer shall be returned solely at the expiration of the order related to the relevant Products, upon the customer's written request, with all associated costs paid by the customer, and after payment, by the customer, of all amounts due to Albéa (regardless of the due date of such amounts).

3. Delivery

The delivery dates provided by Albéa shall always be provided for information purposes only. Delays in such delivery dates shall not give the customer any right of cancellation or termination of the corresponding order(s), nor any compensation or penalties. Such delivery dates and time periods shall be automatically extended in the case of delays due to a force majeure event in accordance with the terms of Article 7 hereunder, as well as in the case of late payment as provided in Article 4.2 hereunder. Unless otherwise provided in the written acceptance of the order, deliveries shall be made in accordance with the customary tolerances generally accepted in the industry sector. Unless otherwise provided in the written acceptance of the order, Albéa reserves the right to require the customer to accept delivery of all ordered Products in a single delivery.

Unless otherwise provided in the written acceptance of the order, the Products shall be delivered in its standard packaging. Albéa shall not be liable for any damage caused by inadequate packaging if such packaging has been requested or accepted by the customer or if the customer has not provided specific transportation instructions to Albéa in writing.

The customer shall not alter or modify in whole or in part the packaging, markings, numbers and contents of Albéa's Products as they exist on the date of delivery, and shall not use any Products which may have undergone such alteration or modification. Violation of this provision will void any warranty of Albéa.

The Products shall be transported at the customer's risk, even in the case where shipping is undertaken at Albéa's expense. The customer shall reserve all rights of recourse against the carrier in the event of missing goods, damage, delays, etc., and shall take all measures and perform all legal requirements that may be necessary in a timely manner to make any claim against the carrier, but waives any claims against Albéa.

Unless otherwise provided in the written acceptance of the order and notwithstanding the retention of title clause in Article 5 hereunder, the costs and risks related to the Products (including the risk of loss or destruction) shall be transferred to the customer EXWORKS (ICC Incoterm 2010) Albéa's warehouse or production facility. Upon delivery, the customer shall insure the Products, for itself and for the benefit of Albéa, against all risks to which the Products may be subject or which the Products may cause.

The customer shall promptly, and in any event prior to utilization/use/transformation of the Product, inspect the Product shipments for any damage to packaging, shortage or non-conformance to the specifications. All claims for damage to packaging, shortage or non-conformance which could reasonably be discoverable in the course of such investigation shall be waived unless the customer notifies Albéa in accordance with Article 8.

The customer shall immediately advise Albéa in writing, by registered or certified mail with return receipt, of any lien, claim, or legal actions (such as inter alia any seizure by a third party) which may affect the retention by Albéa of title in Products sold, as described in Article 5.

If the Products are subject to export restrictions (legal or contractual), the customer undertakes not to sell, provide or deliver to a third person, with or without remuneration, temporarily or permanently, the Products (including supplies and replacement parts delivered under the warranty), the documentation, the specifications and the information however related to the Products, without the prior written consent of Albéa and/or appropriate governmental authorities concerned.

4. Price - Terms of payment

4.1 Price:

The price of the Products shall be established based on Albéa's written quotations. Orders shall be based on the quotations applicable on the order date. The price established in the written acceptance of the purchase order may be modified by Albéa until the date of delivery or performance if one or more factors having been used to establish the price undergo a change, even if such change was foreseeable at the time of the quotation. These factors include but are not limited to: raw materials and components, wages, salaries, social security contributions, governmental charges, freight costs and insurance premiums. Seller shall notify the customer of such increase.

Notwithstanding the foregoing, Albéa's prices and rates shall be updated at least one (1) time per year.

Unless otherwise provided in the written acceptance of the order, all the prices of the Products shall be deemed "Ex works" (ICC Incoterm 2010), excluding duties and taxes.

The customer will pay all taxes and duties, except income taxes of Albéa that are increased or levied, now or in the future, in connection with the manufacture, sale, transportation, use or disposal of the Products.

If a rebate or discount is agreed to, it shall only be applicable if the customer has strictly and completely complied with all its contractual and legal obligations with Albéa.

4.2 Payment:

Unless otherwise provided in the written acceptance of the order, the customer shall make payments within thirty (30) days of the invoice date in immediately available funds deposited in Albéa's bank account, by wire transfer, to the bank and the place indicated by Albéa.

For all export customers, unless otherwise provided in the written acceptance of the order, payment shall be by an irrevocable documentary letter of credit duly confirmed by an approved bank of Albéa, irrespective of the method and the place of delivery.

The payment shall not be subject to any set-off. Unless otherwise provided in the written acceptance of the order and/or stated in the invoice, the prices of the Products shall not be subject to any discounts or rebates by Albéa. Payment shall not be withheld, delayed, conditioned or interrupted for any reason whatsoever.

Without prejudice to any other remedies or rights of recourse available to Albéa, all amounts unpaid on the due date shall result in the immediate cancellation of any term of payment, with the entire amount becoming due immediately, and such amounts shall bear interest for each day of delay at the rate of eight percent (8%) per annum or the applicable statutory rate, whichever is lower and, to the extent permitted by applicable law, without prejudice to any damages that Albéa may claim. Such late payment interest shall begin to accrue as of the first day following the date on which such amounts are due, without prior notice. Any delay in payment shall lead without further action and without any further notice by Albéa to a charge of thirty five (35) euros payable by the customer as compensation for collection costs. The customer shall also pay all reasonable collection costs of Albéa, including reasonable legal fees and costs. The customer shall not claim any return under the warranty in order to suspend payment of the Products. In addition, in case of late payment, Albéa shall be entitled (i) to suspend the performance of all its obligations, (ii) to terminate, by operation of law, all pending orders with such customer within eight (8) days of receipt of a formal request for payment sent to the customer by registered or certified mail with return receipt, and (iii) to demand that the customer return the Products, at its own risk and expense or retake possession of all Products and all documents related thereto on the customer's premises, without notice. In the case of subsection (ii) of the previous sentence, the customer shall be liable for the payment of all expenses and disbursements (including the shipping expenses) incurred by Albéa in retaking possession of the Products. Albéa shall also be entitled to request immediate payment of all other invoices, which shall become due as a result of such delay, with immediate effect, upon notice by registered or certified mail with return receipt, and without prejudice to any damages Albéa may claim from the customer.

Under such circumstances, Albéa shall be entitled to require immediate payment in cash on the date of issuance of any new orders or prior to delivery of all new deliveries.

Albéa shall always have the right to set-off amounts it owes to the customer against amounts due by the customer to Albéa.

5. Title retention clause

Albéa shall retain the full and exclusive ownership of the Products until payment of all amounts due, in principal and interest. Until full payment, the customer must take all necessary measures to (i) ensure that the Products delivered are stored in proper conditions and are clearly identified as Products belonging to Albéa, such as to identify them and so that they cannot be confused with products from other suppliers, (ii) protect Albéa's rights over such Products, and (iii) immediately inform Albéa of any third-party claim related to such Products. The Products shall not be transferred, resold, pledged, or, more generally, subject to rights granted to any third parties.

6. Compliance with regulations – Information

The customer, having accepted the Products' technical specifications, acknowledges having full knowledge of the design and properties of such Products and of the potential dangers associated with the Products. The customer shall perform all necessary controls and verifications to the Products. The customer shall be solely responsible for compliance with the regulations in force related to the importing, marketing and use of the Products in their countries of delivery. The customer shall be solely responsible for providing appropriate warnings and information to its customers and end consumers as to the use of the Products and/or their potential dangers and any consequences which may result therefrom.

7. Force Majeure

Albéa shall not be liable for any breach of its obligations in the event of a force majeure event hindering, preventing or delaying performance of such obligations. Any natural disaster, storm, fire, flood, earthquake, accident, interruption of services, strike (including a strike affecting Albéa's suppliers), lock-out, interruption and/or delay in loading or transportation, energy black-out, embargo, trade prohibition, shortage of raw materials, and/or components, disruption of supplies including but not limited to the supply of raw material, components, energy or equipment, including the failure of the suppliers that supply Albéa, boling accidents, sabotage, intervention of civil or military authorities, acts of war, declared or undeclared hostilities, terrorist act and riots, shall, inter alia, be considered force majeure events.

Albéa shall promptly notify the customer in writing of any force majeure event affecting the performance of the order. In such case, Albéa's obligations shall be suspended, performance time schedules shall be extended and the order shall remain in effect.

In the case of a force majeure event lasting more than three (3) months, any party may automatically terminate the affected order, with immediate effect, by registered or certified mail with return receipt. The customer shall be required to take delivery and to pay for all Products manufactured until the date of termination and to compensate Albéa for all such costs and expenses already incurred in accordance with Article 9 hereunder.

8. Warranty

8.1 Warranty:

The provisions relating to the warranty hereunder shall be in lieu of all implied warranties provided by statute, common law or otherwise, to the extent permitted by law.

Albéa warrants, on the terms and conditions defined hereinafter, that the Products shall comply with the contractual specifications, within the customary tolerances generally accepted in the industry of Albéa.

The customer shall provide notice in writing to Albéa of all claims under the warranty for apparent defects, prior to any utilization/use/transformation of the Products and, in any event, within a maximum period of fifteen (15) days following delivery. The customer shall provide notice in writing for all other claims under the warranty for all non-conformities and defects, other than apparent defects, and subject to any other provision hereof, within a period of six (6) months from delivery to the customer. In either event, the customer shall provide notice in writing to Albéa of such claims within five (5) days following the discovery of the non-conformity or defect. Albéa shall have no liability under this warranty if customer fails to give notice within the applicable time periods.

Products shall be deemed defective in the event the defect is reproduced by Albéa during an examination of the products, it being understood that the non-conformity shall be determined by reference to the corresponding contractual specifications.

If Albéa, in its sole discretion, confirms such non-conformity or such defect, Albéa shall then either (i) repair the non-conforming Products, at its own expense, or (ii) replace the Products, at its own expense, or (iii) refund the customer on a pro rata basis of the defective Products. The choice between a refund, replacement or repair of the Products acknowledged to be defective, shall be at the sole discretion of Albéa, depending on the nature of the event triggering the warranty. The repairs or replacements performed pursuant to the warranty shall not extend the period of such warranty, as provided above. THE CUSTOMER'S EXCLUSIVE REMEDY FOR ALL CLAIMS ARISING UNDER THIS WARRANTY ARE LIMITED TO REFUND, REPLACEMENT, OR REPAIR OF THE PRODUCTS AS STATED IN THIS PARAGRAPH.

The customer must institute legal action against Albéa within two (2) years after any claim arises and thereafter all claims shall be barred notwithstanding any statutory period of limitations to the contrary. Albéa shall have no liability for a refund, replacement or repair of defective Products, unless the customer returns to Albéa the defective Products or provides proof of destruction of the defective Products (and within sixty (60) days of the refund, replacement or repair, permits Albéa to verify disposition of defective Products).

The customer shall comply with the instructions by Albéa regarding inter alia the storage or use of the Products, and the customer shall inform its own customers or subcontractors of such terms. If the customer does not comply with such terms or provide such information to its customers, Albéa shall have no liability under this warranty for any loss or damage of the customer or any third party. The customer assumes all risks and liabilities resulting from the use of the Products.

The following defects and non-conformities shall be specifically excluded from the benefit of the warranty:

- defects due to a failure to comply with Albéa's specifications and instructions,
- defects due to normal wear and tear,
- defects due to transportation or means of transportation used,
- defects due to storage conditions,
- defects resulting from alteration of the Products or their use by the customer or by a third party without Albéa's prior, written consent,
- defects which did not exist at the time the Product was delivered to the customer,
- defects in a Product which was not intended for sale or for any other form of distribution,
- defects attributed to the design of the final product incorporated into the Product or into which the Product was incorporated, or to the instructions to the final Product's manufacturer;
- non-conformity resulting from the application of mandatory legal or regulatory rules,
- defects reasonably unknown given the state of the scientific and technical art at the time of manufacturing.

Albéa shall not bear any responsibility or liability for any product not manufactured by Albéa, such as inter alia other components used by the customer. More specifically, Albéa shall not be liable when the failure of one of its Products is caused by other components with which the said Products are combined by the customer.

THE FOREGOING WARRANTY IS ALBÉA'S SOLE WARRANTY WITH RESPECT TO THE PRODUCTS INCLUDING, WITHOUT LIMITATION, PRODUCT QUALITY AND PERFORMANCE, AND ARE MADE EXPRESSLY IN LIEU OF AND EXCLUDE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER EXPRESS OR IMPLIED REPRESENTATIONS AND WARRANTIES PROVIDED BY STATUTE, COMMON LAW OR OTHERWISE.

The customer shall be liable vis-à-vis Albéa and shall compensate Albéa for all consequences resulting from all claims by third parties related to the Products when such Products were supplied in compliance with the Products' technical specifications.

8.2 Limitation of liability:

The total cumulative liability of Albéa for all claims arising out of the offering, manufacture, sale and delivery of the Products (including, without limitation, breach of warranty, negligence, strict liability and tort) for any calendar year shall be limited, whatever the cause(s) to a total maximum amount equal to five (5) % of the total payments (VAT excluded) made by the customer during the six-month period preceding the date of the claim; if such claim is related to specific type of Product, the applicable limit of liability shall be based upon the payments (VAT excluded) of the customer for that type of Product during the six (6) month period preceding the date of the claim.

In no event and under no circumstances shall Albéa be liable for any losses, liabilities and other consequential, incidental, indirect and/or immaterial costs, damages and other financial losses, or losses of use or damage to reputation, and whether arising out of or in connection with breach of warranty, breach of contract, misrepresentation, negligence or otherwise.

9. Cancellation or termination of orders – Transfer of orders

9.1 Cancellation or termination of orders:

The cancellation or termination of all or part of any order shall be subject to Albéa's prior written consent. In the case of cancellation of all or part of any order, the costs and expenses already incurred by Albéa and its subcontractors, such as inventories of finished and semi-finished products already manufactured or which are currently being manufactured, and inventories of components purchased, shall be fully paid by the customer.

9.2 Transfer of orders:

The identity of the customer is material to its decision to accept an order. As a consequence, no orders may be assigned or transferred, in whole or in part, by the customer, to anyone in any manner and on any basis, without Albéa's prior written consent. Albéa shall be entitled to freely subcontract orders placed by the customer with any third party of its choice and shall be freely entitled to transfer the orders placed by the customer and the rights and obligations related thereto to any of its affiliated companies, subject to a reasonable prior written notice to the customer.

10. Intellectual and industrial property

The plans, designs, drawings, molds, photographs, production schematics, models, technical and commercial bills of material, recommendation documents, test results, catalogs, brochures, manuals, patents, models and designs, notes and, more generally, all documents and all written or oral information (collectively, "Intellectual or Industrial Property") disclosed to the customer, are and shall remain the property of Albéa. As a consequence, the customer shall refrain from using, disclosing or duplicating such Intellectual or Industrial Property without Albéa's prior written consent.

Any transfer of Albéa's Intellectual or Industrial Property rights or know-how to the customer, or any rights of the customer over designs and models incorporated into the Products developed by Albéa shall be non-exclusive and shall not prevent or restrict the rights of Albéa to manufacture products for other customers using such Intellectual or Industrial Property rights or know-how.

The customer will own or have a right to use pursuant to a valid and enforceable written license or agreement any drawing, model, mold, patent, specification or other Intellectual or Industrial Property necessary to authorize Albéa's use, implementation, or retention of customer-supplied Intellectual or Industrial Property in the manufacture of any Products. The customer shall promptly notify Albéa of and will consult with Albéa on a continuing basis concerning (a) any demand or claim made or asserted or any lawsuit or other legal action filed against the customer or any of the customer's affiliates, alleging that any customer-supplied Intellectual or Industrial Property violates, infringes or misappropriates any patent, trade secret or other intellectual property right of any third party or (b) the customer becoming aware of the occurrence of any event, including the issuance of any patent, that could reasonably be expected to increase the likelihood that a demand, claim or allegation will be made or asserted that any customer-supplied Intellectual or Industrial Property violates, infringes or misappropriates or may violate, infringe or misappropriate any patent, trade secret or other intellectual property right of any third party.

11. Severability

In the event that any provisions of these GTCS and/or of the Agreement are declared to be unenforceable, the other provisions shall continue in full force and effect.

12. Governing law – Jurisdiction – Venue

The validity, construction and performance of any contract for the sale of Products shall be governed by and construed and enforced in accordance with the laws of the state of New Jersey, without regard to its conflict of law rules. The United Nations Convention on Contracts for the International Sale of Goods, adopted in Vienna (Austria) on April 11, 1980, shall not be applicable to any sale of Products.

The customer and Albéa shall first attempt to settle any dispute through consultation and negotiation in good faith in a spirit of mutual cooperation. All disputes which cannot be resolved amicably shall be brought in any State court in New Jersey or the United States District court for the District of New Jersey and each of the parties accepts the exclusive jurisdiction of such courts in connection with this Agreement, provided that Albéa shall always have the right to bring any action or proceedings against the customer in any court of competent jurisdiction where the customer has its principal place of business.

Nothing in this Section 12 shall be construed or interpreted as a limitation of the right of either the customer or Albéa under applicable law to obtain injunctive or other equitable relief or to preserve a remedy which might be barred by time or other reason.

13. Waiver of JURY Trial.

ALBÉA AND CUSTOMER ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE. BUT THAT IT MAY BE WAIVED. EACH OF ALBÉA AND CUSTOMER, AFTER CONSULTING (OR HAVING THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS CHOICE, KNOWINGLY VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO ANY PURCHASE ORDER OR ANY OTHER DOCUMENT PERTAINING TO ANY PURCHASE ORDER.

14. Continuing Obligations.

These GTCS will survive expiration, non-renewal or termination of the purchasing relationship between customer and Albéa.

15. Independent Status

Nothing in the GTCS shall make either Albéa or the customer the legal representative or agent of the other, nor shall either party have the right or authority to assume, create or incur any liability or obligation of any kind, expressed or implied, against, in the name of, or on behalf of the other party.

16. Notice

Any notice or other communication to Albéa shall be in writing and shall be deemed to have been given (a) on the date of delivery if delivered personally, (b) on the business day after dispatch if sent by recognized overnight delivery service, (c) on the date of transmission if sent by facsimile transmission or e-mail, provided that a confirmation copy is sent no later than the next business day by a recognized overnight delivery service.

17. Indemnification

The customer shall indemnify, defend and hold Albéa and its subsidiaries and affiliates and their respective officers, directors, employees, agents and representatives harmless to the maximum extent permitted by law from and against any and all claims, losses, damages, costs, expenses or other liabilities, including without limitation, reasonable attorney's fees arising out of or relating to (a) actual or alleged injury to any person (including death) or property to the extent caused in whole or in part by the negligence of the customer, (b) use by any person of the Products manufactured in compliance with the specifications and incorporated in goods made or distributed by the customer, (c) non-fulfillment or breach by the customer of any provision of the GTCS, and (d) any allegation that customer-supplied Intellectual or Industrial Property infringes, violates or misappropriates any patent, trade secret or other proprietary or intellectual property right of any third party.

18. Application of the General Terms and Conditions of Sale

These GTCS shall be applicable as of January 1, 2013 to all orders received from customers after that date, and shall replace the GTCS previously in force.