

OUR GENERAL SALES AND DELIVERY CONDITIONS

I – GENERALITIES AS OF 28/06/10

The following general conditions are non-negotiable and to be strictly observed.

They are applicable to all sales, except where a specification is made expressly to the contrary, which is valid for the sole special case concerned.

They are considered as accepted by the buyer as a result of the order placed by him, irrespective of his own purchase conditions.

Verbal agreements or those made over the telephone are not valid until they are confirmed in writing.

II - OFFER – PRICE QUOTATION - SALE

1°) Unless stipulated in writing and to the contrary, all our offers are only valid for a duration of fifteen days starting from the day on which they are sent out and are understood as being so unless a sale is achieved in the meantime.

Our prices are indicative only, and no commitment is given as to the duration of their validity.

They may be modified at any moment in the event of a change in the nature and/or rate of fiscal taxes, of the cost of labour, materials or transport, and in general for any modification to our cost prices, even in respect of fixed rate deals.

Samples are only provided on an indicative basis in respect of the product, without any guarantee of strict conformity of to the item delivered.

2°) All undertakings, and also those given by our representatives or our sales offices, shall only become binding after our ratification in the form of a written confirmation sent by our Head Office, which is the sole authority for determining the existence and conditions of the market or the order.

III - DELIVERY

1°) If the buyer makes an order without indicating how the shipments are to be staggered, he will take delivery of the goods in monthly batches of approximately equal quantity, spread out over the whole delivery period. If when making an order, the buyer has reserved the right to set the dates of delivery and the part batches to be delivered, he is required to provide the necessary instructions within four weeks at the latest after receiving a request from the seller within a time period to be agreed with the seller.

The seller is only required to effect delivery once he has accepted the suggested time frame.

2°) If he has not received in time the details regarding the schedule requested by the buyer, the seller will be entitled to spread out his deliveries in accordance with the conditions indicated above, or to terminate the contract.

The stipulations of paragraphs 1 and 2 of this article apply equally should other details to be supplied by the buyer be lacking.

3°) Our goods are always sold as picked, accepted and delivered into our warehouses or workshops, in the factory, yard, on road vehicle or wagon, ex-works, even if they were sold as franco, the expression franco indicating only that we pay the transport costs without assuming any responsibility, even if we have taken out insurance to cover the transport risks.

4°) We consider the goods as delivered as soon as they leave the factory or the shop or from the moment the buyer has been informed that the goods are available and ready for dispatch.

5°) The delivery shall only be considered delayed from the moment when the buyer has given the seller a final demand to deliver.

The buyer may then suggest extending the period initially agreed by a reasonable extra amount which will be a minimum of two months. In the event of this extended period being exceeded the buyer shall have the right to release himself from the contract in respect of the part of the goods which has not been sent by the seller.

6°) Force majeure: we reserve the right to suspend, delay, modify or cancel the execution of the orders in cases of force majeure or unexpected events beyond our control, which may delay, prevent or render economically exorbitant the execution of our obligations within the conditions and time periods agreed. The following, notably, and in line with accepted practice constitute force majeure or an Act of God thus releasing our company from its obligations without possibility of recourse on the part of the buyer: accidents (fire, flooding, damage to machinery) affecting the production or the storage of our products, the interruption either partial or total of the supply of raw materials, equipment or energy the cause of which may not be attributed to our company, the failure of the transporter, strikes or industrial action of any nature, administrative decisions, actions of third parties, war.

7°) If the buyer does not take possession of the goods within the agreed time period, the seller will be entitled to revise the price of these goods.

IV – PAYMENT TERMS

1°) All goods are payable 30 days after receipt. No discount is given for payment in advance, except under special conditions.

2°) The payment of our invoices is always to be done at Saint-Clair-de-la-Tour, whatever the place of delivery. Our drafts or acceptances of payment do not constitute any exemption to this attributive jurisdiction clause. The seller shall incur no responsibility with regard to the buyer as a result of the presentation, the protest or the cashing of banker drafts and cheques not being effected in good time and in due form.

3°) The payments shall only be considered as having been made as and when the seller can freely access the amount invoiced in a bank within his country.

4°) If the payment due from the buyer is delayed by more than a week or if a cheque drawn by him is not honoured, the total of the sums due from the buyer to SAINT CLAIR TEXTILES for whatever reason will be required to be paid immediately.

5°) Furthermore, in accordance with article L.441-6 of the code of commerce, failing payment on the day after the payment date which appears on the invoice, the buyer shall be liable for a penalty calculated by applying interest at a rate equal to 15% per annum to all the remaining sums.

6°) We reserve the right to suspend any delivery and/or to terminate any deal or order, in cases where payment of the previous deliveries has been delayed, where there have been refusals of draft acceptances or there has been a payment default at the due date of payment. If the buyer has been ordered by the seller to settle a debt which has become due and if he does not settle the debt within the time period set by the order, the seller shall be able to release himself from the contract without prejudice to his contractual rights and without having to grant a new payment deadline.

He shall also be within his rights to demand the return of the goods without having to terminate the contract.

7°) In cases of partial or staggered deliveries, the seller is entitled to demand, as he sees fit, payments in advance or sufficient guarantees in respect of the remaining shipments should the buyer not have fulfilled his payment obligations stemming from previous shipments.

8°) Clauses 4, 6 and 7 of this text shall also apply in the event of any serious doubt concerning the solvency of the buyer; this would thus be notably the case where the financial situation of the buyer excludes him from all or part of the guarantees of our Credit Insurance.

9°) Payments are always considered as applicable in the first instance to interests on late payments, and then to the oldest debt.

The sums payable may under no circumstances be able to give rise to a deduction or compensation.

10°) In the event of the buyer's death, the winding up of his company, its collapse, enforced liquidation or insolvency, we reserve the right and this without having to issue a final demand, to either require all guarantees that we deem appropriate, or to cancel purely and simply the orders and deals in progress.

11°) The expenses which were not effectively taken into account when the contract was concluded, such as the related duties and taxes, transport and insurance costs, are the responsibility of the buyer.

The additional expenses arising from any special requests from the buyer are also the responsibility of the buyer.

12°) The taxes on sales turnover are paid by ourselves according to the debits effected. In the eventuality of a discount being calculated for a payment up front, it is understood that because the deduction is subtracted from our turnover, the corresponding taxes will be returned by the beneficiary customer.

13°) In the case of a fluctuation of more than 3% in the official exchange rate between FRANCE and the destination country for the goods, the buyer and the seller shall be entitled to terminate the contract for deliveries which have not yet taken place. For deliveries that have already taken place, the seller has the right to require the buyer to pay an amount expressed in Euros and which represents the value of the goods at the date of signature of the contract in that country's currency.

V - CLAIMS

1°) No return of the goods shall be accepted by ourselves without our prior agreement duly confirmed in writing, irrespective of the reasons given by the customer.

2°) The seller will only accept claims or other complaints when it is a question of goods sold as being of top quality with the exception of canvasses (textiles) known as "Special collection".

3°) Bearing in mind the provisions of the paragraph 2 beneath, any claim for defects or faults must be made in writing and at the latest 15 days after the receipt of the goods. It must be accompanied by receipts of purchase, samples, packing lists, numbers of packages, etc. For any claim made after the expiry of the claim period or if the goods delivered have been processed or transformed in one way or another, the buyer shall lose all rights against the seller. In the event of a hidden defect, the claim must be notified immediately after the fault was discovered. The buyer will then have to prove that there is indeed a hidden defect. In any case the right to a claim expires three months after the receipt of the goods. If the goods have been transformed, processed or sold on in whatever way and after the buyer has discovered or should have discovered a hidden defect, the buyer shall forfeit all right to any claim.

4°) If, bearing in mind the aforementioned, the claim is adjudged to be admissible and justified, the buyer may request a refund for the goods without however being entitled to demand either damages and interest, or reimbursements for the costs of transformation or other processes; this possible refund may only be made on the basis of the original invoiced price and after the goods which are recognised as being non compliant have been returned.

5°) All obligation upon the seller is suspended should the buyer withhold any payment whatsoever or seek compensation without the prior agreement of the seller.

6°) All indications given in respect of the quality, chemical composition, physical features and properties of the goods sold, are given for informational purposes only and do not in any case imply any guarantee whatsoever from our side, unless otherwise expressly stipulated. The advice we give, notably in terms of technical application, is based on our experience and the best of our knowledge, but is only given as an indication and without any guarantee. It is incumbent, notably upon the buyer, if need be by carrying out tests beforehand, to check the conformity and the reliability of the goods received. The buyer is solely responsible for ensuring that products are appropriate for the use which he intends for them.

7°) REACH : We make every effort to ensure that our suppliers respect the obligations incumbent upon them in respect of the regulation CE n° 1907/2006 concerning the registration, assessment and authorisation of chemical substances as well as the restrictions applicable to these substances (REACH), and we send the buyer all the information and documentation given to us by the suppliers concerned. It is expressly agreed that the obligation of our company in respect of REACH is only in terms of resources. Our company shall not be held responsible for the integrity and accuracy of the information received from its suppliers and the customer shall under no circumstances be able to invoke its responsibility in respect of a breach of the REACH regulation by its suppliers.

VI – TECHNICAL ASSISTANCE

The seller, shall as his resources allow him to do so, offer free technical advice for processing the goods. However, the seller shall assume no responsibility for the results obtained based on the advice given.

VII - RESALE

The export of our goods is forbidden except where our formal agreement is given.

VIII – BRAND NAMES

The buyer is only authorised to use, for products manufactured with the goods delivered by the seller, the brand names under which the goods in question are delivered to him, if he has received written prior authorisation from the seller.

IX – APPLICABLE LAW AND COURT OF JURISDICTION

1°) At the request of the seller, the buyer is required to support all measures which may be necessary for the safeguard of the seller's rights. All disagreements resulting from this contract are subject to the Court of competent jurisdiction of the registered address of the seller or if the seller alone prefers it, to that of the registered address of the buyer.

2°) Should certain clauses of this contract or sales and delivery conditions be contrary to the legal and regulatory provisions of the country of destination, none of the other clauses shall lose any of their validity.

RETENTION OF OWNERSHIP CLAUSE

The parties jointly agree that the goods referred to in this document will remain the PROPERTY of the Company SAINT CLAIR TEXTILES until full payment of their price by the buyer and this, even in the event where the delivered product has been transformed, the retention of ownership clause shall then apply to the transformed product.

Any risk incurred in respect of the goods is, upon delivery, for the account of the buyer who becomes responsible for it.

In the event of resale by the buyer, either in its original state or after transformation, the buyer must transfer to the Company SAINT CLAIR TEXTILES the price paid by the sub-buyer which shall be up to the value of the goods.

The Company SAINT CLAIR TEXTILES remaining the owner of the goods until full payment of the price, it is expressly agreed that the buyer shall not be able to grant any transfer of ownership of whatever nature without the formal agreement of the Company SAINT CLAIR TEXTILES.

In the event of non-payment of the price at the agreed dates, the Company SAINT CLAIR TEXTILES remaining owner of the goods will be able at any moment and with the express agreement between the parties, to immediately repossess its goods wherever the goods are located, it being pointed out that, in this case, the Company SAINT CLAIR TEXTILES will be able to cancel the sale as it sees fit and by simple notification, sent by registered post with proof of delivery.