

General Terms and Conditions of Purchase

1. General

1.1. These General Terms and Conditions (hereafter "GTC") constitute the sole agreement applicable to HL Display's purchases and HL Display (hereafter "HL") expressly excludes the application of any general terms of sale of the Supplier as well as any document issued by it in relation to HL's order. These GTC are applicable to all HL's purchases, whether equipment, spare parts, finished goods, raw materials or any other goods or services (hereafter, whether individually or collectively, "Supplies").

1.2. These GTC may only be modified by a written statement signed by the Purchasing Department of HL. This latter expressly excludes any provision to the contrary made by the Supplier in particular all provisions as may be set out in the Supplier's own terms and conditions of sale, unless otherwise agreed in writing.

1.3. All exchanges of communication between HL and the Supplier must be in writing, unless otherwise agreed in writing. Other methods of communication must first be expressly accepted in writing by HL in order to render such communication enforceable.

2. Orders and Acknowledgement of Receipt

2.1. Unless otherwise agreed in writing by HL, all purchase orders (hereafter "Orders") made by HL must be communicated by an Order Form issued by HL's Purchasing Department. HL can only be bound by such Order Form and it expressly excludes the possibility of any contractual relationship resulting from oral dealings. The term "Orders" is to be construed in the following exhaustive manner: Blanket orders; Spot orders; Any amendment to the aforementioned orders.

2.2. The Supplier shall acknowledge receipt of the Order within 2 (two) calendar days as of the date of issue of the Order Form by email or fax. Where no such acknowledgment of receipt is issued, the silence may be considered ipso facto an implicit reject of the terms of the Order.

2.3. By acknowledging receipt of the Order, signing the HL Order Form, performing the Order or delivering the Supplies ordered the Supplier acknowledges the present GTC without reservation and accepts their precedence over its own conditions of sale. Under no circumstances does the acquiescence of HL constitute acceptance of the Supplier's conditions of sale.

2.4. Where any of HL's Clients, on behalf of whom the Order has been placed subsequently decides to cancel or reduce its order, HL reserves the right to reduce by the same amount or alternatively to cancel their own Order without any damages accruing to the Supplier.

3. Compliance

3.1. All Supplies delivered must conform to all relevant requirements, notably all Directives, laws, regulations and accepted standards in force in the Member States of the European Economic Area, in particular with regard to health and safety and protection of the environment. Any instance of non-compliance must be notified by issue of a "notice of noncompliance" by the Supplier before delivery together with a request for exceptional permission to deliver. The Supplier agrees to indemnify HL against any proceedings resulting from the breach of any of the above requirements and undertakes to indemnify the same for all financial and other consequences.

3.2. All trade standards and state of the art must be observed at each stage of the research, development or manufacture.

3.3. Subject to the provisions of clause 3.2, the Supplies shall conform to all drawings and specifications, and, where any details have not been so specified the Supplies should conform to the samples initially approved by HL. No technical modification, even minor, shall be made without the prior consent of HL which shall be evidenced by a referenced Addendum to the Order issued by HL's Purchasing Department.

3.4. Upon HL's request, the Supplier shall provide the appropriate certificate stating the country of manufacture of the Supplies. The Supplier shall indicate in its acknowledgement of the Order and in its invoice whether there are any restrictions in relation to the import/export of the Supplies, and where appropriate it should indicate any procedure that must be observed in relation to any applicable international requirements affecting the Supplies from time to time.

3.5. Upon acceptance of an Order, the supplier shall adhere to HL's Quality System, and the former agrees to abide strictly by such plan.

3.6. Where the Supplies are to be delivered in stages or on a serial basis, the Supplier shall adhere to HL's Production System methods and it undertakes to harmonize its management, administration and production systems with those of HL.

3.7. All rules relating to compliance are equally applicable to any documents supplied by the Supplier. The Supplier will pay particular regard to the compliance of the documents in relation to the Supplies delivered by it.

3.8. The Supplier must set out in writing to HL any intention to change any of the Supplies, processes, or production sites with three (3) month prior written notice. HL reserves the right to immediately cancel all Orders subsequent to such notification.

3.9. HL is committed to the REACH legislation and requirements. The Supplier shall be responsible to implement the appropriate organization to comply with the REACH requirements and to support HL with all required information related to the application of the REACH legislation. This includes, but is not limited to, supply of the Safety Data Sheets and exposure scenario in the national language of the country the Supplies are used to by the Customer, compliance to the packaging and labelling REACH requirements, supply of all information related to the quantity of Substances of Very High Concern (SVHC) included in the Supplies. When applicable, compliance to the REACH requirements shall be clearly demonstrated as part of the Supplier's strategy and shall include the replacement of hazardous substances. In the case the Supplier is a distributor of substances under the REACH legislation, the Supplier shall comply with the REACH requirements for Distributors.

4. Packaging and Travel Documents

4.1. All deliveries must be made using the packaging as specified by HL, or in absence of any further indication, in conjunction with the norms from time to time practiced in the Member States of the European Economic Area. The Supplier shall be liable for any deterioration or damage to the Supplies which is as a result of the use of inappropriate packaging. Each individual package should bear on the outside and in a clear and legible manner all details as required by the regulations of the Member States of the European Economic Area from time to time as well as all necessary guidelines in relation to requirements for storage of the Supplies.

4.2. Except otherwise stated in the Order, the Supplies shall be delivered on disposable pallets, dimensions 80x120. For deliveries of 3 pallets or more, the Supplier shall inform HL Purchasing Department no less than 48 hours in advance of the delivery.

4.3. The Supplier shall attach a Delivery Note (DN) to the shipment bearing the number and nature of the packaging as well as all other details featuring on the Order Form permitting the identification of the Supplies and verification of the quantity supplied. The DN shall clearly state HL order number, HL article number and HL project number when applicable. For partial deliveries, any quantities previously delivered in respect of this order shall be reproduced on the DN. The Supplier shall apply only one reference per parcel.

5. Delivery Term

Time is of the essence of the Order. The delivery term shall be either indicated on the Order Form or specified by the Logistics Department of the HL premises where the delivery is to be made. The date of delivery set out in the Order or the delivery schedules is the date that the Supplies should be delivered to HL's premises.

The Supplier shall be responsible for taking the necessary measures to meet the delivery date, in terms both of delivery of the Supplies themselves as well as compliance with the necessary technical, administrative and carriage documents. The Supplier shall not be entitled to deliver the Supplies before the Due Date without the issuing Purchasing Department's prior written agreement, and will bear all costs related to any early delivery.

The Supplier will indemnify HL against all costs the latter shall incur in cases of late or early delivery, such costs to include all consequential loss, in particular, any delay to HL's production or to any of HL's clients, extra costs of carriage, use of an alternative supplier etc. HL may apply penalties for late or early delivery, without need for prior service of a demand, and in accordance with the following: - 4% of the value of the Supplies delivered for late or early delivery per working day subject to contrary indication.

HL has the right to issue an invoice in relation to all costs not covered by the above penalties. Furthermore, where delivery does not conform to the requirements set out, HL shall be entitled to terminate the Order pursuant to Clause 14 hereof and thus shall have the right to purchase supplies from another supplier. Any extra cost arising from this new order shall be borne by the defaulting Supplier. As an exception to the above provisions of this Sub clause, HL shall be entitled to proceed forthwith, without any requirement for notice, with the order and purchase of Supplies from an alternative supplier in respect of the whole Order where the delivery term for any one of the series deliveries is not respected. The Supplier shall remain liable for all extra costs.

6. Receipt

6.1. Unless otherwise stipulated on the Order Form, receipt shall always be made on HL premises, on working days during normal business hours. No delivery will be accepted outside these hours. HL reserves the right to carry out or have carried out any and all inspections of the Supplies at the Supplier's premises before the delivery, as well as at

HL's premises after delivery. This right to inspect shall not however limit the liability of the Supplier or reduce in any manner whatsoever the warranties attached to the Supplies as further set out hereunder.

6.2. In particular, HL reserves the right to refuse the Supplies by issuing a simple letter, email or facsimile in the following instances:

- non conformity of the Supplies as specified on the Order Form,
- non-compliance with the specified dates and delivery hours,
- Excess or shortfall of Supplies delivered.
- Where the nature of the Supplies delivered could pose a serious risk of or lead to a faulty breach.

HL will be entitled to receive a credit note in respect of every instance of rejected Supplies.

6.3. All non-conforming Supplies may be returned to the Supplier at its own risk and expense. The Supplier shall recover the rejected Supplies at its own expense within 4 days from notification of the refusal of the delivery. Failing that the return of the goods will be made to the address of the Supplier at the latter's expense and risk. HL will be entitled to receive a debit note in respect of every instance of rejected Supplies. The Supplier shall be liable for all costs incurred by HL as a result of the non-compliance of the Supplies. HL has the right to issue an invoice in relation to all costs it should incur. In addition, in the event of nonconforming delivery, HL shall be entitled to terminate the Order in accordance with Clause 14 of the present GTC and acquire supplies from an alternative supplier. Any extra costs arising from this subsequent order shall be borne by the defaulting Supplier. Furthermore, in cases of series deliveries and contrary to the provisions set out above, HL will be entitled to proceed without notice, with the order and purchase of supplies, in relation to the entire Order, from an alternate supplier where the delivery term for any one of the series deliveries is not respected.

7. Warranty Liability and Insurance

7.1. The Supplier shall be fully responsible for the design and/or the manufacture of the Supplies according to the specifications set out in the Order in line with the Supplier's field of expertise. The Supplier shall be responsible for the technical choices with respect to its Supplies, regardless of any assistance provided by HL throughout the development, notwithstanding that the Product may have been approved by HL during the initial review of samples.

7.2. The Supplier warrants that its Supplies are free from any defects or operating defects, apparent or latent, in design, material or workmanship, and that it will indemnify HL against all direct and indirect damages arising from any such defects up to and for the duration of HL's obligations to the purchaser of its own products in which the Supplies may have been integrated.

7.3. HL expressly rejects any clause purporting to limit the Supplier's responsibility that such Supplier may attempt to enforce against it.

7.4. At the end of the above-mentioned contractual warranty period, the Supplier shall remain liable for all consequences, direct or indirect, arising from latent defects which may affect the Supplies. All clauses which seek to reduce the effect of the legal warranty are void. If HL or any of its customers decides to recall the Supplies or a product incorporating the Supplies due in whole or in part, to the fault of the Supplier or the Supplies, the Supplier shall be liable to HL for all damages suffered by HL relative to their liability for such recall.

7.5. The Supplier shall take out an insurance policy covering its civil liability and undertakes to provide evidence of such insurance and the payment of the related premiums upon first request by HL.

8 - Transfer of Risk and Title

8.1. Regardless of the method of carriage, transfer of all risk concerning the Supplies and including risk of liability resulting from delivery of the Supplies shall not be transferred until final receipt at the location indicated on the Order Form.

8.2. HL is the owner of the Supplies ordered from the moment of their separation from all other goods on the Supplier's premises who undertakes to protect the interests of HL at all times thereafter.

8.3. HL rejects all clauses purporting to grant retention of title either directly or indirectly over the Supplies by which the transfer of title would only be effective on payment of the whole price. The Supplier hereby agrees to waive all rights which it may have intended to rely on in relation to such retention of title clause.

8.4. In cases of deferred payment where raw materials or unfinished goods are to be provided by the Supplier, the same will become, without further formality, the property of HL upon payment of the related instalment. Whilst the Supplies are under its control, the Supplier undertakes to separate out the said raw materials or unfinished goods and to make every effort to distinguish the Supplies, in particular, by labelling them with the name "HL".

8.5. In case of equipment or machinery manufactured by the Supplier on behalf of HL, such equipment, as well as all intellectual and industrial property rights relating thereto, will become the property of HL as and when they are manufactured and cannot be subject to any retention by the Supplier, purported or otherwise, nor of any seizure by a creditor of the Supplier. The Supplier undertakes to make every effort to identify such equipment or machinery, whilst these should remain in its possession, in particular by affixing an appropriate metallic tag or "cold roll" marking bearing the following: "Goods the property of HL Display".

8.6. Where HL has entrusted any equipment or machinery to the Supplier to enable them to carry out the Order:

- the equipment or machinery are and will remain the exclusive property of HL who may at any time seek their return; - the equipment or machinery may only be used exclusively for the performance of HL's own Orders;
- the Supplier shall be responsible for the maintenance and any such adjustment as may be necessary to ensure the proper functioning of the equipment or machinery; and
- except where express agreement to the contrary, the Supplier shall assume all risks in relation to the equipment and/or the machinery as well as all risks which flow from their use.

The Supplier will insure the equipment and machinery against all damage that they may cause or that may occur to them (including theft) for an amount that is at least equal to their replacement value together with all consequential loss, in particular, any damages that they might cause to third parties.

9 - Price Invoice and Conditions for Payment

9.1. All invoices shall state the HL Order number on the face thereof and shall be drafted in strict accordance with the indications stated on the Order.

9.2. Unless otherwise agreed on the Order, all prices are fixed, stated "ex-VAT", cannot be revised and Supplies are "Delivered Duty Paid" DDP to HL premises (Incoterms ICC 2000).

9.3. All invoices shall be sent to the invoice address set out on the Order.

9.4. Subject to contrary indication set out on the Order Form, all purchases by HL are payable by bill of exchange on the final day of the calendar month after a 60 day period shall have expired from the date of the invoice of the Supplies.

9.5. HL reserves the right to withhold payment of the invoices to the Supplier until all sums owed by the Supplier for whatever reason have been settled and HL expressly denies the Supplier the right to apply any penalty charges for late payment.

9.6. The issue of a remittance form does not imply the acceptance of the Supplies nor does it act as a receipt for the Supplies or as a waiver of the warranty.

10. Assignment of the Order - Subcontract

10.1. The Supplier is prohibited from assigning all or any Orders in whole or in part without prior written agreement from HL.

10.2. The Orders shall not be subcontracted in whole or in part without HL's prior written approval.

10.3. In the event that HL agrees upon the delegation to a subcontractor of the whole or part of the Order, the Supplier shall remain entirely liable vis-à-vis HL for the performance of the subcontractor and undertakes to obtain the subcontractor's agreement to the present GTC.

11 - Industrial and Intellectual Property Rights

11.1. Subject to evidence of contrary intention, all information and documents (drawings, plans...) which have been given to the Supplier or which the Supplier may have produced on behalf of HL are and will remain the exclusive property of HL who, in particular, reserves the right to assign the same to a third party without any right of damages accruing to the Supplier. The Supplier undertakes to use the same exclusively in the performance of HL Orders.

11.2. Where any equipment or machinery has been designed during the performance of the Orders and which gives rise to any industrial and/or intellectual property rights on behalf of the Supplier and should the Supplier fail to perform the Order, the latter will expressly authorize and grant all rights to HL to complete or to arrange for the completion of the equipment or machinery and to produce or arrange for the production of those parts which such equipment or machinery were designed to produce. The Supplier also undertakes to communicate the plans allowing the manufacture of such machinery and equipment to HL together with all other information necessary for their maintenance and use.

11.3. The Supplier will be wholly responsible for confirming the validity of any industrial or intellectual property rights in relation to the manufacture and the sale of its Supplies. Where any proceedings may be instigated by third parties who have the effect of prohibiting, limiting or modifying the commercialisation or the sale of such Supplies, the Supplier will be wholly liable for all consequences of such proceedings including, though not limited to, the payment of damages. Furthermore the Supplier shall owe compensation to HL in respect of the whole prejudice suffered as a result of the failure to perform the transaction whether in whole or in part. Such compensation will include damages and interests which HL may have been obliged to pay to its clients in order to fulfil HL's own obligations. HL reserves the right, in all instances of proceedings instigated against it, to terminate the transaction simply by issue of a registered letter with acknowledgement of receipt subject to the preservation of all rights and claims it may have in relation to the Supplier.

12. Confidentiality

The Supplier undertakes to treat as confidential all information supplied by HL and shall take all necessary measures to ensure that neither the Supplier, nor any of its employees, agents, suppliers, subcontractors, or other interested party whether involved on a permanent or temporary basis, shall communicate or divulge to any third party any information, in particular specifications, formulae, designs and drawings concerning HL's Orders. This requirement of confidentiality shall be maintained for a period of five (5) years from the date of completion of the performance of the Order. Immediately upon completion of the Order and upon HL's request, the Supplier undertakes to return to HL, or alternatively to destroy as instructed, all documents, confidential or otherwise, relating thereto. The Supplier is prohibited from making public any details in relation to its business dealings with HL except where the latter has given its prior written authorization.

13 - Personnel

In relation to the performance of the Orders, the Supplier will remain fully responsible in all circumstances for the control and discipline of its personnel in relation to whom it will also provide social administrative and accounting services even where such supply of services is performed on HL's premises. These personnel will provide an updated report of the progress of the works undertaken and the performances of the services to a sole representative appointed by the Suppliers. All such employees shall remain at all times employees of the Supplier.

14. Termination

In the event of failure by the Supplier to perform any of its contractual obligations whatsoever, the Order shall automatically be cancelled as of right at the discretion of HL without any further formality and without prejudice to its rights to claim damages, where HL has served notice for performance by registered post with acknowledgement of receipt and where after eight (8) days of service thereof the Supplier has failed to rectify the situation in whole or in part.

15. Applicable Law and Jurisdiction

British law shall be exclusively applicable to the interpretation and performance of these GTC. It is expressly agreed that the British Chamber of Commerce should have exclusive jurisdiction in relation to all disputes concerning the existence, interpretation and/or performance of the Orders notwithstanding any contrary provisions relied on by the Supplier. Where there is any dispute between the English and other language versions of these GTC, the English language version shall prevail. The arbitration procedure will take place in the UK.

16 - Void Terms

All provisions set out herein are independently enforceable. In the event that one of the provisions contained in these GTC should be declared void, all other provisions shall remain fully effective and enforceable.

17 - Applicability

The present GTC will apply prospectively as of September 2012.