

**GENERAL TERMS & CONDITIONS FOR SALES CONTRACTS
FOR RETAIL (OPTICIANS) AND DISTRIBUTORS**

I – SCOPE - GOVERNING LAW - JURISDICTION

- 1.1. The present General Terms & Conditions for Sales Contracts (hereafter the “**GTC**”) apply to all sales involving Lafont Asia Ltd, as seller (hereafter the “**Supplier**”), and its clients, as buyers (hereafter the “**Customer**”). Acceptance of those GTC is implied by the Customer’s submitting an Order. Special terms should be agreed separately in the form prescribed in section XI below.
- 1.2. Any dispute or claim arising out of or in connection with the GTC or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with the laws of France.
- 1.3 EACH PARTY IRREVOCABLY AGREES THAT THE COMMERCIAL COURT IN HONG-KONG SHALL HAVE EXCLUSIVE JURISDICTION.

II – GOODS - PRICES - ORDERS - DESPATCH

- 2.1 Goods are eyeglasses, frames, sunglasses for men, women and children, clips-on, displays manufactured and sold by Lafont Asia Ltd with the trademarks “Jean Lafont”, “Lafont – Issy & la”, “lafont-reedition”, “lafont pour les enfants” and all associated labels. Eyeglasses, frames and sunglasses can be of two kinds: Caucasian or Asian fit.
- 2.2 The price is specified for each Good (e.g. per frame) in the Supplier’s price list. The Supplier reserves the right to modify its price list from time to time.
- 2.3 The Price is based on the Supplier’s price list in force at the date of the Customer’s order (the “**Customer’s Order**”). The Customer Order must specify the choice between Caucasian or Asian fit for each relevant Good.
- 2.4 The Price excludes:
 - 2.4.1 the costs of packaging, insurance and transport of the Goods, which shall be invoiced to the Customer in addition to the Price; and
 - 2.4.2 amounts in respect of value added tax (VAT), which the Customer shall additionally be liable to pay to the Supplier at the prevailing rate (if applicable) subject to the receipt of a valid VAT invoice.
- 2.5 The Customer receives a confirmation of its Order with estimated date for despatch (the “**Order Confirmation**”).
- 2.6 When the Goods as per the Order Confirmation are ready for delivery, the Customer receives a notice (the “**Despatch Notice**”) and delivery is arranged as per Customer’s instructions at its own cost.
- 2.7 Any modification or cancellation of an Order Confirmation (e.g. address for delivery or invoice, quantities for Caucasian fit Goods) may only be accepted subject to such request being received in writing prior to the date of the Despatch Notice.
- 2.8 Modification or cancellation of the quantities for Asian fits Goods are not possible once the Order Confirmation has been issued.

III – INVOICES

- 3.1. The Customer shall pay for Goods in accordance with this clause.
- 3.2. The Supplier invoices the Customer for the price of Goods plus VAT at the prevailing rate (if applicable) on or at any time after the Despatch Notice. The Supplier shall ensure that the invoice includes the date of the Order Confirmation, the invoice number, the Customer’s order number, the Supplier’s VAT registration number, and any supporting documentation that the Customer may reasonably require.
- 3.3. Claims regarding an invoice must be notified in writing within eight days of its date. Claims cannot have the effect to modify or cancel an Order Confirmation after the date of the Despatch Notice.

IV – DELIVERY

Subject to section 10.2, Goods are sold DDP Issy-les-Moulineaux (2010 ICC Incoterm). Delivery may be arranged by the Supplier for the convenience of the Customer only.

V – DESPATCH NOTICE - DELIVERY

No commitment is made as to the actual delay for the Despatch Notice. Any information provided would be indicated for information only. On no account may the Company be liable for any consequences due to late Despatch Notice.

VI – RETURN - EXCHANGE OF GOODS - WARRANTY

- 6.1 No return or exchange is permitted, save erroneous or duplicate due to Lafont Asia Ltd.
- 6.2 Our warranty covers the free replacement of any part deemed as faulty or unusable due to defective materials or manufacture. Such warranty being solely granted to the Customer, it shall remain valid for one year as of the Despatch Notice date. Lafont Asia Ltd. declines all responsibility in the case of the frames not being used by the Customer pursuant to the rules of Art. In order to be accepted, any return of Goods should be accompanied by the faulty part and by a written explanation of the defect observed. All return costs shall be borne by the Customer. On no account may returns entitle payment of the invoice for the Goods beyond the due date.

VII – COLOURING

The dyeing techniques and inks used, as well as the material composites (acetate), do not permit the identical reproduction of models. Hence, no return of frame may be accepted for reasons of colour. In addition, the After-Sales Service Department shall only be able to assist subject to us actually having the faulty part in stock.

VIII – PAYMENT

- 8.1 The Customer shall pay invoices in full cleared funds within [30] days following the invoice’s issuance date. Payment shall be made to the bank account nominated in writing by the Supplier on the invoice.
- 8.2 If the Customer fails to make any payment due to the Supplier by the due date for payment, then, without limiting the Supplier’s remedies:
 - a) The Customer shall pay interest on the overdue amount at three times the legal interest rate. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The Customer shall pay the interest together with the overdue amount.
 - b) The Supplier may suspend all further deliveries of Goods, including after sales service, until payment has been made in full.
- 8.3 The Customer shall pay all amounts due in full without set-off, counterclaim, deduction or withholding (except for any deduction or withholding required by law). The Supplier may at any time, without limiting any of its other rights or remedies, set off any amount owing to it against any amount payable by the Supplier to the Customer.

IX – PENALTY CLAUSE

Failure to pay any one invoice by its due date shall, following written formal demand to pay sent by registered letter with acknowledgement of receipt, triggers off legal proceedings in view of collecting the outstanding payment. The Customer acknowledges the initiation of any such legal proceedings induces a surcharge amounting to 15% of all sums owed to date (*i.e.* Price for the Goods + carrier costs + late-payment interests and fixed sum of HK\$400), in addition to all ancillary collection costs (payment order issued by a bailiff, etc.), these being borne by the debtor by right.

X – TITLE AND RISK

10.1 Risk in the Goods shall pass to the Customer on completion of despatching the Goods from the Supplier's headquarters, OPHL SA at Issy-les-Moulineaux. France.

10.2 Title to Goods shall only pass to the Customer once the Supplier receives payment in full (in cash or cleared funds) for them.

10.3 Until title to the Goods has passed to the Customer, the Customer shall:

- a) store the Goods separately from all other goods held by the Customer so that they remain readily identifiable as the Supplier's property;
- b) not remove, deface or obscure any identifying mark or packaging on or relating to the Goods;
- c) maintain the Goods in satisfactory condition and keep them insured against all risks for their full price from the date of delivery;
- d) notify the Supplier immediately if it becomes subject to a procedure for the appointment of a receiver, a scheme of arrangement, a corporate rescue procedure, a deregistration or a winding up procedure; and
- e) Give the Supplier such information relating to the Goods as the Supplier may require from time to time.

10.4 The Supplier may recover Goods in which title has not passed to the Customer. The Customer irrevocably licenses the Supplier, its officers, employees and agents, to enter any premises of the Customer (including with vehicles), in order to satisfy itself that the Customer is complying with the obligations in clause 8.3, and to recover any Goods in which property has not passed to the Customer.

XI – SPECIAL TERMS - VARIATIONS

11.1 No special term or variation to these GTC shall be effective unless it is in writing and signed by the Customer and the Supplier.

11.2 Only the appointed representative of Lafont Asia Ltd is authorized to enter into special terms or variations agreements with the Customer.

XII – INTELLECTUAL PROPERTY

12.1 The Customer is not authorized to use any trademarks, logos or images of the Supplier, these remaining the property of the Supplier.

12.2 The prior written consent of the appointed representative of Lafont Asia Ltd Sales Department is required for any use of the trademarks, logos or images of the Supplier by the Customer.

XII – NO RESALE

13.1 The Customer is not allowed to re-sale the Goods to intermediaries or retail shops, except where the Customer is a business group or an optician chain store for resale to its members only.

13.2 Save as authorized above, any sale to wholesalers or retailers is strictly forbidden.

XIV_ COMMERCIAL OFFERS AND NEWSLETTERS

14.1 The Customer authorizes the Supplier to send him commercial offers or newsletters or email.

14.2 According to the Hong Kong Personal Data (Privacy) Ordinance, the Customer has the ability, at any time, to cancel these commercial notifications and newsletters, without cost, by clicking on the unsubscribe link, appearing in each email.