

GENERAL CONDITIONS OF PURCHASE AND PAYMENT TERMS

1) GENERAL CONDITIONS

For the SUPPLIER, every acceptance of a duly issued order shall result in the obligation to comply with these general conditions, as supplemented, if applicable, by any other document (hereinafter the "Specific Conditions") transmitted to the SUPPLIER at the latest as of the time of the order.

Unless provided otherwise by law or pursuant to a specific agreement signed with the SUPPLIER, the acceptance of the order shall automatically be deemed a waiver by the SUPPLIER of its own conditions of sale, to the extent that they are incompatible herewith.

Documents and messages exchanged electronically shall have evidentiary value between the parties.

2) TITLE

Unless a contrary INCOTERM applies to this order, the transfer of risks shall take place upon payment in full of the price. Any applicable pre-acceptance operations effected at the SUPPLIER's premises shall not be deemed an assumption of risks by L'OREAL. Title shall be transferred as of the delivery of the order. In no event shall orders from L'OREAL be subject to the provisions applicable with respect to reservation of title.

The goods or services ordered from the SUPPLIER, for the account and at the expense of L'OREAL, in whole or in part, as well as the goods and tools made available by L'OREAL, shall only be used for the completion of the orders for L'OREAL. The goods and services specific to the completion of the articles exclusively intended for L'OREAL shall only be used for L'OREAL. The safekeeping and maintenance of such goods shall be provided by the SUPPLIER at its own expense, risk and peril. For such purposes, the SUPPLIER agrees to take out any necessary insurance and to provide evidence thereof. Such goods (including, but not limited to: moulds, matrices, plans, mock-ups, software source codes, documentation, etc.) shall remain the exclusive property of L'OREAL. The SUPPLIER agrees to return them in good condition upon the first request of L'OREAL and not to retain any copies thereof without L'OREAL's consent.

The SUPPLIER represents that it will be personally responsible for the acquisition of any property rights owned by third parties, including intellectual property, and will assume liability for any claim related thereto in the event that such an acquisition may be necessary for the articles or services covered by this order.

Unless specifically agreed otherwise, the SUPPLIER shall assign to L'OREAL, which accepts, the right of reproduction, representation, adaptation and translation attached to the creations realized as a consequence of the order, on a worldwide basis, for the duration of copyright protection, for an unlimited number, for all media and for any usage, including advertising and promotional use.

3) FIGHT AGAINST COUNTERFEITING

Infringement of the rights specified in Article 2 constitutes a major source of damage both in economic and image terms for the L'OREAL group as well as a real risk for consumers. The SUPPLIER shall be prohibited from conducting any scheme or withholding any information capable of affecting such rights and shall inform L'OREAL of any item capable of infringing upon them.

4) ETHICAL AND LABOR COMPLIANCE

Subject to termination for breach, the SUPPLIER shall comply with the legislation in force and shall only furnish products or services which comply with the conditions imposed by the laws of the country in which they are manufactured or realized.

The SUPPLIER expressly agrees to fulfill the labor and tax obligations applicable to its business.

The SUPPLIER agrees to produce, as of the time of the conclusion of the order, the documents specified by the laws of its country that are of such nature as to establish compliance by the SUPPLIER with its tax and labor obligations, such obligation shall be deemed to be material and the failure to provide such documents shall constitute grounds for termination of the relationship with the SUPPLIER. In addition, for any contract with a term exceeding six (6) months, such documents shall be delivered to L'OREAL, every six months, until the contract expires.

The SUPPLIER shall comply with all laws and regulations in force and comply with the fundamental ILO conventions, i.e. C29 and C105 on the abolition of forced labor, C138 and C182 on the elimination of child labor, C 100 and C111 on equality and C 87 and C 98 on freedom of association and the right to organize. In particular, the SUPPLIER certifies and attests that no product purchased by L'OREAL and manufactured by the SUPPLIER or by one of its own suppliers, has been manufactured, assembled or packed through recourse to forced labor, dangerous working conditions, undocumented workers and/or the work of minors aged less than 16 years old, acknowledging that such age limitation is stricter than that imposed by ILO Convention C138. Subject to the prior consent of L'OREAL, the SUPPLIER may have recourse to prison labor for the provision of services or the manufacture of products intended for L'OREAL.

The SUPPLIER agrees that in the event of a breach of this article, L'OREAL may, in addition to its other remedies, immediately terminate the orders and, in its sole discretion, cease all commercial relations with the SUPPLIER.

5) PRICES

Unless L'OREAL expressly agrees otherwise, the prices indicated are set forth without the possibility of indexation to a foreign currency, and shall be deemed firm, i.e. non-revisable.

Unless agreed otherwise the prices are set forth carriage included, delivered to domicile, packing included, for the goods and services delivered in conformity with Article 8.

6) PAYMENT TERMS

Our standard payment terms are (add the standard payment terms adopted by the subsidiary). Any other payment terms must be agreed in writing between the parties.

7) INVOICING

All invoices must be sent to the L'OREAL accounts department. They must include the following mandatory items:

- the order n°,
- the delivery slip n°,
- the detailed description of the item or items supplied.

Invoices will only be paid after definitive acceptance of the delivered merchandise or the completed service.

8) DELIVERY AND PACKING

All deliveries shall be completed free of charge to the place designated by L'OREAL. They must mandatorily be accompanied by a delivery slip stating, at a minimum, the order number and the details of the delivery by article with the references and the quantities.

The SUPPLIER shall be responsible for packing the merchandise and such packing shall permit carriage, handling and storage without damage. It shall also be adapted to any possible constraints on usage by L'OREAL stipulated, if applicable, in the Specific Conditions.

The SUPPLIER shall be responsible for verifying and certifying the conformity of the items supplied with the terms of the order. The intervention of L'OREAL Quality Control shall not relieve the SUPPLIER of such obligation as to conformity.

L'OREAL reserves the right to reject any items supplied, even after delivery, which turn out not to have been in conformity with the order. Furthermore, any defect in an item of merchandise, discovered at the time of its use, shall give rise to its replacement free of charge. Any merchandise rejected as non-conforming to the order or containing a defect, shall be made available to the SUPPLIER, in the event return shipment is necessary this shall be made carriage due, packing expenses included, at the expense of the SUPPLIER, to the address of the SUPPLIER and at its risk and peril. Any item that is rejected shall result in a credit or in reimbursement.

A partial delivery shall not be deemed partial performance of the order. L'OREAL reserves the option of claiming damages and/or issuing orders to a third party at the expense of the SUPPLIER in breach.

9) TIME LIMITS FOR DELIVERY AND PERFORMANCE

The time limits are of the essence and constitute a material term of the order. The time limits are agreed for the articles delivered to their destination or for the completed services. They may not be shortened or extended without the express prior agreement of the parties.

Every order is issued subject to a termination clause, specified for the benefit of L'OREAL, in the event delivery does not take place within the contractual time limits. In consequence, L'OREAL may, in its sole discretion, inform its co-contractant by registered letter, return receipt requested, either of the termination as of right of the order with, if applicable, compensation for the damage suffered, or require performance of such order subject to a daily penalty of 0.5% of the amount exc. VAT of the order, per day of delay, such rate may be increased, notwithstanding any damages that L'OREAL may claim.

10) CONFIDENTIALITY

The SUPPLIER shall be obligated to maintain the confidentiality of the information it receives from L'OREAL and must, in particular, adopt all measures to ensure that the specifications, formulas, designs, plans, methods, documents or any other item with respect to the orders or projects, are not disclosed to a third party (voluntarily or involuntarily) by the SUPPLIER itself, its employees, subcontractors and suppliers, without such divulcation being authorized by L'OREAL.

11) RIGHT OF ASSIGNMENT

L'OREAL may assign to a third party all or part of its orders, as well as the rights and obligations related thereto.

12) JURISDICTION

The Parties expressly agree to attempt to resolve any difference in an amicable manner through recourse to alternative dispute resolution procedures such as Mediation. In the absence of an amicable settlement of the dispute, the Courts of the judicial district of the town where the headquarters of L'OREAL are located shall have exclusive jurisdiction and only the laws of the country of such headquarters shall apply.