

**General terms of delivery and payment ( General conditions and terms of sale) applying for all sale of goods effected by Messrs. Kober & Moll GmbH, Zeppelinstr.3, 72285 Pfalzgrafenweiler**

**1. General**

- 1.1 Conditions and terms contrary to these set out below conditions of sale – in particular the application of the buyer's conditions and terms – are not permitted without our prior express consent obtained in writing.
- 1.2 It is deemed to be agreed that all contracts are governed and interpreted in accordance with German Law. The application of the uniform international law of sale is excluded.
- 1.3 Our offers are subject to change. Orders are only binding for us, in so far as we have confirmed or fulfilled them by shipping the goods. Additional agreements are not binding before their written confirmation.

**2. Delivery**

- 2.1 Our deliveries are effected ex works, for buyer's account and risk.
- 2.2 As long as the buyer is behind with the payment of one of his liabilities, our obligation to deliver is suspended.
- 2.3 In case of faulty non-observance of the agreed delivery period, undue delay is given only after having fixed an adequate final deadline.

**3. Invoicing**

- 3.1 In the absence of agreements contrary to our conditions and terms, deliveries are effected ex works, without packing.
- 3.2 The prices effective at the day of delivery are always invoiced. If these prices exceed those ruling at the conclusion of contract, the customer is entitled to withdraw from contract in regard to the quantities of good not yet supplied within 14 days of notice about the increase in price.
- 3.3 The prices quoted exclude Value Added Tax.
- 3.4 The packing (one-way-packing) is invoiced separately.

**4. Payment**

- 4.1 Our invoices are due 30 days from invoice date, without discount and are payable net cash.
- 4.2 In the event of non-observance of the terms of payment, subject to claiming for a further damage, interest in amount of the normal bank interest on debit balances, which is least 3% higher than the corresponding discount rate of German Federal Bank, will be charged.
- 4.3 In case of undue delay in payment or in case of justified doubts about the buyer's solvency or credit worthiness we are irrespective of our other rights – authorised to require securities or prepayments for deliveries to be effected and to make all claims arising from the business relation immediately.
- 4.4 Only uncontested or final claims entitle the buyer to a set – off or retention.

**5.0 Shipment**

- 5.1 Loading and shipment are not covered by an insurance and are effected at buyer's risk.
- 5.2 We will endeavour to take into consideration the customer's wishes and interests regarding the mode of dispatch and the routing. Therefrom resulting extra costs will be charged to the buyer even if free of cost delivery was agreed.

**6.0 Warranty**

- 6.1 The buyer has to check the goods supplied for faults regarding quality and use immediately on receipt of the goods (if possible by means of test processing); otherwise the goods are presumed to be accordance with the contract.
- 6.2 Complaints are only taken into consideration provided that they are notified in writing with enclosure of documentary material within 8 days of receipt of the goods – in case of hidden faults after discovery, latest however, 6 months of receipt of the goods.
- 6.3 Our obligation under a warranty is limited, at our option, to replacement delivery, exchange, diminution of the price or remedying a defect. Without our prior express consent having been obtained in writing the merchandise has not to be returned.

**7.0 Indemnification**

As far as permitted by law, our obligation to compensate damages, for whatever legal reason, is restricted to the invoice value for the quantity of our goods directly affected by the damage-causing event; with the exception of those cases where we, because of intention or gross negligence, are liable without restrictions according to imperative legal provisions.

**8.0 Reservation of ownership**

- 8.1 Until such time as our claims resulting from the business relation with the buyer are paid in full, we remain the rightful owner of same. The buyer is entitled to dispose of the purchased goods in normal course of business.
- 8.2 The reservation of ownership also applies for products originating in the processing, intermixture or adjunction of our goods and namely for the total value of these products; in these cases we are considered as the manufacturer of the products. If in case of processing, intermixture or adjunction with goods from a third party the right of ownership of third parties remains in force, we acquire a co-ownership in relation to the invoice values of the goods processed.
- 8.3 As of now, the buyer assigns to us as security the claims against third party resulting from the resale, in full amount or in amount of the possible co-ownership share (see paragraph 9.2). Until such time as the buyer retracts or stops his payments to us he is authorised to collect the claims for our account. The buyer is not entitled to assign the claims in order to have them collected by way of factoring, unless at the same time the factor undertakes the obligation to effect the counter-performance in amount of our share of the claims directly to us until all our claims against the buyer are settled.
- 8.4 The buyer has to inform us immediately about third party taking possession of our goods and claims, by register letter.
- 8.5 Exercising the reservation of ownership does not mean a revocation of contract.
- 8.6 The ownership of the goods and the claims replacing the goods must neither be pledged, nor transferred nor assigned to third party as security before full payment of our claims.
- 8.7 Should the value of the securities exceed our claims by 20%, we will, upon buyer's request, release accordingly securities, at our option.

**9.0 Place of performance and litigation**

For deliveries, the place of performance is the corresponding point of shipment of the merchandise for payments the place of performance is Pfalzgrafenweiler. In case the buyer is a fully qualified merchant under German Commercial Code. The place of litigation is Freudenstadt or upon request, his place of general jurisdiction.