

Sales and Delivery Conditions

I. CONDITIONS OF THE AGREEMENT

1. We take the following conditions as a basis for our entire current and future business activity as well as for all our offer and price negotiations. We do not accept any divergent condition from the purchaser.
2. The contents of the Agreement are determined (in the following order) by our confirmation in conjunction with the order itself and law regulations. The validity of the UN-Agreement over contracts on international purchase of goods (CISG) is impossible. Any alterations or supplements to the Agreement are binding on us only when we have confirmed them in writing.
3. Our offers are always subject to change. The purchaser is bound to his order during four weeks from the entrance by CROSSMOBIL GmbH. The order gets legally valid when the purchaser receives a written consent from CROSSMOBIL GmbH.
4. Our written consent is required for any assignment by the purchaser of the rights resulting from the Agreement.
5. On patterns, drawings, estimating which are part of our offer documents we keep ownership and copyrights.
6. In case individual condition clauses are or would become ineffective, they would not affect the commitments of the remaining conditions.

II. PRICE AND TERMS OF PAYMENT

1. Prices are understood, unless any other stipulations have been made ex factory. The risk of deterioration and loss is however borne by the purchaser from the beginning of the delivery from the factory. Each cash discount requests our prior written approval. Customs duties and all other accessory expenses are factory borne by the purchaser. Insurance for transport by railway and on inland waterways is covered by us to the point of destination; the purchaser is debited with the premium. In case of delivery of the product within the Federal Republic of German, the purchaser shall, in addition, pay the sales tax applicable in the Federal Republic of Germany on the date of delivery.
2. Payments are to be made in cash; the purchaser waives any right to plead any set-off, lien or right of retention. Interest on arrears is charged at bank rates. Bills of exchange and cheques, if they are accepted, do not constitute an absolute discharge. We do not accept any responsibility for presentation in time, protest, notification, and return in case of non payment.
3. In the event of failure to comply with the dates of payment, we are entitled, at our discretion, either to demand without any further warning performance of the Agreement, or damages for delay of performance, or damages for breach of Agreement, or to repudiate the Agreement. In the latter case, we shall be entitled to demand or, as the case may be, to retain at least one third of the purchase price as liquidated damages.

III. RESERVATION OF PROPRIETARY RIGHTS

1. In the event of delivery being made for any reason before the full price has been paid in cash, the goods supplied remain our property until the amount owing of our business connections are balanced. The purchaser has to insure the goods against fire, burglary, third party liability risks and damage to the vehicle in such a manner that the rights resulting from the Insurance Agreement are vested in us until we have received the balance due to us. The policy as well as the receipts for the premiums paid must be produced to us on request. If payment is not made on the date or dates agreed upon we shall be entitled to resume possession of any goods supplied without such act constituting any unlawful interference and to refuse delivery to the purchaser until our

claim has been fully satisfied. Any alienation, pledging or transfer of ownership by way of security to any creditors or otherwise is not permissible, as long as we remain owners of the goods supplied, without our previous consent in writing. In principle this will only be granted if the purchaser pays back its debts, in which case it does no matter if the latter has consumed or refined the goods supplied. In the event of any contravention, a penalty equalling twice the amount of the balance then outstanding of the price shall be payable.

2. In the event of any steps taken by creditors of the purchaser with regard to the goods, in particular in the event of any attachment of the goods, the purchaser must inform us at once by registered letter and must bear the cost of any measures for the defence against any such steps, in particular of any interpleader proceedings, unless such costs can be collected from the other party.

IV. DELIVERY AND TIME OF DELIVERY

1. The delivery time we mentioned requires the clearing up of all the technical details and the sending of the final detailed instructions. All details about delivery time even through correspondence are only in case expressly written agreements considered as transactions for delivery by a fixed date.
2. The purchaser shall be entitled to repudiate the Agreement if we have been in arrears with any delivery for more than three months, to the extent to which the Agreement is affected by the delay. He is also entitled to demand the return of the amounts paid on account plus 5% interest. No further claims resulting from any failure to comply with any delivery period shall be admissible unless commercial short selling has been agreed or the purchaser proves that the delay in delivery is based on violation of fundamental contractual obligation. Cases of force majeure, strikes, lockouts, work disturbances etc., in our works, delay in delivery on the part of our suppliers, interruption of or impediments to transport, mobilisation, war, riot, and similar events as well as the effects thereof on our capacity to make delivery shall be deemed to exclude breach of contract on our part; they shall entitle us to repudiate the Agreement wholly or in part, insofar as it has not yet been executed, or to postpone the performance for the duration of the impediment to production or delivery, the purchaser not being entitled to any claims or rights in consequence of such repudiation or postponement.

V. SUBJECT AND EXTENT OF DELIVERY

1. We reserve the right to make any alterations in design. Our statements relating to weights, dimensions, speeds, freight rates, figures, etc. even if contained in catalogues or prospectuses shall be considered to be approximate only and of no legal effect.

VI. ACCEPTANCE

1. The purchaser shall be entitled to examine the goods to be delivered, either in person nor through a representative. The examination of vehicles shall be restricted to a test run within the limits customary in our works for such a run. In the event of the purchaser or his representative steering the vehicle, any accidents, third party liability, and damage to the vehicles shall be at his risk. Acceptance of the goods to be delivered must be made within one week from the date of notification that they are ready for delivery; failing this, cost of storage, insurance, etc. may be charged. In the event of the purchaser waiving expressly or implicitly his right to examine the vehicle, the goods shall be deemed to have been properly delivered. No subsequent complaints shall be permissible. The purchaser shall be deemed to have waived the right of examination if he orders the despatch or fails to carry the examination within the above mentioned period of acceptance. In the event of the purchaser failing to accept and pay for the goods to be delivered within the period agreed upon or prescribed by us, we shall be entitled with our prejudice to our other rights, to deal with the said goods and supply, in place thereof, and within an appropriate period, another article in accordance with the terms of Agreement.

2. The despatch is made, at our best discretion, through the most expeditious method of transport, but without any liability on our part.

VII WARRANTY

1. The goods supplied are warranted to be free from defects in material and workmanship for a period of 12 months. This period shall commence on the date of initial operation but in no event later than on date of initial registration. It will end in any case 18 months after the date of dispatch of the goods from our work. For commercial vehicles the warranty will end prior to the expiration of the warranty period after the vehicle has covered a total of 50.000 kilometres or 30.000 miles (statute miles).

Exempted from any claims are damages and wear and tear on trailers, semitrailers and bodies of any kind resulting from overloading, disuse of supplied lashing facilities, non-observation of manufacturers' instructions and improper or lack of maintenance or repair. Furthermore any documentation, which reveal that disqualification facts of that kind are not available has to be added to the report of damages or to the demand of altering.

2. This warranty shall, at our option, cover either the repair of the goods supplied or the replacement, free of charge, of the parts which we have recognised to be defective.
3. This warranty shall also be extended to parts not manufactured by us with the exception of bodies supplied by other firms, tires, batteries, wireless sets, electrical equipment, measuring instruments; in respect of these parts, the warranty shall be limited to the assignment of our claims, if any, against the manufacturers. Damages to glass parts is not to be included in this warranty.
4. If the works expressly recognises a warranty claim, the cost of the least expensive mode of dispatch of the replacement supplied and the reasonable installation costs will be borne by the works. The installation costs are refunded on condition that the installation is made by the works or by an authorised CROSSMOBIL agent.
5. Parts in respect of which a warranty claim is lodged shall at our choice either be forwarded to the factory, postage prepaid, or be kept at a place to be determined by us for the purpose of examination by a factory representative. Parts which we have recognised to be defective and which have been replaced shall become our property.
6. This warranty shall expire if the goods supplied have been altered by a third party or by installing into them parts of other origin, and if the cause of the damage is directly connected with such alteration. Moreover, this warranty shall expire if the customer does not observe our directives concerning the handling of the vehicle (owner's manual), if the goods supplied are not used for the intended normal purpose, and in particular if the checks are not carried out appropriately. Furthermore, this warranty shall not apply if it has been established that the permissible gross weight of the vehicle, the axle loads or the payload determined for the vehicle in question or the carrying capacity of the chassis has been exceeded.
7. Furthermore warranty claims are excluded, in particular claims for cancellation of the order, reduction in price or damages.
8. Natural wear and tear and adjustment jobs are not covered by this warranty. Moreover, damage due to negligent or improper handling, storage or transport is excluded from this warranty.
9. Warranty claims shall only be considered if they are reported in writing within an adequate checking period of at the latest ten days to the CROSSMOBIL GmbH agent in the territory concerned, or to us, immediately after the defect has been ascertained. Claims must be specified by means of report, fotos, body-, chassis-nos, milage, operation conditions, CROSSMOBIL GmbH-ref. no.. Without such specification claims can be rejected. If vehicles or bodies will be kept in operation in spite of a serious damage, we will not accept the expenses for

extended damages.

10. The foregoing provisions shall likewise apply to all supplies made in settlement of any claim which resulted from the warranty; the warranty period for the replacement parts shall be identical with the remainder of the warranty period applicable to the

original part which was found defective and which was replaced. In case of alienation the warranty shall immediately expire. No warranty shall be applicable to second-hand vehicles.

VIII LIABILITY

No compensation will be granted in any circumstances for any direct or indirect damage.

IX PLACE OF PERFORMANCE AND JURISDICTION

The place of performance in respect of all obligations of both parties hereto shall be the place where the appropriate factory supplying the goods is situated. The Offenburg court has jurisdiction in respect of any and all present and future claims resulting from the business connection including obligation arising from Bills of Exchange or cheques. We shall have the right to also sue the purchaser at this place or residence or business. The courts' decision shall always be governed by German law, and the German version shall prevail in questions of interpretation.

X GENERAL PROVISION

Any verbal declarations of our agents or employees are binding on us only if and when they have been confirmed by us in writing.