

1 - The following terms and conditions govern the sale of Seller's goods (the "Terms of Sale"). Acceptance of Seller's full or partial deliveries, as the case may be, or payment by Buyer, shall constitute acceptance of the Terms of Sale. No modification of these Terms of Sale shall be of any force unless such modification is reduced to writing and signed by both Parties, and no modification shall be effected merely by the acknowledgement or receipt of Buyer's purchase order or any other form containing different conditions.

2 - The Terms of Sale and the rights and obligations contained herein covering the sale of the goods may not be assigned or transferred by Buyer, in whole or in part, except with the prior written consent of Seller.

3 The Prices Mechanism - Goods that are shipped within thirty (30) days from the date of Seller's order acknowledgement of Buyer's purchase order (the "Seller's Order Acknowledgment") shall be invoiced at the price quoted by Seller. The price of any such goods which are shipped more than thirty (30) days after the date of the Seller's Order Acknowledgement may be increased by Seller at least ten (10) days prior to the effective date of the increase. Such increase shall be applicable to goods shipped after the effective date unless, prior to the said date, Buyer shall cancel its order as to the undelivered balance of goods to which the increased price applies. It is understood that Seller shall not exercise its right to increase prices as aforementioned where shipment is delayed through its fault.

4 - Seller's terms of payment are those specifically quoted to Buyer. Non-compliance with Seller's terms of payment shall constitute default without reminder. Invoices not paid when due are subject to a late payment service charge at a rate of 3% over the relevant one month Euromarket rate and increased as necessary to reflect the Seller's costs of servicing past-due receivables. In the event Buyer fails to fulfil the terms of payment, or in case Seller shall have indications that Buyer's financial means are inadequate, Seller may at its sole discretion either demand payment of all outstanding balances whether due or not and/or cancel all outstanding orders and decline to make further deliveries except upon receipt of cash or satisfactory security. Seller expressly reserves the right to rescind the Terms of Sale in the case of Buyer's default with respect to the payment for the goods.

5 - Seller reserves full ownership to the goods delivered until the corresponding invoices are paid in full. Transfer of ownership in the goods shall take place only upon full payment of the corresponding invoice. As from delivery, Buyer shall be responsible for any and all loss or damage to the goods, or which are caused by the goods. Buyer is authorized to process and/or dispose of the goods delivered, but only in the ordinary course of business. This authorization shall be deemed automatically rescinded, if Buyer is overdue on any payments due to Seller. So long as the goods have not been fully paid for, Buyer shall not pledge or lien the goods or grant any other right with respect of the goods to any third party. In the event Buyer is overdue on payments to Seller, Buyer shall grant access to its storage facilities to Seller's representatives to enable them to determine quantities of goods remaining in storage, and

organize the removal of such goods as shall be determined by Seller.

6 - Seller reserves the right to select the form of transportation and the carriers to the point of delivery. Buyer shall bear the costs of any special transportation arrangements requested by it.

7 - Risk of loss shall pass in accordance with the ICC Incoterm quoted by Seller.

8 - Seller's weights taken at shipping points according to BISFA Agreement shall govern unless proven in error.

9 - Should Buyer fail to take the goods in accordance with the terms of delivery originally specified by Seller, Seller may at its option postpone the delivery or cancel the sale of the said goods without tender or prior notice to Buyer. Such postponement or cancellation shall not affect any remaining portion of the order.

10 - Following delivery of goods to Buyer, Buyer assumes all risk and liability in connection with the use of the goods, whether used singly or in combination with other products. If Seller provided Buyer with specifications concerning the goods, Seller warrants that the goods delivered meet such specifications. The warranty stated above is given in respect of goods of first-grade quality only and shall not apply either to any waste or to goods sold as sub-standard by Seller.

11 - Where goods have been processed in any manner by anyone after they have been sold, any warranty given by Seller shall be limited to the goods in the condition in which they were sold.

12 - No claim of any kind, whether as to goods delivered or for non-delivery of goods, shall be greater in amount than the purchase price of the goods in respect of which such damages are claimed. Furthermore, Seller accepts no liability for any indirect or consequential loss, or loss of profits. Failure of the Buyer to give notice of a claim within thirty (30) days from the date of delivery of goods which are claimed to be defective, or from the date fixed for delivery in respect of the non-delivery of goods, as the case may be, shall constitute a waiver by Buyer of all claims in respect of the said goods.

Moreover, on initial receipt of the Products, any visible damage to Products should immediately be brought to the attention of the forwarding agent and a complaint should be reported on the shipping documents. Hidden defects shall be reported to Seller immediately upon discovery thereof. If Buyer's claim is allowed, Seller shall have the option at his sole discretion of repairing or replacing the defective goods or of granting Buyer an appropriate price reduction. Goods subject to a claim shall not be returned to Seller or otherwise disposed of without Seller's prior written permission.

13 - No liability shall result from delay in performance or non-performance caused by circumstances beyond the reasonable control of the Party affected such as but not limited to fire, explosion, accident, flood, labour trouble or shortage, war or mobilization, governmental action and inability to obtain suitable material, equipment, fuel or power of transportation. Quantities so affected by any such circumstances may be eliminated without liability, but the rights and duties of each Party shall otherwise remain unaffected.

14 - If, for any reason, Seller is unable to supply the total

demand of goods ordered, Seller may allocate its available supply of the goods among any or all purchasers or users (including Seller and its affiliates) or make partial shipments on such basis as it may deem fair and practical without liability for any failure of performance which may result therefrom.

15 - Returnable carriers or containers of goods which were delivered are not sold to the Buyer and are the property of Seller. Buyer agrees that it will return them undamaged, freight collect, to the destination designated by Seller within the period specified by Seller. Any deposit made by Buyer on such carriers or containers of goods shall be forfeited in the event of failure to return them undamaged within specified period. Where no deposit is required, Buyer agrees to reimburse Seller for the value of any such carriers or containers which are damaged or not returned within the specified period. Seller's count and rejection of damaged and/or returnable carriers and containers of goods shall be accepted as final.

16 - It is expressly understood that any technical information furnished by Seller with reference to the use of the goods is given gratis and Seller assumes no obligation or liability for any information given or to results obtained therefrom and all such information is being given and accepted at Buyer's own risk.

17 - The Terms of Sale shall be subject to and construed in accordance with the laws of the state of Israel, without giving effect to any choice or conflict of law provision or rule. Exclusive jurisdiction with respect to any matter arising from or related to these Terms of Sale shall rest with the competent courts in Tel Aviv-Jaffa, Israel, unless both Parties agree otherwise in writing.

As abovementioned, these Terms of Sale shall be deemed accepted by Buyer upon acceptance of goods or any part thereof. Buyer may further notify the Seller in writing of its acceptance of these terms.