

**General Terms and Conditions for Purchase and Delivery of BETA Maschinenbau
(Status of 01/01/2008)**

Concerning the purchase/delivery relation between vender/plan operator (CN) and BETA Maschinenbau (PC) the following provisions shall apply:

I Validity

The standard business terms of the CN shall only become part of the contract without our written approval, even if they are implemented later by the contracting party, when they do not show any discrepancies with the present terms and conditions for purchase and delivery. Contradicting standard business terms do not affect the effectiveness of the concluded contract. In the event of contradicting provisions the legal requirements apply. The present terms and conditions for purchase and delivery form part of all concluded contracts with us and shall apply for future contracts even if they are not explicitly included once again.

II Conclusion of contract

- 1 PC is bound to his offer subject to a former revocation for no longer than eight business days from the ordering date.
- 2 If CN accepts the offer of PC by confirmation of order, such confirmation shall include indications concerning the price, discount granting and the binding date of delivery. Variations from the order, no matter what kind, are only binding for PC when they are approved by PC in written form.
- 3 Offers are not binding for PC and are to be submitted to PC free of charge.
- 4 Orders and further statements of PC are only binding, when they are submitted in written form or confirmed by PC.

III Settlement of the contract

- 1 The agreed prices are fixed prices unless a price escalation clause or a price under reserve is explicitly confirmed by PC and include the commission for all deliveries and services assigned to CN by this order. The prices include the shipment to the delivery address and packaging. In the event of returned packaging which are reusable without any further processing CN shall credit to PC two thirds of the price charged for the packaging in the contract.
- 23 Drawing, weight, dimension, consumption and power indications by CN are binding and define the agreed properties.
Invoices shall be submitted separately from the delivery directly after the delivery and/or service for each order separately in duplicate according to the requirements of § 14 Turnover Tax Law stating the order number, delivery note number, delivery number, date and the ordering department. Furthermore, sales taxes shall be indicated separately – provided that the contractor of CN acts for the purpose of the Turnover Tax Law. Invoices which do not comply with these provisions shall be returned. Transport services which have to be paid by PC are to be remitted on the basis of invoices. PC has – without prejudice to other rights – the right of retention concerning the purchase price/ works compensation until the submission of an invoice that corresponds to one of these conditions.
- 4 If the conditions are at hand as per legal provision which entered into force as per 04/01/2004 „Reversal of the tax liability position“ as per §13b para.1 Turnover Tax Law, the invoices are to be submitted net (without VAT) to us. The invoices shall indicate additionally: “An identification of the VAT is omitted pursuant to §13b Turnover Tax Law. The recipient shall pay the VAT”.
- 5 CN grants the following conditions to PC concerning the settlement of an invoice: 3 % discount upon payment within 14 business days after receipt of delivery and invoice or strictly net within 30 business days by freely chosen means of payment by PC or by setting off against counterclaims of PC towards CN from own or assigned rights.

IV Delivery, Accompanying documents and Packaging

- 1 CN shall strictly adhere to the forwarding instructions and see to a proper and accurate packaging.
Every delivery is to be provided with a packing slip which identifies the order number of CN, the date of order and the exact content of the delivery/ mailing. At the same time, CN shall submit a forwarding advice including the same content to PC.
- 2 Deliveries by CN or a third person contracted by CN shall only take place within the business hours of PC (from Mondays to Thursdays from 7:00 to 15:30, Fridays from 7:00 to 11:00). The acceptance of the delivery item may be refused in case of an event of force majeure or other circumstances beyond his intention including labor disputes which render an acceptance of delivery impossible or unbearable. In such a case CN shall store the delivery item at his own expense and risk.

V Risk assumption

CN assumes the risk until the delivery is transferred to the assigned location. This also applies when in a particular case the delivery is agreed „ex works“ or when PC was supposed to perform the delivery at his own expense.

VI Warranty

- 1 The notice of defects by PC shall take place within 2 weeks after detecting the defect.
- 2 The legal periods of warranty shall apply. They start with the delivery to the assigned location.
- 3 CN is reliable according to the legal requirements, CN is particularly reliable in case of intention and any kind of negligence. The liability cannot be limited to a certain amount.
- 4 For used items, numbers 1 to 3 apply respectively.
- 5 CN assumes the guarantee of quality and durability as per § 443 Civil Code.
- 6 CN is reliable for the fact that the rights of third parties is not infringed by the delivery or use of the delivered item, particularly business or other intellectual properties.

VII Liability

CN is reliable in case of any violation of duty due to intention and any kind of negligence. The liability cannot be limited to a certain amount.

VIII Orders based on performance, material procurement, drawings and samples

- 1 For services such as installation, repair and construction services CN is obliged to adhere to the requirements assigned by the occupation co-operative society in the performance of any kind of work. CN is exclusively responsible and reliable for all damages caused by CN or his authorized representatives, auxiliary or vicarious agents. CN shall exempt PC from any claims for damages and consequential losses in the internal relationship, which may be asserted to PC in connection with his contractually bound delivery or performance.
- 2 In case material is procured to CN by PC for the performance of orders, the procured materials remain in the

property of PC. CN is obliged to clearly identify the procured material as such and to store it separately, in the way that no mixture/contact occurs. CN is obliged to only use the material entrusted to him in the range of the intended contractual production. In case of a loss of property of PC due to processing, CN alienates already his property rights emerging herefrom to PC.

CN is also obliged to inform PC immediately in written form about any imminent or executed distraint and about any other disturbances of the rights of PC (stating the information required for the protections of the rights of PC). In case of non-compliance or violation of the aforementioned points, PC has the right to demand compensation from CN. Furthermore, CN is obliged to insure the procured material by PC against all common risks at his own expense. CN is already committed to alienate insurance claims resulting herefrom to PC in case of occurrence of event insured.

- 3 In case manufacturing equipment such as dies, tools or similar items were produced completely or partly at the expense of PC, such items are transferred into the property of PC after production. Submitted drawings, models, samples or suchlike continue to be property of PC. It is not permitted to cede them or afterwards produced goods to third parties or use them for advertising purposes without the written approval by PC. They may only be used in the course of the performance of the offer or the ordered delivery and are to be returned to PC at the latest after the delivery of the order. CN shall store them carefully, maintain and exchange them for they can be used at any time. PC has the right to demand their delivery from CN at any time. In case CN does not adhere to these obligations PC may demand compensation.

IX Delivery terms

- 1 The order of PC is applicable for content, kind and scope of the delivery unless PC has explicitly approved a confirmation of order of CN.
- 2 Drawings, descriptions, etc., submitted for the order are binding for CN, but shall be checked for discrepancies by CN. Any detected or assumed defects are immediately to be reported to PC. For drawings, plans, calculations and suchlike developed by CN, CN is also completely responsible when these were approved by PC.
- 3 Unless other requirements were arranged in the order, the delivery items shall be delivered in a quality according to custom and trade and in compliance with DIN, VDE, VDI, DVGW or equivalent standards, as far as they apply. The delivery items are in any case to be produced and equipped in the way that they correspond to the legal provisions effective at the place of delivery on the date of delivery, particularly concerning technical equipment, dangerous working material, accident prevention, emission protection and accident prevention at the work place as well as the verified findings regarding the ergonomics. For equipment permitted on streets CN is also responsible for the fact that such equipment complies with the provisions of the licensing procedure. Furthermore,
- 4 CN is obliged to submit immediately the operating, assembly and maintenance manuals and technical documentation required to comply with the legal provisions and CN is responsible for the completeness of the submitted documents. Operating, assembly and maintenance manuals, spare-parts list, information sheet with technical data and dimensions, and illustrated brochures in German shall be submitted in duplicate to PC immediately after the placing of order stating the fabrication number.
- For determining the weight, the initial receipt weights identified by the weighman of PC at the plant's weighing machine shall apply. In case weighing is not possible at the place of reception the official railroad weights identified on the consignment note or for truck deliveries weights determined by official weighing machines shall apply. If weighing of the delivery item is not possible, CN shall verify the construction weight.

X Delivery date

- 1 Scheduled delivery dates are binding and are considered fixed dates.
- 2 The delivery date is the day on which the ordered delivery item including the dispatch documents or ordered performance and the delivery documents have arrived at the place of reception designated by PC or have been procured.
- 3 If a non-compliance with the delivery deadline is noticeable, CN shall immediately inform PC about the reason and the prospective duration of the delay. Regardless of this, not meeting the date of delivery constitutes a case for the legal provisions for delay unless it can be proved that such non-compliance was caused by an event of force majeure from part of CN or was the result of unintentional labor disputes. Even in case of unintentional obstacles it is up to PC whether or not to refrain partly or completely from the contract as far as they put the purpose of the contract at risk.
- 4 PC has the right, even after the confirmation of order by CN, to determine a delivery date and place of delivery different from those of the contract provided that this does not generate any disproportional efforts for CN.

XI Prohibition of assignment of claims, place of delivery and court of jurisdiction

- 1 CN is not permitted to partly or completely alienate, assign or pledge the delivery commitment or pecuniary claim from the contractual relationship between CN and PC to third parties without prior written approval by PC.
- 2 Place of delivery is the mailing address stated in the order of PC. Place of payment and court of jurisdiction, as legally allowed per § 38 German Code of Civil Procedure, is the head office of PC or the place of general jurisdiction of CN.

XII Partial invalidity

Should any of these terms of business become, wholly or in part, invalid, the validity of this contract is not affected. As far as some terms are invalid, the content of the contract complies with the legal provisions.

XIII Applicable law

This contract is solely subject to and construed in accordance with the law of the Federal Republic of Germany excluding the UN-Convention on the International Sale of Goods, even if the head office and residence of CN is abroad.

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