

General Terms and Conditions of Business

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Section 1 Scope of applicability

(1) These conditions of sale shall apply exclusively and only with respect to companies, legal persons under public law and special funds under public law in the meaning of Article 310.1 of the German Civil Code (*BGB*). We shall only recognise terms and conditions of the orderer which are contrary to or differ from our conditions of sale if we have explicitly agreed to their applicability in writing.

(2) These conditions of sale shall also apply to all future transactions with the orderer, provided that they are legal transactions of a related type (as a precaution, the conditions of sale should in all cases be attached to the order confirmation).

Section 2 Offer and Conclusion of the contract

If an order constitutes an offer under Article 145 of the German Civil Code, we can accept it within two weeks.

Section 3 Submitted documentation

We shall retain the ownership title and copyrights to all documentation provided to the orderer in connection with the placement of an order, such as calculations, drawings etc. Those documents must not be made available to third parties, unless we grant the orderer our explicit written consent to do so. If we do not accept the orderer's offer within the time limit specified in Section 2, those documents must be immediately sent back to us.

Section 4 Prices and Payment

(1) Unless agreed otherwise in writing, our prices are ex works, excluding packaging and subject to the addition of VAT in the currently applicable amount. The costs of the packaging shall be invoiced separately.

(2) The purchase price must be paid exclusively into the account specified overleaf. The deduction of discounts is only permitted with a special written agreement.

(3) Unless otherwise agreed, the purchase price must be paid within 14 days from the receipt of the invoice. However, different payment arrangements agreed by both parties may apply. Default interest in the amount of 8% above the respective base interest rate under Article 247 of the German Civil Code shall be charged per annum. We reserve the right to claim higher compensation for late payment.

(4) Unless a fixed price arrangement has been made, we reserve the right to make appropriate price changes due to changed wage, material and distribution costs for deliveries which are carried out three months or more after the conclusion of the contract.

Section 5 Setting off and Rights of retention

The orderer only has the right to carry out a set-off if its counterclaims have been established with legally binding effect or are undisputed. The orderer shall only have the right to exercise a right of retention if its counterclaim is based on the same contractual relationship.

Section 6 Delivery period

(1) The delivery period specified by us shall begin on the condition that the orderer fulfils its obligations correctly and in good time. We reserve to the right to raise the objection of non-fulfilment of the contract.

(2) If the customer is late in accepting the delivery or culpably breaches other cooperation obligations, we shall have the right to demand compensation for the damage we have incurred as a result, including any additional expenses. We reserve the right to assert more far-reaching claims. If the above conditions are fulfilled, the risk of accidental loss or accidental deterioration of the purchased item shall transfer to the orderer at the moment from which the latter is late in accepting said item or in making due payments.

(3) We shall be liable in the event of a late delivery, which is not caused by us intentionally or due to gross negligence, for each completed week of the delay, within the limits of flat compensation for late delivery in the amount of 0.5% of the value of the delivery, but not exceeding 5% of the value of the delivery.

(4) Further statutory claims and rights of the orderer related to late delivery remain unaffected.

(5)

Section 7 Transfer of risk upon dispatch

If the goods are dispatched to the orderer at its request, the risk of accidental loss or accidental deterioration of the goods shall transfer to the orderer when the goods are dispatched, upon leaving the plant/warehouse at the latest. This shall apply irrespective of whether the goods are shipped from the place of performance or irrespective of by whom the transportation costs are borne.

Section 8 Retention of ownership

(1) We shall retain the ownership title to the delivered goods until we have received payment in full of all the receivables resulting from the delivery contract. This shall also apply to all future deliveries, even if we do not always explicitly invoke this condition. We shall have the right to take back the purchased goods if the orderer acts in breach of contract.

(2) Until the ownership title transfers to the orderer it shall be obliged to treat the purchased goods carefully. In particular, with regard to high value goods it is obliged to sufficiently insure them at its own expense against theft, fire and water damage, at their replacement value. If maintenance or inspection work has to be carried out, the orderer must carry it out at its own expense and in good time. Until the ownership title transfers to the orderer, it must immediately notify us in writing if the delivered item is seized or is subject to other interventions of third parties. If the third party is unable to reimburse us for the court and out-of-court costs of a lawsuit under Article 771 of the German Code of Civil Procedure (*ZPO*), the orderer shall be liable for the financial loss we incur.

(3) The orderer shall have the right to resell the goods subject to retention of title in the course of normal business activities. The orderer already now assigns to us any receivables from the resale of the goods subject to retention of title in the amount of the final invoice amount agreed with us (including VAT). That assignment is valid irrespective of whether the purchased goods are resold without or after processing. The orderer shall remain authorised to collect the receivables even after such assignment. Our authorisation to collect the receivables ourselves shall not be affected by this. However, we shall not collect the receivables as long as the orderer fulfils its payment obligations from the collected proceeds, is not late in making payment and, in particular, no application has been submitted for insolvency proceedings to be opened and no suspension of payment has occurred.

(4) The processing or alteration of the purchased goods by the orderer shall always occur in our name and on our behalf. In such a situation, the expectant right of the orderer to the purchased goods shall continue with regard to the altered item. If the purchased goods are processed with other items that do not belong to us, we shall acquire the co-ownership title to the new item in the ratio of the objective value of our purchased goods to the other processed items at the time of the processing. The same shall apply in the event of mixing. It is agreed that if the mixing occurs such that the orderer's item constitutes the main item, the orderer shall transfer co-ownership to us on a pro rata basis and shall safekeep the solely or jointly owned property for us. In order to secure our receivables from the orderer, the orderer shall also assign to us any receivables from a third party that arise due to the goods subject to retention of title being connected to a plot of land. We hereby accept that assignment.

(5) We undertake to release the security to which we are entitled at the orderer's request provided its value exceeds the receivables to be secured by more than 10%.

Section 9 Warranty, Complaints, Recourse and Manufacturer's recourse

(1) Warranty rights of the orderer are subject to the condition that it has properly fulfilled its inspection and complaint obligations under Article 377 of the German Commercial Code (*HGB*).

(2) Claims for defects shall expire by time limitation 12 months from the effective delivery of the goods by us to the orderer. Where used goods are concerned, we entirely exclude the warranty. The above provisions shall not apply if the law lays down longer mandatory time periods under Article 438.1 No. 2 (Buildings and items for buildings), Article 479.1 (Right of recourse) and Article 634a.1 (Construction defects) of the German Civil Code. Our consent must be obtained before the goods can be returned.

(3) If, despite all due care being exercised, the delivered goods have a defect which already existed at the moment when risk was transferred, we shall either, at our own discretion, repair the goods or provide a replacement delivery, provided that a complaint is made within the time limit. We must be provided with the opportunity at all times to render a supplementary performance within a reasonable period of time. Rights of recourse remain unaffected by the above provision without limitation.

(4) If the supplementary performance fails, the orderer can rescind the contract or reduce the remuneration without prejudice to any claims for compensation.

(5) Claims for defects shall not be considered in the event of insignificant deviations from the agreed quality, if usability is only slightly impaired, with regard to natural wear and tear and in the event of damage which arises after the risk is transferred as a result of incorrect or negligent handling, excessive stress, inappropriate equipment, defective construction work or unsuitable construction land or due to extraordinary external influences which are not envisaged in the contract. If maintenance work or alterations are carried out by the orderer or third parties incorrectly, they shall not be entitled to make any claims for defects or for any resulting consequences.

(6) Claims of the orderer relating to the expenses necessary for the supplementary performance, particularly transport, travel, labour and material costs, are excluded if the expenses increase because the goods delivered by us are subsequently taken to a different location than the orderer's establishment, unless such relocation is consistent with the goods' intended use.

(7) Rights of recourse of the orderer against us shall only be considered to the extent that the orderer has not made any arrangements with its customer above and beyond the statutory mandatory claims for defects. Paragraph 6 also applies accordingly to the scope of the orderer's right of recourse against the supplier.

Section 10 Miscellaneous

(1) This contract and all the legal relationships between the parties are subject to the laws of the Federal Republic of Germany to the exclusion of the UN Convention on Contracts for the International Sale of Goods.

(2) The place of performance and exclusive place of jurisdiction for all disputes that stem from this contract shall be our registered office, unless stated otherwise in the order confirmation.

(3) All arrangements which have been made between the parties for the purpose of performing this contract are set out in this contract in writing.

(4) Should individual provisions of this contract be or become ineffective or contain a loophole, the other provisions hereof shall not be affected.