

Terms and Conditions of Assembly

1. Labor costs

- 1.1. The normal working week is 40 hours. Operating and waiting periods count as working hours. Working hours and travel time are calculated on the following hourly rates:

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|---------------------------|------------|
| Assembly technician: | EUR 75.00 |
| Commissioning technician: | EUR 95.00 |
| Software specialist: | EUR 110.00 |
| Assembly assistant: | EUR 40.00 |

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| Surcharge for work and travel time starting from the ninth hour, or between 4:00 p.m. and 6:00 p.m.: | 25 % |
| Surcharge for work and travel time before 6:00 a.m., after 6:00 p.m. and on Saturdays: | 50 % |
| Surcharge for work and travel time on Sundays: | 100 % |
| Surcharge for work and travel time on public holidays: | 150 % |

- 1.2. Daily expenses, accommodation not included:

| Country group | Germany | Group I | Group II | Group III | Group IV |
|---------------------|---------|---------|----------|-----------|----------|
| Daily expenses rate | € 40,00 | € 50,00 | € 60,00 | € 70,00 | € 80,00 |

- 1.3. Minimum flat rate for accommodation or according to expense on receipt:

| Country group | Germany | Group I | Group II | Group III | Group IV |
|------------------------------------|---------|---------|----------|-----------|----------|
| Overnight accommodation allowance: | € 70,00 | € 85,00 | € 100,00 | € 120,00 | € 130,00 |

- 1.4. The client has to certify the working time and working performance on the assembly report submitted to him daily/weekly.
- 1.5. For installations on site the full daily working time is invoiced for at least 8 hours a day, even if the assembly personnel are prevented without fault, to make the full working.
- 1.6. If staff do not travel home at weekends or on public holidays, the full expenses will be charged for these days.

2. Travel costs

- 2.1. Based on the individual distance between job site and manufacturer's plant or next service point, the travel costs are invoiced from EUR 0.85 per kilometer for cars and to EUR 1.00 per kilometer for vans and trucks. If several assemblies are carried out during one trip, the travel costs will be charged proportionally. Travel costs by public transportation will be charged by cost; whereby first class is allowed for rail journeys. All further costs related to the trip (expenditures, rental car, taxi, telephone, etc.) are invoiced, too.
- 2.2. Travel costs of assembly staff (including cost of transport, transport insurance for personal luggage and, as well, for tools carried and shipped) are charged at cost.

3. Invoicing

- 3.1. Assembly costs will be invoiced after completion of the assembly against submission of the assembly report.

The invoice has to be paid immediately after receipt without any deduction.

If the client provides the assembly staff with additional services free of charge that have not been agreed or contractually established in an additional agreement, this does not affect the final assembly invoice.
- 3.2. The remuneration for general services at **BETH** (preparation of assembly, production of plans and instructions, assembly supervision, contributions for assembly- and liability-insurance) can be based on a special agreement.
- 3.3. If the replacement of the installation personnel is necessary for a reason for which **BETH** is not responsible, the resulting costs will be invoiced.
- 3.4. For longer and larger assembly jobs, we reserve the right to invoice down payments.

4. Security requirements, working conditions

- 4.1. The customer is obliged to ensure the safety of the workplace and the compliance of existing safety regulations as well as appropriate working conditions.
- 4.2. The customer bears the risk.

5. Additional terms

The customer has to take over and provide on time, at its own expense and risk, the following:

- 5.1. assistants from other divisions (e. g. bricklayers) or other necessary craftsmen after requirement by our assembly staff. Our personnel are not obliged to perform any craftwork, operational electrical work or other additional services that may be required. The preparation of the necessary foundations to secure the machines is generally carried out by the customer and at his expense.
 - 5.1.1. cleaning, protection from harmful influences of any kind and transportation of the assembly parts and material to assembly site.
 - 5.1.2. providing dry and secured rooms to store assembly staff's tools.
- 5.2. equipment for assembly and commissioning, such as lifting gears and required items and material (e.g. assembly wood, wedges, supports, sealants and lubricants).
 - 5.2.1. a technical instruction before the start of the assembly directly after arrival of our assembly staff without any delay. If special plans or instructions are required from the customer, these will be provided by the contractor in time.
 - 5.2.2. If the customer does not meet his obligations, **BETH** is entitled to carry out the actions incumbent on the customer in his place and to charge the costs. This does not affect the rights and claims of the contractor.
- 5.3. electrical connections, compressed air connections as well as standard conditions such as heating and lighting.
- 5.4. providing suitable workpieces and reference parts for test run of the equipment.
- 5.5. The customer is obliged to accept the assembly as soon as it has been notified that the assembly work has been completed and the contractually agreed testing of the assembled delivery object has taken place. If the assembly work is not completed in the contractually agreed manner, the supplier is obliged to fix the defect at its own expense. This does not apply, if the defect is insignificant from the customers perspective or is based on circumstances not attributable to the customer. If there is an insignificant defect, the customer is not permitted to refuse the acceptance as far as the supplier explicitly admits its obligation to fix the defect.

As far as the customer has not reserved the right to assert a specific defect in the acceptance protocol, the liability for discernible defects will lapse for the contractor.
- 5.6. The liability of the contractor lapses, if the customer has implemented changes or carried out maintenance without supplier's approval. The same applies if no original spare parts are used.
- 5.7. If the assembly is delayed without fault of the contractor, the customer bears all resulting costs including waiting times and additional travel costs. The same applies if the delivery item cannot be commissioned immediately after the end of assembly.

- 5.8. To the exclusion of all other claims, the contractor is only liable for assembly that has not been properly carried out by him. It is at the discretion of the contractor to modify or replace assemblies and parts that have not been properly carried out.
- 5.8.1. Once the assembly has been accepted, the supplier is only liable for defects that occur within six months after acceptance and not for any other claims of the customer. The customer must inform the contractor immediately after notification of any defect. The period for liability for defects is extended by the duration of the operational interruption caused by the repair work.
- 5.8.2. The contractor is not liable if the defect is insignificant for customers perspective or is based on circumstances attributable to the customer.
- 5.8.3. If the contractor is unable to dispatch assembly personnel in time due to a lack of suitable employees or due to force majeure, this does not justify any claims of the customer.
- 5.8.4. The customer is obliged to provide compensation for damages to or loss of any equipment or tools provided by the contractor during transport or at the place of assembly through no fault of the contractor. Damages caused as a result of normal wear and tear are not taken into consideration.

6. Other

- 6.1. German law shall apply exclusively to all contractual relations.
- 6.2. The place of fulfilment for delivery and payment is 59964 Medebach, Germany.
- 6.3. The exclusive place of jurisdiction for all current and future claims arising from the business relationship with registered merchant is the local court in 59964 Medebach, Germany.
- 6.4. The same place of jurisdiction applies if the customer does not have a general place of jurisdiction in Germany, moves its place of habitual or permanent residence outside of Germany or its place of habitual or permanent residence is not known at the time the action is filed.

7. Additional terms and conditions

- 7.1. The customer is responsible for the main electrical connection from the power supply to machine's control cabinet (material, installation and connection).
- 7.2. The ambient conditions and supply of the machine must fulfill the agreed requirements for the equipment.
- 7.3. The customer must nominate a responsible person as contact for the assembly staff.
- 7.4. If the circumstances resulting from non-performance are in a such way, that the contractor cannot reasonably being expected to carry out the works, the contractor can refuse this performance without prejudice to the rights attributable to it.

7.5. These terms and conditions are supplemented by relevant legal and collective bargaining regulations and settlements. They are revised when the aforementioned terms and agreements change.

Our Terms and Conditions of Delivery and Payment – last revised July 2012 – also apply unless otherwise agreed.

BETH BETH Sondermaschinen GmbH

APPENDIX: Summarized group classification of destinations (excerpt)

| Group I | Group II | Group III | Group IV |
|--------------------|-------------|-----------|------------------|
| Croatia | Belgium | Denmark | Argentina |
| Poland | France | Finland | Australia |
| Romania | India | UK | China (Shanghai) |
| Russian Federation | Italy | | Canada |
| Slovakia | Netherlands | | Mexico |
| Slovenia | Austria | | Norway |
| Czech Republic | Spain | | Sweden |
| Hungary | | | Switzerland |
| | | | U.S.A. |