

GENERAL TERMS & CONDITIONS OF SALES

1. GENERAL

All contracts entered into between Beta-Calco Inc, (hereinafter called the "Sellers") and any person, firm or company (hereinafter called the "Buyers") purchasing goods from the Sellers shall be subject to the general terms and conditions set out below, in addition to any special terms which may be incorporated in writing in any particular Contract, and in case of conflict between such special written terms and these general terms and conditions the provisions of such special terms shall apply. Unless otherwise expressly agreed by the Sellers in writing no terms and conditions of sale which are at variance with these terms and conditions or of any special terms shall be construed as having any effect on any Contract to which these terms and conditions apply.

In particular, conditions printed on or attached to Buyers orders that are at variance with these terms and conditions will not apply unless agreed first by the Sellers in writing.

2. ACCEPTANCE OF QUOTATIONS

No Quotation issued by the Sellers is to be treated as an offer by the Sellers but as a basis to treat open for a period not exceeding sixty days from the date of the quotation. If an order is placed on the basis of such quotations, such order will be treated as an offer subject to these conditions and shall not be binding upon the Sellers unless and until accepted by them and confirmed by them in writing.

3. QUOTATION OF PRICES

Unless otherwise specified by the Sellers in writing all prices quoted are net unless otherwise stated or exclusive of any Government or local taxes, customs duties and import levies or any similar duties or levies. All prices quoted are, unless otherwise stated in writing, subject to variation without notice. Prices quoted are for the stipulated quantities only and do not hold good for lesser quantities.

4. FINISH

Unless otherwise specified by the Buyers in writing all products will be supplied in the standard finish applicable.

5. PAYMENT

(1) The terms of payment are strictly net 30 days from the date of invoice: on all overdue payments the Buyers will pay interest until actual payment at the rate of 0.07 % per day.

(2) Without prejudice to any other rights of the Sellers, if any payment from the Buyers is overdue the Sellers may withhold deliveries of goods under any outstanding Contract between the Sellers and the Buyers, and may cancel any outstanding Contract between the Sellers and the Buyers, in all respects as if the Buyer had been in breach thereof, and in particular but without prejudice to the generality of the foregoing the Sellers may sell any such undelivered goods and claim the difference in price (if less than the Contract price) from the Buyers but without being obliged to account to the buyers for any difference in price (if more than the Contract price).

(3) The Buyers will pay on demand from the Sellers all Government and local taxes chargeable in respect of any sale hereunder.

(4) The Buyers will discharge and indemnify the sellers against any warehousing charges, demurrage or other like cost of expense incurred in relation to any goods sold by the Sellers to the Buyers.

6. DELIVERY

(1) Delivery shall be affected on loading onto carrier's transport at the Seller's premises.

(2) The Sellers will use their best endeavor to fulfill delivery dates quoted, promised or requested but shall not be liable to make good any loss or damage howsoever arising (whether directly or indirectly) out of delay in delivery, nor shall orders be voidable for that reason.

7. FREIGHT AND PACKING

The Sellers will consign all goods by the method considered by them to be most appropriate. All orders under USD \$2500 (Canada CAN \$3500) net invoice total, after all discount but before all taxes, will be charged freight and packing.

8. RETURNS

Goods supplied in accordance with the order cannot be returned without the Sellers written consent. Application for such consent can only be considered within thirty days of invoice and must be in writing stating date and number of invoice and reasons for suggested return. Duly authorized returns must be sent carriage paid to the Sellers and the Sellers advised in writing, giving authorization reference. The Buyers will pay the freight on returns and the cost of any packaging or refinishing required to restore the goods to a saleable condition.

9. SHORT SHIPMENTS

Any short shipments must be reported to Beta-Calco within 10 working days of receiving the shipment.

10. DAMAGE OR LOSS IN TRANSIT

The Sellers will not be liable for any damage or loss in transit from whatsoever cause.

11. DESCRIPTION MATTER AND ILLUSTRATIONS.

All illustrations, drawings, catalogues and descriptive matter are of generally informative nature only and do not form part of the specification or description of the goods except when expressly stated by the Sellers in writing. The sellers reserve the right to make without notice such modifications in specifications, designs, materials or finishes, as they deem necessary or desirable. The Buyers shall not be entitled to object or reject the goods or any of them by reason of such modification.

12. INSTALLMENT DELIVERIES.

When the goods are delivered or shipped in lots or buy installments the Contracts shall be construed as a separate Contract in respect of each lot or installment subject to these terms and conditions and any special terms and conditions incorporated in the Contract in writing for each lot or installment and the rights and liabilities of the Sellers and the Buyers respectively shall be the same as though a separate Contract subject to such terms and conditions had been made for each lot or installment.

13. FORCE MAJEURE

Deliveries may in the absolute discretion of the Sellers be partially or totally suspended by the Sellers during any period in which they may be prevented from manufacturing, supplying or delivering by normal route or means of delivering the goods throughout any circumstances beyond the Sellers control including without prejudice to the generality of the forgoing, strikes, lockouts, or other industrial action or the reasonable apprehension thereof, civil disturbances, war, acts of God, fire, explosion, storm, flood, tempest, seizure, arrest or requisition of the goods or with all materials from which they are ordinarily made, failure of sources of supply of materials and/or raw materials required for the manufacture of the goods, government regulations requirements or License restrictions, shortage of delay in obtaining fuel supply (including electricity supply) or material. If the total or partial suspension of the Contract shall exceed a reasonable period, the Contract may be cancelled by either party by written notice to the other. Such termination shall not prejudice the right of the Sellers to require the Buyers to take delivery (and pay for) such of the goods as are or may be available for delivery (whether before or after such termination) shall be without prejudice to any rights which may have accrued to either party prior to the dates of such termination. The Sellers shall not be under any liability arising out of its failure to deliver or to perform its obligations hereunder which is directly or indirectly attributable to any event or events within this clause. The Buyers shall forthwith amend or have amended (if required by the Sellers so to do) any necessary documents including letters of credit or other payment documents to allow for the delay consequent upon the occurrences of any such event as aforesaid.

14. TITLE OF THE GOODS

(1) The property in the goods shall remain vested in the Sellers and shall not pass to the Buyers until the Buyers have made payment in full of the purchase price.

(2) So long as the property in the goods remains vested in the sellers they shall be at liberty at any time to retake possession thereof and for that purpose to enter upon any premises of the Buyers.

(3) Notwithstanding that the property has not passed to the Buyers, the Buyers shall be at liberty to resell the goods, but any such resale shall be deemed to be for the account of the sellers and any proceeds thereof, whether received from the sub-Buyer or from any Assignee of the debt due from the sub-Buyer shall be held by the Buyers on behalf of the Sellers until such time as the purchase price shall have been paid in full.

(4) If, prior to the passing of property therein, the buyers shall process the goods or mix them with other goods, ownership of the processed or goods shall forthwith vest in the Sellers and shall remain so vested until such time as the purchase price is paid in full.

(5) Notwithstanding the foregoing, the goods are at the entire risk of the Buyers from the time of delivery.

15. ACCEPTANCE OF ORDERS

Prices included on Buyer's orders shall not be binding on Sellers unless acceptance of the prices has been given in writing by the Sellers. Goods will be priced at prices ruling at time of delivery and not at time of placing order unless otherwise agreed in writing.

16. MINIMUM BILLING VALUE

Minimum billing value is \$250.00 for orders, \$50.00 for parts.

17. WARRANTY

(1) Nothing herein contained shall operate to exclude any warranty or condition implied by Law as to the quality of goods in the event that the goods when sold by the Purchaser or sold by any person or persons to whom the Purchaser may sell the goods shall become the subject of a Consumer Sale provided always that any claim under such warranty or condition shall not arise from any act or omission by the Purchaser or by any other person or persons selling the goods as a Consumer Sale.

(2) Save as aforesaid the Company will make good, by repair or at the Company's option, by the supply of a replacement, defects which under proper storage and use, appear in the goods within the period of sixty calendar months after the goods have been delivered and arise solely from faulty design (other than design made, furnished or specified by the Purchaser for which we have disclaimed responsibility in writing), materials or workmanship, provided further that in respect of parts or components not of the Company's manufacturer, the Company will give the Purchaser a guarantee equivalent to the guarantee (if any) which the Company may have received from the supplier of such parts or components in respect thereof but not so as to impose on the Company in respect of such parts or components a liability greater than that imposed on it by the aforesaid period of this Clause. Save as aforesaid and as provided in Clauses 6 and 9 of the Company shall not be under any liability in respect of defects in goods delivered or for any injury, loss or damage resulting from such defect or from any work done in connection therewith and its liability under this Clause shall be in lieu of any warranty or condition implied by Law as to the quality or fitness for any particular purpose of such goods. Save as aforesaid, the company shall be under no liability in Contract, tort or otherwise for any personal injury, loss or damage of whatsoever kind or howsoever caused for anything done or omitted in connection with the goods or any work done in connection therewith. For the purposes of this Clause the Company contracts on behalf of itself and as Trustees for its Servants and agents.

18. EXCLUSION OF LIABILITY

(1) The Company's maximum liability in any event shall be limited to replacement of article only and will not include any costs in respect of disconnecting, removing or replacing same.

(2) The Sellers shall in no circumstances be liable for consequential losses of any kind arising directly or indirectly from or in consequence of the sale of any goods by the Sellers or the use of any of the Seller's goods.

19. THIRD PARTY INDUSTRIAL RIGHTS

Where goods are supplied to the Buyers' drawings, design or specifications, the Buyers warrant that the manufacture, supply or sale by the sellers will not infringe any Patent or Registered Design (in respect of countries outside and inside Canada and the USA) equivalent industrial property right or any copyright and will indemnify the sellers against all liability for any infringement and against all actions, proceedings, claims, costs, demands and expenses in relation thereto.

20. PROPER LAW

These terms and conditions and all Contracts to which they apply shall in all respects be governed by and construed in accordance with the Law of Canada and shall be subject to the jurisdiction of the Canadian Courts.

Beta-Calco