

CONDITIONS OF PURCHASE

of REMAG Aktiengesellschaft and its affiliated companies:

EISENGESELLSCHAFT Mannheim mbH · PVG Kaltprofile Verarbeitungstechnik GmbH & Co. KG · STAHL Ehrenfriedersdorf GmbH & Co. KG

m+m Gebäudetechnik GmbH & Co. KG · Hagemeyer Stahlcenter GmbH

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§ 1 Scope in International Business Connections

1. Our Conditions of Purchase shall only apply to our suppliers, who are entrepreneurs according to Art. 14 BGB [German Civil Code]. They shall also apply to all future business with the supplier.
2. Our Conditions of Purchase apply exclusively. The supplier's terms and conditions conflicting with or deviating from our Conditions of Purchase are not recognised, even if we perform the contract without any reservation while knowing of conditions of the supplier that conflict with or deviate from our Conditions of Purchase.
3. All agreements made between the supplier and us for the purpose of the performance of this contract shall be set out in writing in this agreement or a contract of amendment.
4. Unless stipulated otherwise in these terms and conditions, the terms and definitions of the INCOTERMS 2000 shall apply.

§ 2 Conclusion of Contract · Contract Documents and Non-disclosure

1. The supplier shall be obliged to accept our order within twelve business days; otherwise we are not bound to our offer any more.
2. We do not pay remuneration or compensation for visits, preparation of quotations, projects, submission of offers, etc. This also applies if an offer submitted to us does not result in a legal transaction.
3. Orders must be in writing in order to be legally binding. Oral orders or orders via telephone must be additionally issued in writing in order to be legally valid. The same holds true for oral supplementary agreements and amendments to this contract. Our order numbers or project numbers must be stated on any order acknowledgements, delivery notes, invoices and any other correspondence.
4. We reserve all property rights and copy rights in any illustrations, drawings, calculations, and other documents provided by us. Those rights are not transferred to the supplier. They must not be made available to third parties unless this has been expressly approved by us in writing. They must be used for the production based on our order exclusively, and returned after execution of our order uncalledly. They must be kept confidential towards third parties.

§ 3 Prices · Terms of Payment

1. The price stated on the order is binding. In the absence of any written agreement to the contrary, the price is "delivered free" to the address for shipment, or application site specified in our order, including packaging, freight and transport. We may but do not have to return packaging.
2. Value-added tax (VAT) at the prevailing rate is included in the price stated.
3. We will only pay the cost for insurance of the goods if we have expressly promised the insurance. Otherwise the supplier must insure the goods.
4. If the supplier lowers its prices in general, the corresponding reduction in the prices of our order shall be considered agreed.
5. Invoices can be processed by us only if they, in compliance with the requirements of our order, provide for the order number specified therein. The supplier shall therefore be responsible for indicating the order number stated in our order on all invoices, in compliance with the provisions set therein. The supplier shall be responsible for all consequences of non-fulfilment of this obligation.
6. Unless otherwise agreed, we will pay the purchase price with 2% discount within 14 days of delivery and receipt of invoice or net within 30 days, at our discretion.
7. We are entitled to the rights to set-off and the rights of retention to the extent of the law.

§ 4 Delivery Period

1. The delivery period stated on the order is binding. The receipt of goods at the place of reception or the application site specified by us is decisive as regards compliance with the delivery period.
2. The supplier shall be obliged to immediately notify us in writing if any circumstances occur or become obvious to the supplier which indicate that the agreed delivery period cannot be met.
3. If the supplier specifies a date other than the agreed one "afterwards", we shall be entitled to withdraw from the contract without having to justify this step. This also applies if the supplier does not comply with a promised date. The supplier can not lodge any claims whatsoever based on our withdrawal.
4. If the supplier defaults in delivery, we will be entitled to claim flat rate damages caused by default in an amount equal to 1% of the delivery value for each completed week, but not more than 10%. Further statutory claims are hereby reserved. The supplier is, however, entitled to prove to us that no damage or substantially smaller damage has been caused to us as a result of the supplier's default in delivery.
5. When accepting the delayed delivery or performance we do not waive any damage claims.

§ 5 Passing of Risk · Documents

1. Unless otherwise agreed in writing, the goods shall be "delivered free", so that until delivery is made to the recipient's address specified by us, the risk of any kind of deterioration including the risk of accidental loss will remain with the supplier. Shipment shall be at the supplier's risk.
2. The supplier shall be obliged to indicate our exact order number in all shipping documents and delivery notes. If the supplier fails to do so, delays in processing which we are not responsible for can not be avoided.
3. The supplier shall be liable for the suitability of packaging (paperboard containers, etc.). Should a deviation between the weight stated on the invoice and the weight of the goods received occur, the weight determined on our calibrated or public scales shall be binding.

§ 6 Warranty · Inspection for Defects

1. We shall be obliged to inspect the goods for possible quality or quantity deviations within an appropriate period. The complaint must be entered with the supplier within 8 working days after the goods have been received completely. If any defects in goods, work or deliveries can not be detected despite thorough inspection, or can only be detected when the supplied goods are used, the complaint is considered as lodged in time if it is entered with the supplier within 8 working days after detection of the defect. The obligation for inspection and for making a complaint will be extended accordingly if we resend or pass the goods on within the ordinary course of business and notify the supplier thereof in a timely manner.
2. The supplier shall be liable for defects of quality within the framework of the following paragraphs 3 and 4, regardless of negligence or fault.
3. In case of defectiveness of the goods at the time of the passing of risk, we will be entitled to demand subsequent performance (repair or replacement) or reduction of the purchase price. Subsequent performance shall, at the supplier's cost and expense, be made, at our choice, through removal of the defect or through delivery of goods which are free of defects.
4. In case of failure of the supplier's attempt of subsequent performance, or if the supplier unjustifiably refuses to make subsequent performance or if the supplier does not observe a reasonable additional period fixed by us, we will be entitled to remove the defect ourselves and/or to have it removed by third parties by our order and to claim reimbursement of the expenses accruing thereof.
5. Our statutory rights such as rescission, damages, in particular, damages in lieu of performance, as well as the recourse rights pursuant to Article 478, 479 BGB remain reserved.
6. The supplier shall be liable for defects of title regardless of negligence or fault.
7. The warranty period is 24 months after the handover of the item.

§ 7 Product Liability · Release · Liability Insurance Coverage

1. If and to the extent that the supplier is responsible for loss or damage caused by the product, the supplier shall be obliged to indemnify us on first demand against damage claims of third parties as far as the cause is within the supplier's sphere of control and organisation and the supplier is liable to third parties.
2. If, due to such damage caused by a product, recall campaigns become necessary, the supplier shall also be obliged to reimburse us any expenditure arising from or in connection with a recall campaign conducted by us, within the same limits. We will notify the supplier of the subject matter and the extent of the recall campaign to be conducted, as far as this is possible and can reasonably be expected, and give the supplier the opportunity to comment.
3. Any other claims on our part shall remain unaffected.
4. The supplier undertakes to maintain product liability insurance with lump sum cover of at least EUR 2.5 million for each instance of personal injury / damage to property. This shall be without prejudice to any further damage claims we may have.

§ 8 Property Rights

1. The supplier shall assure that its delivery as well as its for him foreseeable use by us does not infringe any patents or other property rights of third parties.
2. In case we are claimed by third parties because of such a violation of property rights, the supplier shall release us from these claims upon first written request, and compensate us with all expenses incurred from the claim.
3. The above provisions do not apply as far as the supplier has produced the supplied goods on the basis of documents, samples, models or similar specifications made by us and is not aware of the fact (and does not have to be aware either) that any property rights have been violated thusly.

§ 9 Agreement regarding Quality Assurance

If the supplier offers its services as a certified company at the time of conclusion of the contract, it shall be obliged to conclude an agreement regarding quality assurance with us preceding these General Conditions of Purchase as regards quality standards.

§10 Retention of Title - Provision of Material - Tools - Non-disclosure

1. We reserve title to any parts we provide the supplier with. Processing or alteration by the supplier is always performed on our behalf. If our goods under reservation of title are combined with other items not belonging to us, we acquire the joint ownership in the new item in relation of the value of our item to the other combined items at the time of combination.
2. If the items provided by us are inseparably compound with other items not belonging to us, we acquire the joint ownership in the new item in relation of the value of the good under reservation of title to the other compound items at the time of blending. If they are compound in such a way that the supplier's item must be regarded as the main item, it is agreed that the supplier proportionally transfers joint ownership to us. The supplier holds the exclusive ownership or joint ownership in safe keeping for us.
3. We reserve title in tools. The supplier shall be obliged to use the tools for the manufacturing of the goods ordered by us exclusively. On its own account, the supplier shall be obliged to insure the tools owned by us at replacement value against any damages caused by fire, water or theft. It shall be obliged to perform any necessary maintenance and inspection works at its own cost and in time. It must immediately notify us of any defects. If it culpably fails to do so, claims for damages shall remain unaffected. On request, the supplier must submit proof of the aforementioned insurances.
4. The supplier shall be obliged to keep all illustrations, drawings, calculations, and other documents and information it has received strictly confidential. All illustrations, drawings, calculations, and other documents provided by us remain our property. At the same time we expressly reserve the copy rights to them. They may only be disclosed to third parties with our express permission. The obligation for non-disclosure shall continue to be in force even after the execution of this contract. It will, however, expire, if and in so far as the production knowledge contained in these illustrations, drawings, calculations, and other documents has become general knowledge.

§11 Right to Set-Off and Right of Retention

1. Based on the mutually granted authorisations of the following allied companies
 - REMAG Aktiengesellschaft, Mannheim
 - EISENSELLENSCHAFT Mannheim mbH, Mannheim
 - PVG Kaltprofile Verarbeitungstechnik GmbH & Co. KG, Anröchte
 - STAHL Ehrenfriedersdorf GmbH & Co. KG, Ehrenfriedersdorf
 - m+m Gebäudetechnik GmbH & Co. KG, Ehrenfriedersdorf
 - Hagmeyer Stahlcenter GmbH, Geislingen

we are entitled to set off against all receivables the supplier has towards us or one of these companies, for whatever legal reason, or to declare our rights of retention.

2. The supplier on its part may only declare set-off with undisputable or rightfully ascertained claims towards us.

§12 Place of Jurisdiction - Place of Performance

1. If the supplier is a merchant who has been entered as such in the commercial register, our place of business in Mannheim, and the ones of the branch offices and affiliated companies in Anröchte, Ehrenfriedersdorf, Geislingen, Göppingen, Munich, Nuremberg and Soest shall be place of jurisdiction. We shall, however, be entitled, to sue the supplier at its place of business / place of the branch office.
2. Unless otherwise stated in the order acknowledgement, our place of business in Mannheim, and the seat of the branch offices and affiliated companies in Anröchte, Ehrenfriedersdorf, Geislingen, Göppingen, Munich, Nuremberg and Soest, respectively, shall be place of performance, also for our payment obligations.

§13 General

1. The supplier's rights from this contract can not be assigned or transferred.
2. Should individual provisions be invalid, this shall not affect the validity of the remaining provisions.
3. In compliance with the stipulations of the General Equal Treatment Act (AGG), the contractual relationship between the parties will be carried out in a non-discriminating way. In case of and for discriminating acts, the acting party shall be exclusively liable.

§14 Validity for International Business Connections

1. German law applies exclusively to international business connections with us, to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).
2. In case of doubt, the INCOTERMS 2000 are authoritative for the interpretation of commerce clauses.
3. Our conditions laid out under Sections 1 to 13 above also apply to international business connections, with application of German law.