

## CONDITIONS OF SALE

### 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

Last update: November 2006

#### § 1 Scope and Contract Conclusion

1. Our Conditions of Sale shall only apply to our purchasers, who are entrepreneurs according to Art. 14 BGB [German Civil Code]. They shall also apply to all future business with the purchaser.
2. Our Conditions of Sale apply exclusively. We do not acknowledge any terms and conditions of the purchaser deviating from or conflicting with our Conditions of Sale, also not by unconditional performance of the agreement.
3. All agreements made between the purchaser and us for the purpose of the performance of this contract shall be set out in writing in this agreement or an amendment contract.
4. Unless stipulated otherwise in these terms and conditions, the terms and definitions of the INCOTERMS 2000 shall apply.
5. For transfer orders the pricelist conditions of the commissioned supplier shall apply additionally.

#### § 2 Offer · Quotation Documents

1. Our offers and quotations are subject to change without notice. Technical descriptions and other specifications contained in our offers, quotations, brochures, as well as any other information are also without obligation for the time being.
2. We reserve all property rights and copy rights in any illustrations, drawings, calculations, or other documents. They may not be made available to third parties.
3. If the order is to be qualified according to Art. 145 BGB, we can accept it within 15 working days.
4. Specifications according to paragraph 1 as well as in any public announcements by us, manufacturers, and their agents (Art. 434 (I) 3 BGB) only become part of the service description if they are expressly referred to in this agreement.

#### § 3 Prices · Terms of Payment · Settlement

1. Unless otherwise stated, our prices are quoted ex works (exw), packaging excluded. Packaging will be separately charged for.
2. Our prices do not include VAT, which will be shown separately on the invoice as stipulated by law on the day the invoice is issued.
3. Taking a cash discount requires a separate written agreement.
4. Purchase price payments must be received by us in cash or by bank transfer within 15 working days after receipt of goods and invoice. A payment shall be deemed effected on the date we can freely dispose of the amount.
5. Other forms of payment require a separate written agreement. The purchaser shall bear all costs arising thus for both parties.
6. The purchaser shall only be entitled to set-off or have the right of retention if its counter claims have been rightfully ascertained, or if they are undisputable or acknowledged by us. It shall furthermore only have rights of retention as far as they are based upon the same contractual relationship.

#### § 4 Performance of Deliveries · Delivery Period · Obligations to Co-operate

1. The scope of our obligation to deliver is stipulated by this agreement exclusively. Changes in design, form, and colour based upon technical improvements or legal requirements are reserved, as far as those changes are not material or otherwise unacceptable for the purchaser.
2. Partial deliveries are permitted and can be billed for, as long as they can be reasonably imposed on the purchaser.
3. Our obligation to deliver shall be subject to complete and correct supply to ourselves, unless we are responsible for the delay in delivery or the non-delivery. We are therefore released from our obligation to deliver and can withdraw from the agreement if we are not supplied ourselves, despite having placed congruent orders with reliable suppliers.
4. As a matter of principle, delivery dates are stated subject to the purchaser's co-operation as provided in the contract. Our obligation to deliver shall be honoured subject to the purchaser timely and duly fulfilling its obligations.
5. Any delivery period stated by us will only start as soon as all technical matters are clarified.
6. Delivery periods start with the date of our order confirmation. In case of labour disputes, the delivery periods shall be prolonged for the duration of the thus caused disturbance. This is also valid for delivery dates.
7. The time when the goods are dispatched ex works or ex warehouse shall be material to the observance of delivery periods or dates. They shall be regarded as observed as soon as the readiness for dispatch is announced, in case we are not responsible that the goods can not be sent out in time.
8. If, after the conclusion of the contract, it turns out that the purchaser does not provide sufficient warranty for its liquidity and that our pecuniary claim is jeopardised, we shall be entitled to refuse delivery until the purchaser has effected payment or provided security. If the payment or security deposit is not effected within 7 business days after a corresponding demand, we are entitled to withdraw from the contract.
9. Should the purchaser fall behind with its release order, acceptance or collection, or if it is responsible for a delay in dispatch or delivery, we shall be entitled – without prejudice to other claims – to request lump sum costs amounting to the local warehouse costs, irrespective of whether we store the goods in our warehouse or at a third party's premises. The purchaser may furnish the proof that no or only insignificant damage resulted.

#### § 5 Delay in Delivery

1. The agreed delivery period shall be extended correspondingly, if it can not be observed for reasons beyond our or our suppliers' control. We will immediately notify the purchaser, should such a case occur. However, if those circumstances still continue one month after the agreed delivery period has ended, each party shall be entitled to withdraw from the contract. Further claims on the basis of the exceeded delivery period, which we are not responsible for, are exempt.
2. In case of a delay in delivery the purchaser shall be entitled to claim lump-sum compensation for delay for each full week in the amount of 3 per cent of the value of goods to be delivered, up to a maximum of 10 per cent of the value of goods to be delivered. The purchaser is furthermore entitled to set us – in writing – an adequate period of grace of at least 15 working days. After this period has lapsed without effect, the purchaser shall be entitled to withdraw from the contract or to claim damages instead of performance. The liability for damage shall be limited to 50 per cent of the incurred losses.
3. Paragraph 2 does not apply if the delay is caused by intent, gross negligence or a material breach of duty. Neither shall it apply if a commercial firm deal has been agreed upon.

#### § 6 Place of Performance and Passing of Risk · Transport Insurance

1. Unless otherwise stated in the order acknowledgement, delivery is agreed „ex works“ (exw). Place of performance shall be our respective place of business as per the order acknowledgement (see Section 15).
2. Should the purchaser wish so, we will cover the shipment with transport insurance; the costs thus incurred shall be at the expense of the purchaser.

#### § 7 Retention of Title

1. We retain title to the supplied goods until all our receivables towards the purchaser from this business relationship, including future receivables from contracts concluded at the same time or later, have been paid in full by the purchaser. This is also valid if receivables have been entered into a current account and the balance is struck and acknowledged.
2. The purchaser is entitled to sell the goods in the regular course of business or to process them. Any processing by the purchaser is carried out for us, without any obligation on our part resulting thereof. As a matter of principle we have a co-ownership share in the new object created by processing, incorporation or mixing of the retained goods. This co-ownership share is as follows: in case of processing at the rate of the value (= gross invoice value including incidental costs and taxes) of the good under reservation of title to the value of the new object; in case of incorporation or mixing at the rate of the value of the good under reservation of title to the value of the other goods. The purchaser holds the exclusive ownership or joint ownership, which has thereby arisen, in safe keeping for us.
3. The purchaser herewith assigns to us all receivables, which accrue from resale to a buyer or a third party. Even after this assignment it shall still be entitled to collect these receivables. Our capacity to collect the receivables ourselves remains unaffected by that; however, we will not exercise this right as long as the purchaser duly fulfils its payment and other obligations. On request, the purchaser must inform us about the assigned receivables and the appurtenant debtors, supply us with the details necessary for collection, hand out the relevant documents and inform the debtors of the assignment.
4. If the purchaser acts in breach of the contract, especially if it defaults in payments, we shall be entitled to withdraw from the contract and to take back the goods. For the purpose of taking back the goods, the purchaser herewith authorises us irrevocably to enter its business and warehouse premises unhamperedly, and to take away the goods.
5. As long as the retention of title persists, the purchaser may neither transfer by way of security nor pledge goods or objects produced from these goods without our consent. The conclusion of finance contracts (e.g. leasing) including the assignment of our rights of retention require our prior written permission unless the contract financing institution is obligated under the contract to make the contingent purchase price payment, which we are entitled to, to us directly.
6. The purchaser must inform us immediately in writing of any garnishment or other interferences by third parties. It must not agree informally with its customers so that our rights could be prejudiced.
7. We undertake to release the securities we are entitled to, on the purchaser's request and at our discretion, insofar as the liquidable value of the securities does not exceed the receivables to be secured by more than 20 per cent, or their nominal value by more than 50 per cent.

#### § 8 Authorisation to Set-off of the Allied Companies

1. Based on the mutually granted authorizations of the following allied companies
  - REMAG Aktiengesellschaft, Mannheim
  - EISENGESELLSCHAFT Mannheim mbH, Mannheim
  - PVG Kaltprofile Verarbeitungstechnik GmbH & Co. KG, Anröchte
  - STAHL Ehrenfriedersdorf GmbH & Co. KG, Ehrenfriedersdorf
  - m+m Gebäudetechnik GmbH & Co. KG, Ehrenfriedersdorf
  - Hagemeyer Stahlcenter GmbH, Geislingenwe are entitled to set off against all receivables the purchaser has towards us or one of these companies, for whatever legal reason.
2. This is also true if on one part payment in cash, and on the other part payment in bills or other performances on account of performance has been agreed. If the receivables are due at different times, our receivables become due on the due date of our liabilities at the latest and settled for value.

## § 9 Qualities, Measurements, and Weights

1. Qualities and measurements are set in compliance with DIN Standards and material property specifications, unless foreign standards have been agreed. As far as there are no DIN Standards or material property specifications, the corresponding Eurocode shall apply; if there is none, custom and usage shall apply. Reference to standards, material property specifications or inspection certificates as well as specifications regarding qualities, measurements, weights and usability do not indicate properties and condition, guarantee properties or give warranties, just as little as declarations of conformity, manufacturer's declarations and corresponding markings such as CE and GS.
2. The weighing done by our supplier is decisive as regards weights. The weight note serves as proof of weight. As far as legally permitted, weights or weighting can be determined in compliance with DIN Standard. This shall not affect the additions and deductions (commercial weights) customary in the steel trade in the Federal Republic of Germany. Any indications given in the dispatch note as to the number of pieces, bundles, etc., are not binding if and so far as the goods are invoiced by weight. Where, in accordance with trade usage, the goods are not weighed piece by piece, the total weight of the delivery shall prevail. Any difference with regard to the calculated weight of the single pieces shall be proportionally allocated to them.

## §10 Acceptances

1. Acceptance of goods can, if it has been agreed upon, only take place at our supplier's and our warehouse, respectively, immediately after notice of readiness for acceptance. The purchaser will be billed with the personal inspection costs according to our price list or to the supplier's price list.
2. After the agreed acceptance of the goods by the purchaser, notification of defects that could have been detected in the course of the agreed type of acceptance shall be excluded.
3. If the acceptance does not take place at all, in time, or incompletely for reasons not attributable to us, we shall be entitled to dispatch the goods without inspection or to store them on account and at the risk of the purchaser, and to bill it correspondingly.

## §11 Dispatch, Partial Delivery, Ongoing Deliveries

1. We will designate the dispatch route and means of shipment, as well as the freight forwarder and carrier. Goods that have been declared ready for shipment according to agreement must be picked up immediately; otherwise we – at our discretion - shall be entitled to dispatch them on account and at the risk of the purchaser or store them and invoice the purchaser for them immediately.
2. The material is delivered without packing and without protection against rust. If this is usual in the trade, we will deliver the goods packed. We will provide for packaging, means of protection and auxiliary means of transport based on our experience and at the purchaser's expense.
3. We are entitled to partial deliveries in a reasonable scope. Excess and short deliveries of the agreed quantities customary in this line of industry are permitted.
4. In case of agreements with ongoing deliveries we should be given release orders and special schedules with roughly the same monthly quantities, otherwise we are entitled to set the terms at equitable discretion.
5. If the contractual quantity is exceeded by individual release orders, we are entitled but not obligated to deliver the excess quantity. We can charge for the excess at the prices valid at the time of the release order and the delivery, respectively.

## §12 Defects of Quality

1. As regards defects of quality the purchaser is subject to the statutory Duty to Inspect and Notify of Lack of Conformity in compliance with Art. 377 HGB [German Commercial Code].
2. The purchaser can not derive any rights from defects as a result of which the value or the fitness of the goods for the use discernible by us is not impaired or is impaired only insignificantly.
3. In the events that goods are defective at the passing of risk, we are entitled and obligated to subsequent performance. 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. In case of subsequent performance, we shall be obligated to bear all expenses necessary for this purpose, in particular, costs of transport, travel, labour and materials. If these costs constitute more than 50 per cent of the value of the goods to be delivered, we shall be entitled to refuse subsequent performance.
4. If and when the subsequent performance fails, a time limit to be fixed by the purchaser for the subsequent performance has not been observed, or if subsequent performance has been refused, the purchaser will be entitled, at its choice, to withdraw from the contract, to reduce the purchase price (purchase price reduction) by the defect degradation, or to claim compensation instead of performance, within the limits of the following paragraphs.
5. If a defect of quality leads to damage, we shall be liable according to statutory provisions, as long as it is a personal injury, the damage is covered by the Product Liability Act, or is caused by intent or gross negligence.
6. As far as the damage is caused by a culpable breach of a material contractual obligation or a "cardinal obligation", we shall only be liable for damages typical for this kind of contract.
7. Further contractual and tortious claims of the purchaser are excluded. We therefore shall in particular not be liable for any damages other than those to the delivery item itself; and we are also not liable for losses of profit or other pecuniary losses the purchaser might suffer.
8. The aforementioned provisions do not apply to used goods. We are only liable for defects of quality in case of express acceptance of guarantee, intent, or gross negligence; otherwise not.
9. In case of goods that have been sold as declassified material, the purchaser does not have any warranty rights as regards the stated defects and those that can be typically expected.
10. Art. 478 BGB remains unaffected by the above paragraphs 2 to 9.

## §13 Other Liability for Damage

1. The above provisions under Section 12, paragraphs 5 to 7 also apply for damage claims based on other breaches of obligation.
2. In case of a violation of obligations precedent to a contract or an impediment to performance that existed already at the conclusion of the contract (Art. 311 I, II, 311a BGB), our duty of replacement shall be limited to the reliance interest.

3. For our liability in tort, the provisions under the aforementioned Section 12, paragraphs 5 to 7 apply correspondingly.
4. As far as our liability is excluded or limited, this shall also be valid for the personal liability of our employees, staff, workers, agents, bodies, and vicarious agents.

## §14 Limitation

1. Subject to Articles 438, 479 BGB, the purchaser's right to subsequent performance in the case of new goods will become barred by the statute of limitation one year after delivery of the goods. Warranty is excluded for used goods. All warranty rights are therefore not given in case of used goods.
2. Subject to Articles 438, 479 BGB, the period of limitation is one year for damage claims. For claims under the Product Liability Act and in cases of intent and gross negligence, statutory limitation periods shall apply.

## §15 Place of Performance - Place of Jurisdiction for National Contracts

1. Unless otherwise stipulated in the order acknowledgement, 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 performance.
2. If the purchaser 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; however, we are entitled to sue it at the court of its residence.
3. All legal relations between us and the purchaser shall be subject to the legislation governing the legal relations of domestic parties, applicable at our place of business.

## §16 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 15 above also apply to international business connections, with application of German law.
4. Seller's duties
  - a. The seller undertakes to deliver the goods into the charge of a forwarding company of its choice at the agreed delivery date, packed so that they are fit for transport by truck, vessel, or plane, and to inform the purchaser of the dispatch.
  - b. The purchaser shall only be obliged to effect transport insurance if the purchaser expressly requests it in writing to do so, and is prepared to pay the costs..
5. Failure of delivery:
  - a. If the delivery fails to appear, the purchaser is entitled to remedies of any kind only after having set the seller an adequate period of grace in writing.
  - b. The seller must not pay for the consequences of delayed deliveries, if they can be ascribed to sovereign interventions, labour disputes, lack of suitable means of transport or benefits, warlike operations as well as any other circumstances beyond the seller's operational sphere. The same holds true for fire, explosion incidents, industrial conflicts and any other disturbances of the course of operations, which can not be controlled by the seller by using adequate means. In any case the purchaser reserves the right to declare cancellation of the contract in compliance with statutory provisions.
  - c. As far as the seller must not answer for defaults according to Section 16, 5b, the purchaser is entitled to assert claims from contract penalty agreements and/or agreements on damage consolidation into a lump sum.
6. Evidence of exportation and sales tax identification number:
  - a. If a purchaser who is resident outside the Federal Republic of Germany (external purchaser), or its agent pick up goods or transport or ship them to the external territories, the purchaser must provide us with the evidence of exportation required for tax purposes. If this evidence is not furnished, the purchaser must pay the value-added tax (VAT) applicable for deliveries within the Federal Republic of Germany on the invoice amount.
  - b. In case of deliveries from the Federal Republic of Germany to other EC member states, the purchaser must submit to us - before the delivery - its sales tax identification number under which it declares taxes on intra-community acquisitions. Otherwise it must pay the statutory amount of value-added tax owed by us, in addition to the purchase price agreed for our deliveries.
7. Special provisions for ECSC products:
  - a. Incorrect further delivery, misallocation:  
ECSC products that have not been expressly sold for export to third countries must not be brought into countries outside the EC in an unprocessed state. The sovereign territories of Finland and Norway are equivalent to EC countries. At our request the purchaser must proof the goods' whereabouts. Should the purchaser violate this obligation, it shall be liable to pay contractual penalty to the amount of 30 per cent of the agreed purchase price. We are entitled to claim compensation for the actual damage instead. The purchaser must see to it that the ECSC products do not arrive at any other destination or at any other recipient than agreed with us. If the purchaser violates this obligation and
    - takes unjustifiable advantage from that in the calculation of freight, it has to pay us contractual penalty amounting to the triple value of this advantage.
    - takes an unjustifiable price advantage from that, it has to pay contractual penalty amounting to the triple value of this advantage.
 At our request the purchaser must proof that it has fulfilled the obligation mentioned under paragraph 1.
  - b. Resale:  
As regards their own price lists and conditions of sale for the resale in an unaltered state, our purchasers are obliged to comply with the regulations of art. 2 to 7 of Decision No. 30/53, and with the regulations of Decision No. 37/54 of the EC Commission, as amended.

## §17 General

1. The purchaser'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.