

**General Terms of Purchase of Stahlrohr GmbH, Duisburg
Version 08/2013**

I. Scope

1. These General Terms of Purchase shall apply to all – also future – orders of goods, services and subcontracting work and their processing towards companies within the meaning of § 14 Par. 1 BGB [German Civil Code]. We shall not recognise contradictory terms and conditions of the seller or terms and conditions which deviate from these Terms of Purchase unless otherwise determined in these Terms of Purchase or in the contract with the seller. If we accept the goods without an explicit objection it cannot be derived from this in any case that we had recognised the terms and conditions of the seller.
2. Oral agreements of our employees will only become binding by our written confirmation.
3. The creation of offers is free of charge for us and non-binding.
4. Decisive for the interpretation of terms of trade are the Incoterms in their respective valid version.

II. Prices

1. The agreed price is a fixed price.
2. In case of pricing “free house”, “free place of destination” and other “free/ carriage paid” deliveries the price shall include the freight and packaging costs. In case of carriage forward delivery we shall determine the type of despatch.
3. Incidentally the Incoterms shall apply in their respective newest version.

III. Payment

1. In the absence of another agreement or more favourable conditions of the seller, payments shall be made within 14 days minus 3 % cash discount or within 30 days net.
2. Payment and cash discount deadlines shall apply from the receipt of the invoice, however not before the receipt of the goods or in case of services not before their acceptance and, insofar as documentation, test certificates (e.g. plant certificates) or similar documents belong to the scope of services, not before their hand-over to us as per contract.
3. Payments shall be made by means of a cheque or bank transfer. The payment is deemed in time if the cheque was sent by post on the due date or an order was placed for the transfer at the bank on the due date.
4. Maturity interest cannot be requested. The interest rate on default is 5 % points above the base lending rate. We are in any case entitled to prove lower damages on default than requested by the seller.
5. We are entitled to rights to offset and rights to retention in the scope as permitted by law.

IV. Delivery deadlines / delay in delivery

1. Agreed delivery dates and deadlines are binding. Threatened delays in delivery are to be reported to us immediately in writing. Suitable counter-measures for avoidance are to be proposed to us at the same time.
2. Decisive for the adherence to the delivery date or the delivery deadline is the receipt of the goods in our company insofar as not otherwise agreed in writing.
3. If the seller is delayed in delivery we shall be entitled to the statutory claims. We are in particular entitled to request damages instead of the performance after the unsuccessful expiry of a reasonable final deadline set by us. Our entitlement to the delivery is only excluded if the seller has provided the damages.
4. The seller can only refer to the failure to provide necessary documents, which are to be delivered by us, if it has not received the documents even after a written reminder.

V. Reservation of title

1. With regard to the seller's rights to the reservation of title its terms and conditions shall apply under the condition that the ownership to the goods shall pass to us with their payment and accordingly the extended form of the so-called reservation of current account shall not apply.
2. Owing to the reservation of title the seller can only request that the goods are handed over if he has previously cancelled the contract.

VI. Execution of the deliveries and passing of risk

1. The seller shall bear the risk of the accidental loss and the accidental deterioration, also with “carriage paid” and “free house” deliveries until the hand-over of the goods at the place of destination. The Incoterms shall apply in addition in their respective newest version.
2. Partial deliveries require our consent.
3. Surplus or shortfalls in deliveries are only permitted within the customary framework.

4. Packaging costs shall be borne by the seller, if not otherwise agreed in writing. If we bear the costs of the packaging in an individual case then these are to be charged at the most reasonable price. The obligations to take the packaging back are oriented to the packaging regulations of 21.08.1998 in their respective valid version. The costs for the return transport and/or the disposal of the packaging shall be borne by the seller.

VII. Liability for defects and statute-of-limitations

1. The seller has to procure the goods for us free of defects of quality and title. The seller in particular has to assume responsibility for the fact that its deliveries and services comply with the recognised rules of technology and the contractually agreed properties and standards.

2. The goods shall be inspected for quality and completeness in our company after receipt in the scope, which is deemed reasonable and technically possible for us. Reports of defects are deemed in time if they are received by the seller by letter, fax, e-mail or by telephone within ten days. The deadline for the report of the defects shall begin at the time at which we - or in the event of the third party deal our buyers – have determined or should have determined the defect.

3. If the goods have a defect of quality we shall be entitled to the statutory rights at our choice. A subsequent improvement of the seller shall be deemed as failed after the first unsuccessful attempt already. We shall also be entitled to the right to cancellation if the breach of duty of the seller concerned is only insignificant.

4. We can also request reimbursement from the seller of those expenses in connection with a defect which we have to bear in the relationship towards our buyer if the defect already existed when the risk passed to us.

5. The legal statutes-of-limitations shall apply to our claims for defects.

6. The seller hereby now already assigns all claims – as conditional payment – to us to which he is entitled against his sub-suppliers due to and in connection with the delivery of faulty goods or such goods, with which guaranteed properties are missing. It shall hand over all documents to us which are necessary for asserting such claims.

XIII. Supplementary terms and conditions for subcontracting work and other services

1. All goods handed over by us for processing or other treatment shall remain our property. Processing of our goods shall be carried out on our behalf as manufacturer within the meaning of § 950 BGB without obliging us.

2. The seller or supplier undertakes to store the goods separately and to mark these as our property. It has to prove this to us upon request.

3. The seller / supplier undertakes to properly and sufficiently insure the goods handed over to him. He shall be liable for damages, confusions or other impairments to our goods according to the statutory regulations.

IX. Place of performance, place of jurisdiction and law which is to be applied

1. The place of performance for the delivery is, insofar as not otherwise agreed, our registered seat in Duisburg.

2. The place of jurisdiction is our registered seat in Duisburg. We can also file legal action against the seller at its place of jurisdiction.

3. German law shall apply in addition to these terms and conditions for all legal relations between us and the seller under the exclusion of the regulations of the Convention of the United Nations of 11. 04.1980 for Contracts concerning the International Sale of Goods (CISG).