

## Terms and conditions of purchasing of GABO STAHL GmbH

### §1 Applicable provisions

These terms and conditions of purchasing apply exclusively to all purchases, including future ones, of **GABO STAHL GmbH, HAPU Industrievertretungen GmbH und M. Droste Stahlhandel GmbH** (hereinafter: **GABO STAHL**).

1. These terms and conditions apply exclusively. Any General Terms and Conditions of the Supplier that contradict or deviate from these terms and conditions of purchasing shall not apply unless GABO STAHL has expressly approved them in writing. The acceptance of or payment for goods or services from the Supplier shall not constitute approval. By making an initial delivery under these stipulations, the Supplier acknowledges their validity as exclusively legally binding, including for any future deliveries.
2. These terms and conditions of purchasing shall also apply in all situations in which GABO STAHL accepts deliveries from the Supplier without rejecting the General Terms and Conditions of the Supplier that deviate from these terms and conditions of purchasing, regardless of whether GABO STAHL was aware of this or not. Any attempts by the Supplier to avail itself of or refer to the validity of its General Terms and Conditions are hereby expressly rejected.
3. These terms and conditions of purchasing also apply to all future business with the Supplier.
4. The provisions of these terms and conditions of purchasing shall apply in addition to any other agreements the Parties may conclude between themselves, e.g. framework delivery agreement, quality agreement, consignment delivery agreement, etc.
5. Any verbal agreements made by employees of GABO STAHL are not binding until confirmed by GABO STAHL in writing. The same applies to any changes to the order. Notwithstanding the above, changes made by the Supplier are legally effective if confirmed to GABO STAHL in writing within one week following the agreement
6. Orders may be revoked until receipt of an order confirmation. Order confirmations must be in writing. The Supplier is obliged to accept orders of GABO STAHL within one week.

### §2 Conclusion of, modifications to and cancellation of the contract

1. Enquiries to the Supplier concerning its products and conditions for service or requests for quotes shall not be binding on GABO STAHL.
2. For purchase orders, deals and delivery schedules, solely the written order from GABO STAHL will be decisive.
3. Contracts come into existence when the purchase order is confirmed by the Supplier, provided this does not deviate from the order from GABO STAHL. GABO STAHL must indicate any such deviations expressly. Any deviations from these purchase orders will not be permitted unless approved in writing by GABO STAHL in advance.
4. If the Supplier fails to confirm an order within one week of the written instruction, the order will come into being in accordance with the purchase order from GABO STAHL.
5. Even after the order is confirmed by the Supplier GABO STAHL is allowed to cancel or change the order. Cancellations have to be made at the latest eight weeks and modifications at the latest six weeks before the confirmed delivery date. Both must to be confirmed by the Supplier within one week. If a confirmation is not given within this time the cancellation or change of order is regarded as fully accepted.
6. Telephone or oral agreements – including subsequent modifications or extensions to these terms and conditions of sale – must be confirmed in writing to be valid. Similarly, oral agreements concluded after the contract and ancillary agreements of any nature must be recorded in writing to be valid.

7. This requirement for written form may also be met by remote data transfer or fax.
8. The issue of quotes, technical projects, preliminary studies etc. by the Supplier or cost estimates by the Supplier shall be free of charge for GABO STAHL and shall in particular not compel GABO STAHL to place an order, unless the contrary is expressly agreed in writing.

### §3 Price and stipulations

1. As a matter of principle, the prices based on which GABO STAHL issues purchase orders shall apply. If in individual cases the Supplier is required to designate a price in the order confirmation, this price must be expressly approved by GABO STAHL. All prices agreed on are fixed prices and shall apply, unless otherwise agreed, to delivery carriage paid to the place of destination, which shall be the place of delivery designated by GABO STAHL. Prices include packaging, unloading, road tolls, fuel surcharges and other ancillary costs (insurance, factory certification, etc.) and, where prescribed by law, statutory VAT. Goods must be delivered fully duty paid to GABO STAHL – DDP under Incoterms 2010.
2. If it is agreed that GABO STAHL will bear the dispatch costs, the shipping instructions issued by GABO STAHL must be observed. GABO STAHL shall not be required to contract forwarding insurance (exempted customer). If duty is payable on the goods, the Supplier must prepare sufficient copies of the documents required for paying this duty for the collecting shipping company and submit them to GABO STAHL by fax in advance.
3. If no delivery price (including delivery) is agreed, the Supplier may calculate its own costs for packaging. If it is agreed that the goods are to be returned, GABO STAHL will credit the full amount of these costs to the Supplier.
4. Additional costs incurred owing to a failure to observe shipping instructions will not be covered by GABO STAHL.

### §4 Payment conditions

1. In the absence of any specific agreements to the contrary, invoices will be reconciled either at 14 days with a 3% discount or at 90 days with no discount from the due date of the payment claim and the receipt of both the invoice and the goods/performance of the service. Payment is subject to the invoice in question being verified.
2. Payment and discount periods begin from the date of receipt of invoice, however not before receipt of goods, or in the case of services, before they have been accepted and, to the extent that documentation, test certificates (e.g. factory certificates) or other similar documents are included in the scope of supply, not before these have been handed over to GABO STAHL in accordance with the contract.
3. Maturity interest may not be charged. Interest rate is 5% higher than the base interest rate. In any case GABO STAHL has the right to prove a lower loss caused by delay than that claimed by the Supplier.
4. GABO STAHL is entitled to off-set rights and a right of retention within the statutory limits.

### §5 Delivery, Delay in delivery

1. All deliveries must be made in accordance with the GABO STAHL delivery specifications LV 1000.
2. The Supplier must submit in advance all necessary documents. In particular all test certificates must be sent to GABO STAHL prior to the delivery. If this does not occur the delivery may be rejected. The Supplier shall bear any costs incurred thereby.
3. The Supplier must include a delivery note stating the GABO STAHL order number with each delivery.
4. The decisive date for determining whether a delivery date or delivery deadline has been respected is the date on which the goods are received by GABO STAHL. If in exceptional circumstances delivery is not agreed on "carriage paid" (DDP under Incoterms 2010), the Supplier must provide the goods in good time in accordance with the time agreed on with the haulier for loading and dispatch. Unless the contrary is agreed,

the Supplier will issue notice of dispatch when the goods are shipped. If the shipper does not take delivery of the goods as confirmed in the notice of dispatch, the Supplier must inform GABO STAHL of this immediately.

5. If the delivery is not made by the confirmed delivery date, GABO STAHL reserves the right, to accept the cheaper alloy and scrap surcharges in the payment of the invoices.
6. All deliveries planned for the last 5 days of the month must be agreed prior with the GABO STAHL and confirmed in writing. If a delivery is made contrary to the agreement the lower alloy and scrap surcharges shall be valid. Delivery must be made in good time and in accordance with the description, nature and scope of the purchase order or scheduled delivery request. The delivery deadline set out in the purchase order is binding on the Supplier; if this information is not provided, the delivery deadline shall begin to run on the date of the order confirmation.
7. If the Supplier is late with a delivery, it must pay a contractual penalty of 1% of the purchase price for the late goods per week of delay commenced, up to a maximum of 10% of the purchase price, to GABO STAHL. The right to bring claims for damages remains unaffected. The Supplier must cover the following costs inter alia: additional travel costs (both from the Supplier to GABO STAHL and from GABO STAHL to its customer), additional equipment costs for production, additional costs from extra shifts, production cancellation costs, exchange costs/conversion costs, additional testing costs and loss of profits. Any contractual penalties due will be set off against any claims brought for damages. GABO STAHL must be informed daily of plans to clear backlogs until the delivery delay has been completely obviated.
8. If the Supplier foresees difficulties with manufacturing, obtaining basic materials, meeting the delivery circumstances or similar circumstances liable to jeopardise a timely delivery or delivery of the agreed quality, the Supplier must inform the order department of GABO STAHL immediately, giving the reasons for and expected duration of the delay and its ramifications, together with the measures it intends to take to remedy the situation.
9. When referring to standards, the Supplier must ensure that the standard is supplied in its latest valid version.
10. Partial and excess deliveries are not permissible unless expressly authorised by GABO STAHL or acceptable to GABO STAHL. Any additional costs thereby incurred will not be covered by GABO STAHL.
11. Early deliveries will be accepted by GABO STAHL only by written agreement. If the Supplier delivers the products before the agreed delivery deadline, GABO STAHL reserves the right to have the products sent back at the expense and risk of the Supplier. If GABO STAHL does not send the products back following an early delivery, the products will be warehouse until the agreed delivery deadline at the expense and risk of the Supplier. GABO STAHL shall be entitled in the event of early delivery to use the agreed delivery deadline as the basis for calculating the payment date.
12. For lots, dimensions and weights, the values determined by us during initial testing shall be determinant.
13. The Suppliers must comply with valid packaging regulations. The Supplier must take back packaging free of charge. If this is not possible, the Supplier will bear the associated disposal costs incurred by GABO STAHL.
14. The illustrations, system and functional descriptions, user manuals, circuit diagrams, General Factory Qualifications, testing reports, test and acceptance certificates, spare parts lists and guarantee stipulations associated with deliveries made under our purchase orders shall form integral parts thereof.

#### **§6 Force majeure**

1. Force majeure, industrial action, non-culpable disruptions, unrest, official measures and other inevitable events shall dispense GABO STAHL from its duty to accept deliveries in good time for the duration of those events. During such events and for two weeks following their cessation, GABO STAHL shall be

entitled – notwithstanding its other rights – to withdraw from the contract wholly or in part, provided these events are of a not insignificant duration and its demand diminishes considerably as a result of the need to procure the products in another manner.

2. Strikes affecting the Supplier or public transport, or events of any nature occurring to subcontractors or sub-suppliers of the Supplier, shall not constitute force majeure and shall not justify failure to perform deliveries.

#### **§7 Transfer of risk**

1. The risk of accidental loss or damage to the goods will pass to GABO STAHL once the unloading of the goods at the place of delivery is complete, for all shipping methods.

#### **§8 Warranty**

1. The Supplier shall provide GABO STAHL with products free from physical defects and defects of title. The Supplier warrants that the goods are manufactured from suitable materials 100% free from defects, which have been processed carefully and correctly in accordance with recognised industry standards and other applicable standards, and that the goods are unrestrictedly suitable for the purpose set out in the contract and that they possess the warranted qualities and agreed performance values. All illustrations or warranties in the Supplier's catalogues, brochures, commercial documentation and quality assurance systems are binding on the Supplier. Technical specifications shall constitute warranties to GABO STAHL.
2. The Supplier furthermore warrants that the scope of its deliveries, including transport to GABO STAHL, meets the basic testing principles for security in the workplace valid at the moment of the order, the stipulations of the currently applicable environmental regulations and the relevant provisions and guidelines from authorities, trade associations and professional bodies.
3. This warranty shall also apply to the services of subcontractors and agents of the Supplier. It furthermore applies to replacement deliveries, subsequent improvement and the rectification of defects.
4. The Supplier's warranty is not limited or excluded by the fact that parts, systems, constructive solutions or procedures recommended by GABO STAHL as the ordering party fall under the scope of delivery. If the Supplier judges that such recommendations are not appropriate, it must inform GABO STAHL in good time.
5. In the event of material defects, it will be suspected that the defect already existed at the moment of transfer of risk, unless this suspicion is inconsistent with the nature of the item or the defect.
6. The Supplier undertakes to effect a tried and tested and established quality assurance system for the deliverables and services covered by delivery in accordance with applicable ISO or DIN standards. This shall also include outgoing goods checks as part of which the Supplier must examine whether the goods it is to deliver to GABO STAHL are free from material defects and defects in title and if they correspond to the agreed characteristics and standards. GABO STAHL has the right to examine the Supplier's and any subcontractor's quality assurance system via quality audits.

#### **§9 Claims for defects and regress**

1. For goods deliveries, acceptance will be contingent on investigation for freedom from defects, particularly for correctness, completeness and fitness for purpose. This investigation shall take place to the extent and as soon as possible as part of standard business operations. If any defects are determined, GABO STAHL shall inform the Supplier immediately. Other defects that are identified only during processing or the appropriate use of the goods delivered will be notified to GABO STAHL as soon as they are discovered. The Supplier furthermore undertakes to waive any more detailed inspection of goods on receipt and waives any objections

against subsequent claims for defects. The Supplier is aware that it must perform an outgoing goods check under §10(6) with corresponding testing certificates and that further regular quality controls will be performed when the items delivered are processed as part of the subsequent delivery chain. Therefore, if defects should not arise until the delivery is processed, GABO STAHL's claims for those defects shall subsist and the Supplier may not seek to avail itself of any limitation period that may have begun to run; this shall not apply if the Supplier can demonstrate that it was solely due to gross negligence that the defects were not discovered before the limitation period had expired.

2. For defective deliveries, the Supplier must first effect remedial performance, i.e. (at the choice of GABO STAHL) either rectify the defect or deliver a replacement item (substitute parts). In both circumstances, the Supplier shall bear all costs incurred by it or by GABO STAHL, e.g. transport, road maintenance, labour and material costs or costs for inspection on receipt of a broader scope than normal. The same applies for any disassembly and assembly costs. In the event of subsequent deliveries, the Supplier must take back the defective goods at its own expense.

If there is no remedial performance, if that performance is unacceptable to GABO STAHL or if the Supplier does not commence performance immediately, GABO STAHL may withdraw from the contract/order without notice and return the goods at the risk and expense of the Supplier. In this and other urgent cases, particularly to prevent acute dangers or to avoid greater damage, where it is no longer possible to inform the Supplier of the defect and allocate a deadline (even a brief one) for rectifying that defect, GABO STAHL may have the defects remedied itself at the Supplier's expense or have them rectified by a third party.

3. If the Supplier does not immediately begin to rectify the defect in question when so requested by GABO STAHL, GABO STAHL shall be entitled to have the defect remedied itself or to have it remedied by a third party, at the expense of the Supplier.
4. For defects in title, the Supplier shall hold GABO STAHL harmless from any claims from third parties, unless it is not responsible for the defects in title. With regard to such defects in title, a limitation period of 5 years shall apply from the moment of transfer of risk.
5. Claims for defects shall lapse 5 years after the transfer of risk to GABO STAHL: This shall not apply where the claims from GABO STAHL pertain to facts of which the Supplier was aware or was grossly negligently unaware and did not inform GABO STAHL. In this case, the limitation period shall be 30 years. The limitation period begins when the contractual items are delivered (transfer of risk).
6. If GABO STAHL extends a longer or more comprehensive liability for defects to its customers, the Supplier shall be required to consent to be bound by this liability in the future as well, after having been notified of it in writing.
7. If GABO STAHL incurs any costs as a consequence of defective goods, particularly transport, road maintenance, labour, material or investigative costs, the Supplier must reimburse these costs to GABO STAHL.
8. Further claims, particularly claims for compensation or claims under the Supplier's warranty, shall remain unaffected.
9. The unconditional acceptance of a delayed delivery or service shall not constitute a waiver of any claims for compensation vesting in GABO STAHL by virtue of that delayed delivery or service.
10. If customers of GABO STAHL have recourse to a reference market procedure or a similar procedure commonplace in the automotive industry for determining and calculating warranty claims and enforce that procedure against GABO STAHL for defects in the products of GABO STAHL resulting from defects in the Supplier's products, this procedure shall also apply to the supply relationship between the Supplier and GABO STAHL.

#### **§10 Product liability and recall**

1. If a claim is brought against GABO STAHL for product liability, the Supplier shall be obliged to hold GABO STAHL harmless from such claims to the extent that the loss or damage was caused by a defect in the contractual item delivered by the Supplier. For fault-based liability, however, this shall apply only if the Supplier is at fault. If the cause of the loss or damage lies within the responsibility of the Supplier, the latter shall bear the burden of proof.
2. The Supplier shall be required to provide GABO STAHL with all information and support, to the extent reasonable, to permit GABO STAHL to defend itself against such claims.
3. The Supplier shall bear all costs and expenditure incurred in the circumstances under (1), including the costs of any legal proceedings.
4. As part of its liability the Supplier is also obliged to reimburse GABO STAHL for all costs and expenditure incurred under or in connection with any recall campaigns run by GABO STAHL. GABO STAHL will inform the Supplier of the content and scope of any recall campaigns to the extent possible and reasonable and give the Supplier the opportunity to submit its response. The right to bring more extensive claims remains unaffected.
5. The relevant statutory provisions shall apply for the remainder.

#### **§11 Insurance**

1. The Supplier of serial parts is required to contract extended public liability and product liability insurance at its own expense to cover the risks of product liability, including the risk of recall, from a renowned insurance company and in a sufficient amount (cover must be at least EUR 10 m per incident and insurance year) and maintain that insurance for the duration of the commercial relationship, including the warranty periods.
2. On request, the Supplier must furnish proof without delay that such insurance has been contracted. Unless such proof is provided, the Supplier shall not be entitled to claim payment. This shall not affect any other claims for damages to which GABO STAHL may be entitled. If the Supplier is not able to furnish proof of these insurance policies within two weeks, GABO STAHL shall be entitled to contract such insurance at the expense of the Supplier.
3. The Supplier must obtain and maintain all insurance policies required to cover its liability under these Terms.

#### **§12 Industrial property rights of third parties**

1. The Supplier warrants that the delivery and use of the goods will not breach the industrial property rights of third parties.
2. If a claim is brought against GABO STAHL by a third party in this regard, the Supplier will be obliged to hold GABO STAHL harmless from this claim at the latter's first written request. This duty to hold harmless incumbent on the Supplier covers all expenditure that may prove necessary for GABO STAHL under and in connection with any claim brought by a third party.

#### **§13 Confidentiality**

1. GABO STAHL hereby reserves all property and copyright in all illustrations, drawings, documentation, samples, models, substances, parts, know-how etc. provided to the Supplier, hereinafter collectively referred to as "information", including in the form of disks or CD-ROMs.
2. The information made available to the Supplier by GABO STAHL must be kept confidential from third parties and provided only to the persons who are required to be involved for the purpose of deliveries to GABO STAHL; these persons must also be placed under a duty of confidentiality. The Supplier undertakes to impose an equivalent duty of confidentiality on its sub-suppliers. The Supplier may not use any confidential information transmitted to it by GABO STAHL for any purposes other than those under the contract.
3. These obligations shall not apply to information for which the Supplier can demonstrate that (i) it was already in the public domain at the moment it was communicated or fell into the public domain thereafter through no fault of the Supplier; (ii)

was already in the Supplier's possession when it was communicated; (iii) was communicated to it by a third party not bound by confidentiality or a prohibition on use, whereby this third party must not have obtained the information directly or indirectly from the Supplier; or (iv) is required to be disclosed to the authorities in the application of statutory provisions.

4. All information transferred must be returned to GABO STAHL immediately and in its entirety at the latter's first request or, if desired by GABO STAHL, destroyed; this also applies to any copies or records of such information. The Supplier must return any information provided to it by GABO STAHL unrequested if that information is no longer used for the execution of the order.
5. GABO STAHL retains all rights in respect of all information in this regard, including copyright and the right to file intellectual property rights such as patents, utility patents, etc.
6. If the corresponding information from third parties has been disclosed to GABO STAHL, this reservation shall also apply in favour of those third parties.
7. If the Supplier manufactures products in accordance with documents, illustrations, models or similar media developed by GABO STAHL, in accordance with confidential information from GABO STAHL, with the tools of GABO STAHL or reverse-engineered tools, or using information as under § 16(1), the Supplier may not use those products itself or deliver or supply them to third parties.
8. The Supplier undertakes to return all confidential information it has received to GABO STAHL at the end of the supply relationship, where that information is physically manifested or stored on electronic storage media. The Supplier must confirm in writing on request from GABO STAHL that it has complied with the obligations in the above two paragraphs.

#### **§14 Import and export checks and customs**

1. The Supplier is obliged to inform GABO STAHL of any duties to obtain approval for the import/export and customs provisions of the country of origin of its goods in its business documentation, and furnish any requisite confirmations.
2. On request, the Supplier is required to inform GABO STAHL in writing of any subsequent foreign trade figures for its goods and their component parts, and to inform GABO STAHL immediately and in writing (prior to the delivery of any goods thereby affected) of any changes to these figures.
3. The Supplier is obliged to make good any loss or damage incurred because data or documents are incorrect or are not recognised by the responsible authorities, unless the Supplier is not responsible for the consequences of this.

#### **§15 Compliance**

1. The Supplier undertakes to comply with the relevant statutory provisions governing dealings with employees, protection of the environment and health and safety in the workplace, and to work on reducing emissions harmful to human health and the environment in its activities. The Supplier shall in this regard install and develop an ISO 14001 management system to the extent possible. The Supplier will furthermore comply with the basic principles of the UN Global Compact Initiative. These essentially pertain to the protection of international human rights, the right to tariff negotiations, the prevention of forced labour and child labour, the removal of discrimination on hiring and employment, responsibility for the environment and the prevention of corruption. Further information on the UN's Global Compact Initiative can be found at [www.unglobalcompact.org](http://www.unglobalcompact.org).
2. If the Supplier repeatedly and/or despite instructions to the contrary acts in breach of the law and fails to demonstrate that this breach was remedied to the greatest extent possible and that adequate precautions have been taken to avoid future breaches, GABO STAHL reserves the right to withdraw from existing contracts or to terminate them without notice.
3. The Supplier warrants that it has not promised any gifts or provisions to the employees, authorised representatives,

agents or representatives of GABO STAHL and will not pay out any such emoluments. In the event of a breach, GABO STAHL shall be entitled to terminate the contract without notice and to require that the Supplier make good any loss or damage suffered by GABO STAHL as a result of that breach.

4. The Supplier warrants that it and its contractors and subcontractors will pay the applicable minimum wage to all their respective employees at all times. If this provision is breached, the Supplier shall hold GABO STAHL harmless from the claims of any third parties.
5. If GABO STAHL or the Supplier are corporations subject to Italian Law or the delivery is from or to Italy, the Supplier is required to comply in accordance with the provisions of the model or organization, management and control with the provisions of the Italian Decree 231/01. Violations may result in the application of the system of sanctions up to the termination of the contract.

#### **§16 Hazardous substances and preparations**

1. For goods and materials for procedures that must be treated specially owing to laws, orders, other provisions or to their composition and their effects on the environment, inter alia with regard to transport, packaging, labelling, storage, handling, manufacture and disposal, the statutory provisions governing manufacturing and those of the Supplier's country of distribution must be followed.
2. The Supplier will provide GABO STAHL in this circumstance with the requisite papers and documents before the order is confirmed. In particular, all hazardous substances and substances toxic to the water table must not be supplied unless an EC security sheet is provided and they have been approved by GABO STAHL. If the requirements in this regard change during the delivery relationship, the Supplier shall provide GABO STAHL immediately with papers and documents corresponding to the modified requirements.
3. GABO STAHL is entitled to return any hazardous substances and substances toxic to the water table that were used for testing purposes to the Supplier free of charge.
4. The Supplier shall be liable to GABO STAHL for any culpable failure to comply with the existing statutory provisions that causes harm.
5. The Supplier shall ensure that the requirements of the EU REACH chemicals regulation (Regulation (EC) No. 1907/2006 of 30/12/2006) – hereinafter designated "REACH" – are met, particularly that all preregistrations and registrations are done in due time. GABO STAHL is not under any circumstances obliged to carry out (pre-)registration. The Supplier is aware that the products may not be used unless the stipulations of REACH have been met properly and in their entirety.
6. The Supplier must comply with all statutory and official regulations with regard to the protection of the environment when performing its statutory obligations.
7. The Supplier shall hold GABO STAHL wholly harmless from any consequences, particularly loss or damage, and claims from third parties resulting from any culpable failure by the Supplier to comply at all, completely or in good time with provisions i) – iv) hereunder.

#### **§17 Set-off, assignment**

1. GABO STAHL shall have set-off and assignment rights to the extent granted by law. The Supplier is not entitled to assign its claims against GABO STAHL to third parties.
2. The Supplier may not use one or more subcontractors to fulfil an order or part of an order without the prior written permission of GABO STAHL.
3. The Supplier may not assign or transfer any purchase order or the contract, whether in whole or in part, without the prior written permission of GABO STAHL.

#### **§18 Retention of title**

1. Property in the goods shall pass to GABO STAHL once the totality of the purchase price has been paid. Any extended or

broadened retention of title or current account reservation by the Supplier in respect of the goods delivered is excluded.

2. All parts, raw materials, tools, materials or other devices or items provided by GABO STAHL or acquired by the Supplier at the cost of GABO STAHL (and whose procurement costs are repaid by GABO STAHL or are incorporated in the prices payable for the goods and have been paid for in full) and connected to or used in the manufacture of the products shall remain or become the sole property of GABO STAHL. All rights in any drafts, samples, illustrations, data, models or other information and documents provided by GABO STAHL shall remain vested in GABO STAHL. The Supplier expressly agrees that GABO STAHL property or documents may not be used for the manufacture or construction of products for third-party customers without the prior written permission of GABO STAHL.
3. The Supplier holds any property and documentation of GABO STAHL purely on loan and shall keep it separately from any property of other persons and all GABO STAHL property and documents must be clearly designated as such. The Supplier warrants that all parts, raw materials, tools, materials or other devices or items used by GABO STAHL for processing will not be mixed in with other parts. The Supplier also warrants that the parts delivered for processing will not be mixed in with other parts delivered by GABO STAHL for processing.
4. The Supplier is liable for any loss or damage to GABO STAHL property. GABO STAHL must be informed immediately in the event of any loss or damage to its property. The Supplier is obliged to insure GABO STAHL property at its replacement value and at its own expense against fire, water damage and theft as a minimum and to maintain this insurance. The Supplier must demonstrate to GABO STAHL on request that this insurance exists. The Supplier must carry out all requisite maintenance work at the appropriate intervals and at its own expense. Any damage or disruption must be notified to GABO STAHL immediately.
5. Where GABO STAHL provides the Supplier with products, raw materials or other materials ("goods") for the manufacture of products, GABO STAHL shall retain the property in those goods. The treatment/processing, conversion, incorporation or transformation of such goods by the Supplier shall be done for GABO STAHL. If the goods with retained title are processed together with other items not owned by GABO STAHL, GABO STAHL shall acquire the co-ownership in the new product pro rata with the value of the goods of GABO STAHL (purchase price plus VAT) as against the other items processed at the time of processing.
6. If the goods provided by GABO STAHL are combined or mixed inseparably with other items not owned by GABO STAHL, GABO STAHL shall obtain the co-ownership in the new product pro rata with the value of these retained goods (purchase price plus VAT) compared with the other combined or mixed items at the time of combination or mixing. If this combination or mixing occurs in a manner such that the items of the Supplier are considered the main item, it is hereby agreed that the Supplier shall transfer the co-ownership pro rata to GABO STAHL; the Supplier shall store and protect the sole ownership or co-ownership on behalf of GABO STAHL.
7. The Supplier is entitled to monitor the flow of goods from delivery of the goods provided by GABO STAHL to the return delivery of the products to GABO STAHL via booking systems. On request from GABO STAHL, the Supplier must provide this data immediately and free of charge.

#### **§ 19 Place of performance, competent jurisdiction and applicable law**

1. The place of performance for the delivery obligations of the Supplier is the place of reception or use designated by GABO STAHL. The place of performance for the payment obligations of GABO STAHL is the registered office of the company that has entered into that contractual obligation.

2. The provisions of this contract are governed solely by German law, to the exclusion of any conflict of laws and UN Convention on the Sale of Goods (CISG).
3. If the applicability of another legal system is stipulated in an agreement on individual rights, this agreement shall apply with regard to that legal system. These terms and conditions of purchasing shall continue to apply.
4. The exclusive competent jurisdiction for any legal disputes arising directly or indirectly from contractual relations based on these terms and conditions of purchasing is the Civil Court of Frankfurt am Main. GABO STAHL is furthermore entitled to bring proceedings against the Supplier in the jurisdiction of its registered office or of its subsidiary, or in the jurisdiction of the place of performance.
5. Any references to "statutory provisions" in this document designate applicable statutory provisions; if no law applies directly to the circumstance, general statutory provisions shall apply.

#### **§ 20 Miscellaneous provision**

1. If any of the provisions herein should be or become invalid or unenforceable, the validity in law of the remaining provisions shall not thereby be affected. In place of the void or unenforceable provision, a provision shall be deemed to have been agreed that reproduces the original intention of the contracting Parties as shown in the invalid or unenforceable provision to the greatest extent permissible by law. The same shall apply to any loopholes in the contract.
2. These terms and conditions of purchasing are available in several languages. In the event of discrepancies between the translated versions and the German version, solely the German version shall prevail.