

**STANDARD TERMS OF PURCHASE  
FOR DEGELS GMBH**



October 2011

**1. GENERAL**

- 1.1 These Standard Terms of Purchase shall govern all our enquiries and orders (whether present or future) and all supply contracts and other arrangements relating to orders (whether present or future) made with the supplier ("Supplier"). We herewith object to any Supplier's terms even in the event that they have been transmitted to us in any confirmation letter or in any other way or that we accept the Supplier's delivery or services without again objecting to such Supplier's terms.
- 1.2 Any verbal ancillary arrangement, divergence from these Standard Terms of Purchase, or modification or exclusion of these Standard Terms of Purchase shall require to observe the written form in order to be valid. This shall extend to apply to any abrogation of this written form clause.
- 1.3 The German version of these Standard Terms of Purchase shall be binding and alone decisive in the construction hereof, even in the event that any translation of these Standard Terms of Purchase has been provided to the Supplier or executed by the parties.
- 1.4 If any term or condition hereof or any other term or condition of the contract is or becomes invalid, then the contract as for the rest shall remain valid. The parties shall replace such invalid term or condition by that valid term or condition that as closely as possible attains the commercial result of the invalid term or condition.
- 1.5 The Incoterms as amended at the time of entering the contract shall apply except where these Standard Terms of Purchase contain diverging terms or conditions.

**2. ENQUIRIES, OFFERS, ORDERS**

- 2.1 Our enquiries shall not be binding upon us. Our orders shall be binding upon us only where and to the extent we have made them in writing or confirmed them in writing.
- 2.2 Where the Supplier in the Supplier's offer diverges from our enquiry, the Supplier shall explicitly draw attention to such fact. Offers shall be made free of charge and shall not be binding on us; no consideration shall be payable for any visit, preparation of plans, drawings or the like unless explicitly agreed in writing.

**3. PRICES, PAYMENT**

- 3.1 All agreed prices shall be binding. Except where otherwise agreed, prices shall be "free place of receipt" including the cost of packaging, shipping, insurance, customs, taxes and other dues. Where a delivery is not agreed to be "free place of recipient", the Supplier shall take out transport insurance at its own cost.
- 3.2 Invoices shall be delivered separately from the shipment of goods in three copies stating the respective destination, our order number and any other identification requested in the order.
- 3.3 Unless otherwise agreed, payments shall become due and payable at our option within 14 days upon receipt of invoice and goods with a cash discount at the rate of 3 %, or within 30 days upon receipt of invoice and goods net. Where performance owed under any contract includes any documentation, test certificate or similar documents, the above payment periods shall not commence prior to due delivery of such documents to us in accordance with the contract.

**4. DELIVERY AND OTHER SERVICES ("PERFORMANCE")**

- 4.1 All agreed dates and time periods shall be binding.
- 4.2 If any event occurs which may endanger due Performance at the agreed time, then the Supplier shall notify us thereof immediately stating the reasons. This shall not negate the obligation to perform within the agreed Performance time. The Supplier shall bear any additional cost of any delay beyond the agreed Performance time.
- 4.3 Upon exceeding the agreed Performance time, the Supplier shall be in default irrespective of any reminder from us, except where Performance is prevented by any event lying outside the Supplier's sphere of responsibilities.
- 4.4 Our acceptance without reservation of any overdue Performance shall not be construed so as to constitute a waiver of our rights, if any, for exceeding the Performance time.
- 4.5 The Supplier can invoke the non-receipt of any documents to be provided by us that is necessary for making the delivery or service if the Supplier has not received such documents despite written reminder and extension of a period of grace.
- 4.6 Except where otherwise agreed, the delivery shall be "free place of receipt"; the risk shall remain with the Supplier up to the hand-over of the goods at the destination. Those quantities, measurements and weights shall be binding for payment.
- 4.7 Except where otherwise agreed, the Supplier at the Supplier's cost shall provide packaging suitable for the delivery of the goods. This shall not affect our right to issue instructions as to the packaging to be used in the event of any sale by delivery (*Versendungskauf*). We shall be entitled to elect to either return any packaging materials to the Supplier at the Supplier's cost and risk or to dispose of any packaging materials at the Supplier's cost; however, we shall be under no obligation to return and/or dispose of packaging materials. This shall not affect the provisions of the German Packaging Regulation (*Verpackungsverordnung*).
- 4.8 Shipping papers such as bills of lading, bills of delivery, dockets and similar papers and where contractually stipulated factory certificates and safety data sheets shall be enclosed with each shipment. Order numbers and any identification that had been requested in the order shall be stated on all papers. On or before the date of shipment, a shipping notice and a bill of delivery (two copies) shall be delivered to us. Advance notice of any ship arrival shall be given to us no later than 48 hours prior to arrival. If no proper shipping papers are available to us at receipt of the goods or if our order numbers are not correctly stated in the shipping papers, then the Supplier shall bear any resulting additional cost. The second sentence of clause 4.10 shall apply *mutatis mutandis*.
- 4.9 The Supplier shall be entitled to render any partial performance only with our prior consent. This shall not affect our right to claim partial performance from the Supplier.
- 4.10 The Supplier shall not be entitled to render performance prior to the agreed performance time. In the event of any premature performance, we shall be entitled to refuse acceptance of the goods or to send the goods back to the Supplier at the Supplier's cost and risk or to store the goods up to the agreed

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performance time. In rendering performance, the Supplier shall conform to our opening hours.

**5. DECLARATIONS ON ORIGIN OF GOODS**

Where the Supplier makes any declaration on the origin of the goods, the Supplier shall enable the customs authorities to verify the certificates of origin and to provide any necessary information and deliver any necessary confirmation. The Supplier shall be liable for any damage or loss resulting from the non-approval by the relevant authorities of the declared origin due to any defective certification or lack of verifiability.

**6. PERFORMANCE, MODIFICATION OF PERFORMANCE, WORK ON OUR PREMISES, PERFORMANCE DOCUMENTS, DEPLOYMENT**

6.1 The Supplier's deliveries and services shall be made so as to comply with the terms and conditions of the contract, the applicable prevention of accidents provisions, industrial safety, environmental and other provisions, applicable technical standards and generally accepted technical rules and all applicable legal provisions, including the REACH Directive. In rendering performance, the Supplier shall ensure that where possible in working, due regard shall be had to environmental concerns, as far as possible preserving resources and as far as possible preventing emissions. We shall be entitled, even after the conclusion of the contract, to claim modified performance unless even with due regard to our interest such modification claimed by us would constitute an unreasonable hardship for the Supplier.

6.2 Persons working on our premises in performance of the Supplier's obligations shall be subject to our directions and to the provisions of our shop rules (*Betriebsordnung*) and those prevention of accidents, industrial safety, environmental and other laws and provisions applicable to us. Hazardous materials may be used on our premises only after consultation with us and must be duly and correctly labelled.

6.3 The Supplier shall refrain from using any performance documents made available by us for creating the item to be delivered for any purpose lying outside the contract, and from copying such documents or making such documents available to any third party. Performance documents shall be returned to us at request but no later than upon performance of the Supplier's deliveries and services.

6.4 The Supplier shall make available to us any plans, execution drawings, technical calculations and other papers and documents relating to the goods to the extent that we require such papers and documents for the use, maintenance or repair of the goods or to the extent this has been agreed by the parties. At request, the Supplier shall also deliver replacement part drawings together with sufficient information to enable us to obtain replacement parts. At the delivery of such papers, documents and drawings, title to them shall pass to us. Furthermore, the Supplier shall make available for our inspection all and any papers and documents relating to the goods (even prior to delivery of the goods) where this is necessary to enable us to monitor and verify the proper condition and quality of the goods in accordance with the contract; our approval of any such papers and documents shall not be construed so as to release the Supplier from the Supplier's responsibility for the proper condition and quality of the goods in accordance with

the contract, except where we insist on our desired design despite the Supplier's concerns having been communicated to us in writing.

6.5 Title to any moulds, tools, setting copies etc. that are invoiced to us shall pass to us at payment; such items shall be kept in custody by the Supplier on our behalf, free of charge, and shall be delivered to us at request.

6.6 Any materials provided by us shall remain our property. Any processing or modification (*Verarbeitung oder Umbildung*) shall be deemed to be performed on our behalf without binding us. Any provided materials shall be stored clearly and separately from other items and shall be marked as our property; they shall be sufficiently insured against fire, water and theft at the Supplier's cost.

**7. INSPECTION OF GOODS PRIOR TO DELIVERY AT DESTINATION, VERIFICATION OF SUPPLIER'S QUALITY ASSURANCE PROCEDURES, ACCEPTANCE**

7.1 At any reasonable time after prior appointment, we shall have access to the Supplier's premises and shall be entitled to inspect the goods and the production process (even prior to completion of production). If the goods are on any third party's premises, the Supplier shall take all steps to enable us to inspect the goods. The Supplier shall clear up any defects detected at the inspection of the goods.

7.2 The Supplier has to inspect all outgoing goods diligently. At any time we deem appropriate, we shall be entitled to verify the Supplier's quality assurance procedures and systems. To such purpose, at any reasonable hour after prior appointment, the Supplier shall grant us access to the Supplier's premises and shall provide us with all information relevant for evaluating the quality assurance procedures and systems. This shall not affect the terms and conditions under any quality assurance agreement.

7.3 Where any applicable law or any contract requires acceptance, formal acceptance shall be performed with a written acceptance record being prepared.

**8. DEFECT IN QUALITY OR TITLE**

8.1 In the event of any delivery of several products of the same kind, we shall be obligated only to perform sample random inspections. Any defect detectable at due and proper inspection of the goods after receipt shall be reported within one month after receipt; any other defect shall be reported by us within one month after detection.

8.2 The Supplier shall deliver the goods to us free and clear of any defect in quality and shall transfer title to the goods to us without violation of any domestic or foreign intellectual property right or other third party right.

8.3 If any defect in quality becomes apparent within six months after the passing of the risk, then the relevant item shall be presumed to have already been defective at the time of the passing of the risk except where such presumption is irreconcilable with the nature of the item or defect.

8.4 In the event of any justified defect report, we may claim a flat-rate fee for warranty handling in the amount of Euro 100.00. Further rights shall be reserved.

8.5 If the Supplier allows any reasonable period of grace granted to the Supplier to expire without having

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- cleared up the defect or having delivered defect-free goods, then we may elect to clear up such defect or cause it to be cleared up by any third party. This shall not affect either the statutory provisions pursuant to which a period of grace is not mandatory nor any statutory warranty remedy.
- 8.6 Our approval, if any, of the Supplier's plans, execution drawings, technical calculations etc. shall not affect the Supplier's warranty obligation.
- 8.7 The limitation period for warranty claims shall be three years, except where statutory limitation periods are longer. This shall not affect the statutory provisions on the suspension of the limitation period of recourse claims in certain circumstances.
- 8.8 The limitation period for warranty claims regarding items ordered as replacement parts for goods obtained from the Supplier shall commence only at installation of such replacement parts; however, the limitation period shall expire no later than five years after receipt of such parts by us.
- 9. CONTRACTUAL PENALTY**  
If a contractual penalty has been agreed, then we shall be entitled to claim payment of any payable contractual penalty even where we had not reserved such right at accepting performance; however, such contractual penalty shall be claimed at or before the time of the final payment.
- 10. INDEMNITY AGAINST MANUFACTURER'S LIABILITY CLAIMS AND PRODUCT LIABILITY CLAIMS, LIABILITY INSURANCE**
- 10.1 The Supplier shall indemnify us against any manufacturer's liability claims or product liability claims towards any third party to the extent the Supplier is responsible for the product defect that had given rise to such the relevant claim.
- 10.2 The Supplier shall take out liability insurance with a reasonable insured sum for personal injury and property damage.
- 11. SET-OFF AND RETENTION RIGHTS, NO ASSIGNMENT**
- 11.1 The Supplier shall have a right to set off with any counterclaim only if such counterclaim is either undisputed or has been awarded in a final and unappealable judgement. The Supplier shall have a right of retention only with regard to those claims that are undisputed, have been awarded in a final and unappealable judgement or are pending and ready for judgement (*entscheidungsreif*), and arise under the same contract with us.
- 11.2 The assignment to any third party of any Supplier's claim against us shall be excluded; this shall not affect s. 354a German Commercial Code (*Handelsgesetzbuch*).
- 12. ETHICAL STANDARDS, ANTI-CORRUPTION, AUDIT, TERMINATION RIGHT**
- 12.1 We expect our Suppliers to act impeccably from an ethical standpoint and to comply with a code of ethical conduct that is comparable to Tata Steel's Code of Conduct to which we have committed ourselves and which we will be happy to make available upon request.
- 12.2 The Supplier warrants that it shall at all times comply with all applicable laws and regulations, including anti-corruption legislation, and ensure that it does not do or cause to be done any act or omission that may cause us or any of our employees to breach any applicable laws.
- 12.3 The Supplier warrants that it shall at all times assist us in the investigation of any accident or incident or the resolution of any dispute in connection with its deliveries by making personnel available for interview, providing access to documents and records, providing information reasonably requested by us and assisting in any notification required to be made to any regulatory authorities.
- 12.4 The Supplier undertakes that it shall at all times allow us or any of our representatives to have access to the Supplier's premises, information and personnel to allow us and/or any of our representatives to audit compliance with the warranties and undertakings according to this clause 12.
- 12.5 In the event that the Supplier is in breach of any of the warranties and undertakings according to this clause 12 we shall be entitled to terminate the contract in whole or in part or to rescind any purchase order(s) without any liability to us.
- 12.6 The warranties and undertakings set out in this clause 12 are given on behalf of the Supplier and any employee, subcontractor, agent, delegate, representative or associated company of the Supplier which is engaged in the performance of the Supplier's obligations under the contract.
- 13. WARRANTY AND LIABILITY**  
As far as Supplier's warranty and liability obligations are concerned the statutory law provisions shall apply.
- 14. CONFIDENTIALITY**
- 14.1 The Supplier shall keep confidential any confidential information obtained or learned from us, shall not disclose any such confidential information to any third party (subject to clause 14.2 below), and shall limit the use of such confidential information to that which is necessary for the due and proper performance of the contract.
- 14.2 The Supplier may disclose confidential information to employees and advisors only to the extent disclosure is necessary for due and proper performance of the contract. The Supplier shall bind any such employee or advisor to the confidentiality obligation stipulated in clause 14.1 above and shall deliver written proof thereof to us.
- 14.3 This confidentiality obligation shall not apply to any information that at the time of its being communicated to the Supplier was already public domain or that after the time of its being communicated to the Supplier has become public domain without any contribution on the Supplier's part.
- 14.4 The disclosure of such confidential information and the delivery, if any, of relevant documents shall not be construed so as to constitute any right in any of our intellectual property rights, know-how or copyrights.
- 15. PLACE OF PERFORMANCE, LEGAL VENUE, GOVERNING LAW**
- 15.1 The place of performance for the delivery of the goods shall be the destination stated by us. The place of payment for our payments shall be the place

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of that of our establishments that had made the relevant contract.

- 15.2 If the Supplier is a Commercial Code business entity (*Kaufmann*), a public-law corporation or a public-law special fund, Neuss shall be the legal venue for any dispute arising directly or indirectly under the contract. However, we may elect instead to bring any such dispute before any other court that has jurisdiction pursuant to the law.
- 15.3 The contract shall be governed by the laws of the Federal Republic of Germany under exclusion of the UN Convention on the International Sale of Goods (CISG).

**16. STORAGE OF DATA**

We and our other group companies shall be entitled to electronically store, process and share within our group of companies the data collected in connection with this contract in accordance with the applicable legal provisions.



**SUPPLEMENTAL STANDARD TERMS OF  
DEGELS GMBH  
FOR ACQUISITIONS OF MACHINERY EQUIPMENT AND OTHER  
WORKS AND SERVICES**



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These Supplemental Standard Terms for Acquisitions of machinery equipment and other Works and Services (hereinafter: "Supplemental Standard Terms") shall apply by way of supplementing our Standard Terms of Purchase. In the event of any divergence between these Supplemental Standard Terms and our Standard Terms of Purchase, the former shall prevail.

**1. ORDERS, INSTRUCTIONS**

- 1.1 Even where not specifically stated, our orders shall include the delivery and installation of the accessories necessary for proper operation of the equipment (the "Equipment").
- 1.2 We may issue instructions to the supplier (the "Supplier") as to manufacture and installation. The Supplier shall check our instructions in the Supplier's own responsibility and with due and proper care. If the Supplier does not without undue delay object in writing to our instructions, then the Supplier shall be liable for the factual accuracy of such instructions.
- 1.3 If any service not stipulated in the contract (additional service) is demanded by us, then prior to rendering such service the Supplier shall warn us as to any additional remuneration that may become payable with regard to such additional service. In the absence of such warning the Supplier shall have no claim to remuneration for such additional service, except where the Supplier proves that in the specific circumstances of the case a warning had been unnecessary for our protection against surprising cost increases or that the failure to warn had been neither negligent nor intentional.

**2. DOCUMENTS**

The documents and records that the Supplier shall deliver to us under Clause 6.5 of the Standard Terms of Purchase shall also include (where relevant) a full set of printable component drawings, group or general assembly drawings, lists of parts, maintenance plans, machine specifications, commissioning instructions, lubricating plans, lists of replacement parts, trouble-shooting checklists, TÜV and safety certificates and all and any other necessary documents. Except where the parties hereto agree otherwise, such documents and records shall also be delivered to us in electronic form.

**3. PACKAGING**

- 3.1 The Supplier shall package the Equipment with due skill and care in order to rule out as far as possible its being lost or damaged during transport. Inlet and outlet points and other openings shall be capped or stoppered. Nozzles, surface parts or other polished parts shall be covered with a robust, easily removable protective cover for protection against corrosion and damage.
- 3.2 Each package to be transported shall be marked with the order number and the number and designation of the packaged items. The transport papers shall include the same information. Moreover all parts of Equipment to be mounted on site shall be labelled with the numbers and designations provided for them in the installation drawing.

**4. MATERIALS, APPLIANCES, INSTALLATION**

- 4.1 The manufacturer shall observe i.a. the following rules, standards and technical rules (as amended at the time of delivery and/or acceptance) including their successor rules at the time of delivery and/or acceptance, if any:
  - EC Machine Directive,
  - Low Voltage Directive,
  - German Appliances and Product Safety Act (*Geräte- und Produktsicherheitsgesetz*) and the regulations passed thereunder,

- DIN 60204-1:2006,
- ISO 12100:2010.

- 4.2 The Supplier shall install the Equipment on our premises in the Supplier's own responsibility. Installation shall also include unloading the Equipment on the premises and moving it to the place of installation stated by us.
- 4.3 The Supplier shall thoroughly familiarise itself with the local situation, especially with the access roads to our premises, the access routes to the installation site and with the possibilities for delivering, unloading, storing and installing the Equipment.
- 4.4 The Supplier shall provide, at the Supplier's cost, the personnel required for the installation and all special tools required for the installation. Personnel shall be deployed in compliance with the relevant social security laws and other laws.
- 4.5 Prior to beginning the installation the Supplier shall appoint the responsible chief installer. He shall ensure that the rules applicable at the installation site are observed. The chief installer shall be the Supplier's authorised representative.
- 4.6 The Supplier shall ensure that the installation site is clean and shall duly and properly dispose of the Supplier's packaging materials. The Supplier shall separate the debris and other waste produced by the Supplier's work in accordance with our instructions and at the Supplier's cost and shall collect, transport, process and store it in compliance with waste laws.

**5. SUPERVISION**

- 5.1 We shall be entitled to access the Supplier's manufacturing sites, construction sites and storage premises during normal working hours to supervise the works on the Equipment and to check the materials and appliances intended for it. At our demand the Supplier shall provide us with the necessary information and shall submit the necessary documents for our inspection. We shall be entitled to perform quality control at any time. Test certificates shall be submitted to us without our specific demand.
- 5.2 The Supplier shall grant us access to the manufacturing sites, construction sites and storage premises of the Supplier's suppliers to enable us to supervise the works on the Equipment and to check the materials and appliances intended for it. Sub-clause (1) above shall apply *mutatis mutandis*.
- 5.3 Our supervision of the Supplier and of the Supplier's suppliers shall not release the Supplier from its liability for its contractual obligations.

**6. TIME LIMITS**

The contractual time limits for manufacturing, delivering and installing the Equipment shall commence at the date of our order. The manufacture, delivery or installation shall be deemed to have been belated also if the Equipment is defective and the defect has not been cleared up before the contractual time limit expires.

**7. TIME SCHEDULE**

- 7.1 After entering the contract, the Supplier shall deliver to us a manufacturing time schedule, which shall show in detail how the Supplier plans to carry out the contracted works and services during the contractual time limit. The time schedule shall show the commencement and completion of

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the following works and services for all the important parts of the Equipment:

- a) Planning and design
- b) Purchase of third-party parts
- c) Manufacture of own parts
- d) Installation
- e) Trial run

Each and any modification to the manufacturing time schedule shall require our written consent.

- 7.2 The Supplier shall report to us in writing at regular intervals on the progress and on the current status of the work. If any delay as compared to the original time schedule occurs or becomes foreseeable, then the Supplier without undue delay shall report the reason for and expected duration of and the expected effects of the delay and shall explain the steps the Supplier is taking to catch up again. The latter obligation shall apply also where any delay becomes foreseeable as a result of any modification to the nature or scope of the works and services. The Supplier's liability, if any, for the damage and loss resulting from any delay shall be unaffected by our consent to a modification of the manufacturing time schedule made by the Supplier in view of the delay.
- 7.3 If the status of the Supplier's works and services is insufficient to a degree that execution time limits of the manufacturing time schedule or other contractual execution time limits obviously cannot be kept, then at our demand the Supplier shall remedy the situation without undue delay. This shall not affect our right to rescind the contract pursuant to statutory provisions even before the Supplier's performance falls due.

**8. ACCEPTANCE**

- 8.1 The acceptance procedure for the Equipment shall be carried out within a reasonable period of time after receipt of the Supplier's written notice that the Equipment has been duly delivered, fully installed and is ready to be put into operation.
- 8.2 Acceptance shall be issued on basis of a trial run or other performance demonstration made in the presence of both parties hereto. The trial run or performance demonstration shall be carried out by the Supplier in the Supplier's own responsibility by trained personnel deployed by the Supplier for the purpose. The Supplier shall be liable for any damage caused by the trial run or performance demonstration and caused by any fact falling outside our scope of responsibilities.
- 8.3 The result of the acceptance procedure shall be set down in an acceptance log to be signed by both parties, which shall include the Supplier's objections, if any, against any defect reports made by us. We shall be entitled to deny our declaration of acceptance as long as the Equipment fails to achieve agreed performance parameters or shows any other defect.
- 8.4 The Supplier without undue delay shall remove the defects set down in the log. After removal of the defects the Equipment shall again be made available for acceptance.
- 8.5 Under Clause 9 of our Standard Terms of Purchase claiming contractual penalties shall not require a reservation in the acceptance log for the Equipment.

**9. PAYMENTS**

- 9.1 We shall be entitled to make payments to creditors of the Supplier in performance of our payment obligations, insofar as such creditors have a part in the performance of the Supplier's works and services under a contract for works and services with the Supplier, with justification refuse to continue their performance because of the Supplier's payment default,

and our direct payment is to ensure continuation of their performance. The Supplier shall state at our demand within a time limit set by us whether and to what extent the Supplier acknowledges the creditors' payment claims; if such statement is not given when due, the availability of the right to make a direct payment shall be deemed to have been acknowledged.

- 9.2 Our payments (including the final payment) shall not be deemed to constitute acceptance of the Equipment nor of any part thereof.
- 9.3 If a defect to be removed by the Supplier is present, then after acceptance we shall be entitled to deny payment of a reasonable increment of the remuneration, at least equal to three times the amount of the necessary cost of a removal of the defect. We reserve all and any other or further warranty claims. We shall be entitled to retain an amount of up to 5% of the price as collateral for any warranty claims.

**10. WARRANTY CLAIMS**

- 10.1 We reserve all and any warranty claims (including but not limited to specific defect-free re-performance, substituting performance ourselves (*Selbstvornahme*), rescission of contract, unilateral reduction of price payable, damages, reimbursement for expenses).
- 10.2 Specific defect-free re-performance shall be deemed to have failed at the latest after the second failed attempt.

**11. TERMINATION**

- 11.1 We shall be entitled to rescind the contract if any fact arises that cause, according to objective standards, doubts in the Supplier's ability to perform to appear justified and due and proper performance of the contract as endangered, especially if the Supplier has filed a petition for insolvency proceedings to be commenced for the Supplier's assets, insolvency proceedings for the Supplier's assets have been commenced or the Supplier has suspended all payments. This shall not affect our other or further rights.
- 11.2 We shall be entitled to terminate the contract or any part thereof at any time by our notice. This shall not affect our other or further rights to terminate, including the right to terminate for gross breach (*aus wichtigem Grund*). The effects of our termination notice on the Supplier's claim to remuneration shall be governed by the statutory provisions, except insofar as these Supplemental Standard Terms and our Standard Terms of Purchase stipulate otherwise.
- 11.3 At our option we may elect to terminate the contract instead even where we are entitled whether under any contractual term or statutory provision to rescind the contract.

**12. INSURANCE**

- 12.1 The Supplier shall take out and maintain liability cover insuring against all and any risks in relation to its works and services and the ones rendered by any sub-contractors used by the Supplier. Such insurance cover must provide adequate insured amounts for personal injury, death, property damage and pecuniary loss.
- 12.2 At our demand the Supplier without undue delay shall deliver proof of the existence of such insurance cover.