

GENERAL CONDITIONS FOR PURCHASE OF SCRAP METAL of STARMET
M.BUSZKO K. PARNOWSKI SP. JAWNA based in Stargard

These General Conditions For Purchase of Scrap Metal (hereinafter referred to as General Conditions) apply to all the business transactions of purchase of scrap metal signed by *STARMET M. BUSZKO K. PARNOWSKI SP. JAWNA* based in Stargard, ul. Główna 13, 73-102 STARGARD, registered in Register of Enterprises of National Court Register directed by Regional Court Szczecin- Centre in Szczecin, XIII Commercial Division of the National Court Register at the number 0000164768, NIP no. 8542043300 and National Business Registry Number 811953324, hereinafter referred to as **Buyer** in contrast to entities selling or providing scrap metal, hereinafter referred to as **Suppliers**.

1. These General Conditions constitute an integral part of orders and contracts entered with Suppliers referring to purchase of scrap metal also when Suppliers name the scrap metal with other commercial name (e.g. ACSR wire, cu cables). No other conditions except these included in the orders of the Buyer and in the General Conditions shall be binding for the parties even though they shall not be clearly rejected by the Buyer. Particularly, the general terms and agreement forms of the Supplier are excluded from application.
2. The crucial conditions of contract or order shall be defined between the Buyer and the Supplier during negotiations and the Agreement (Contract) shall be made on the basis of the order sent by the Buyer to the email address indicated during the negotiations. Silence of rejection of order from the Supplier within 24 hours since its sending shall be tantamount to acceptance of the order conditions. Commencement of order fulfilment is tantamount to acceptance of these General Conditions.
3. The order of the Buyer with these General Conditions shall be accepted only entirely and without condition of amendments or complements. In case of acceptance of order with condition of amendment or complements by the Supplier, no amendments and complements shall be binding unless Buyer gives express consent for their introduction.
4. The Buyer can modify the order liberally or withhold from the order until its acceptance by the Supplier without any consequences.
5. The price of scrap metal shall be fixed each time in the Contract. The price shall be fixed and unchangeable until order fulfilment by the Supplier unless otherwise stated in the order. For other delivered materials not included in the order, the price from the delivery day applies.
6. The legal address of the Buyer is a place of contract signed by the Supplier. The Supplier shall take a risk of the stealth, casual loss or damage until the scrap is provided to the premises of the Buyer.
7. The final price and quality grade of delivered scrap metal shall be defined on the basis of the weight and quality grade indicated by the Buyer. The Supplier is responsible for the appropriate scrap metal classification.
8. The Supplier is obligated to deliver scrap metal free from physical or legal defects. The scrap metal should not contain excessive (over 2%) pollution with other waste. Moreover, the scrap metal should be entirely free of hazardous, explosive or radioactive materials. The detection of impermissible pollution may equal the rejection of approval of the whole shipping and return shipping on expenses of the Supplier and in case of

radioactive contamination may cause the return shipping to official decontamination organs. The Supplier shall incur expenses of decontamination.

The delivered scrap metal should not contain hazardous materials that because of their chemical, physical or biological features may have qualities or form of the substances as mentioned below:

- inflammable and explosive materials, ammunition and bullets (as a whole or in parts) or any other materials of military origin;
 - pressurised containers, fire extinguishers, gas bottles, LPG containers;
 - hermetic or insufficiently opened tanks of any origin; in winter also tanks or vessels filled with water or ice that may cause explosions;
 - radioactive materials in sealed containers, even when no significant external radioactivity is detected due to protective shielding or placement in the delivered Scrap Metal batch;
 - materials containing or emitting substances hazardous to the environment;
 - materials that may be irritating, corrosive, toxic or carcinogenic;
 - packaging of hazardous substances and products.
9. Notwithstanding the condition included in point 8, in case of any defectiveness or discrepancies between the delivered scrap metal and Contract or the Order, the Supplier shall redress damages incurred by the Buyer (or the Trading Partner of the Buyer) in full amount. Accountability by way of warranty of the Supplier may not expire before accountability by way of warranty that the Buyer shall incur towards the Trading Partner (e.g. metalworks) to whom The Buyer shall resell the scrap metal derived from the Supplier.
 10. The Buyer shall allow the fulfilment of scrap metal deliveries with +/-5% weight tolerance in relation to the weight agreed in Contract or the Order. In case of overrange the standard deviation, the Buyer is entitled to refuse the delivery of scrap metal in whole or in part and reclaim from the Supplier the incurred expenses of the shipment and has right to send the delivery back to the Supplier.
 11. In case of failed delivery the Supplier shall be charged with the contractual penalty in the amount of 50% of fixed price for undelivered scrap metal. If the contractual penalty shall not cover the cost of incurred damage, the Buyer has the right to pursue complementary claims on general principles. Moreover, the Buyer is entitled to purchase the scrap metal corresponding to the ordered from the Third Party at the cost and the risk for the Supplier.
 12. The Buyer is entitled to inform the Supplier about a discrepancy between the ordered scrap metal and delivered within 30 days from the discovery of the discrepancy.
 13. In case of withdrawal from the Contract by the Buyer for reasons on the side of the Supplier, the Supplier shall be obliged to pay the contractual penalty in the amount of 50% of the agreed price of contracted scrap metal which does not exclude the right of the Buyer to pursue complementary claims until the whole amount of incurred damage.
 14. Financial claims under the correct invoices with the set of documents i.e. weight slip, Stock Issue Confirmation and Waste Transfer Card (KPO) confirmed in BDO shall be paid according to the date indicated in the invoice. The set of documents is an obligatory condition of maturity of the price and the Buyer shall not be able to commence

the implementation of the invoice payment without the correct documents with respect to the extent and content requirements as prescribed by law.

15. The Buyer shall gain the property right of scrap metal at the moment of the delivery on the premises of the Buyer.
16. The Supplier is obliged to fulfil the order in accordance with the effective law, in particular with Waste Act.
17. The Supplier is not entitled to transfer to a Third Party any of the claims without express consent of the Buyer in a document-like form required for a transaction validity.
18. The delivery of scrap metal shall be accomplished according to the INCOTERMS 2020. The specific delivery conditions shall be stated in the order or in Contract and in case of lack of them, DAP rules are applied mainly.
19. In case when the Supplier violates order arrangements, the Buyer has the right within 5 days since violation discovery to withdraw from the Contract in whole or in a part with effect for the future.
20. The Buyer is entitled to withdraw from the Contract with immediate effect in case of reasonable suspicion that the Supplier shall not fulfil the Contract requirements properly.
21. All the information passed to the Supplier referring to know-how knowledge, specifications, procedures and any other technical information, documents or data belonging to the Buyer or Trade Partners who The Buyer resell the scrap metal (e.g. metalworks) are subject to trade secrecy and treated as confidential and cannot be used by the Supplier for any other purpose than accomplishment of the Contract, or revealed to the Third Parties without express consent of the Buyer in a document-like form required for a transaction validity. In case of breach of business secrecy or other bans in this section, the Supplier shall pay the Buyer the contractual penalty in the amount of 100,000 € for each case of the breach which does not exclude the right of the Buyer to pursue complementary claims until the whole amount of incurred damage. The Supplier is obliged to respect regulations in this section within 5 years from the date of obtaining information about secret policy of the Buyer.
22. In case of the purchase of scrap metal on terms specified in Article 18 of Regulation (EC) nr 1013/2006 about transboundary waste movement in European Union, the Supplier and the Buyer are entitled- before the commencement of waste movement- to sign declaration in a document-like form required for a transaction validity that when the shipment of waste or its recovery shall not be completed as intended, or when it has been effected as an illegal shipment, the Supplier shall take the waste back or ensure its recovery in an alternative way and provide, if necessary, for its storage in the meantime. The Supplier shall pay the contractual penalty in the amount of 100,000 € for the disclosure of confidential information of the company, in case of abuse of data from Annex VII of mentioned above Regulation for purpose other than the order fulfilment, which does not exclude the right of the Buyer to pursue complementary claims until the whole amount of incurred damage.
23. All the Contracts based on the orders, which these General Terms constitute an integral part are subject to the Polish law, excluding Convention on the International Sales of Goods (CISG).
24. All the disputes resulting or which may result from the Contracts concluded on the basis of the orders, in particular referring to conclusion of contract, its fulfilment, cancellation or withdrawal from the contract, but also non-fulfilment of a Contract and its undue

performance, and contractual penalties are subject to the exclusive jurisdiction of the Courts in Poland. The place of jurisdiction is the common court of the registered office of the Buyer.

25. The Buyer has the right to change these General Conditions at any time without giving the reason.
26. If any of the provisions of these General Conditions are found to be unenforceable regardless of the cause, they are applicable in the remaining scope, and the common regulations of the Polish law shall apply in place of invalid or ineffectual provisions.
27. These General Conditions are applicable since the 7th of March 2023.