

**General terms of purchase for the buying of raw materials, scraps, recyclables, declassified steel products, wastes and similar materials ("GTP Raw Materials") of ALBA Metall Süd GmbH**

**A. General provisions**

**I. Applicability**

1. The general terms of purchase for the buying of raw materials, scraps, recyclables, declassified steel products, wastes and similar materials ("GTP Raw Materials") of ALBA Metall Süd GmbH ("ALBA") below apply exclusively for the buying of raw materials, scraps, recyclables, declassified steel products, wastes and similar materials. Supplier terms that conflict with or diverge from these GTP Raw Materials only become a component of any contract if ALBA has explicitly agreed to this in writing. These GTP Raw Materials also apply even if ALBA is aware of supplier terms that conflict with or diverge from these GTP Raw Materials and nevertheless executes delivery or renders a service to the supplier without reservation.
2. These GTP Raw Materials only apply to companies in the sense of § 14 of the German Civil Code (BGB) and to legal entities under public law and special public funds.
3. These GTP Raw Materials apply for the complete future business relationship with the supplier and replace any contrary, earlier general terms of business or general terms of purchase of ALBA.
4. Any individual agreements reached with the supplier from case to case (including side agreements, additions and changes) have priority over these GTP Raw Materials. The content of such agreements must be set forth in a written contract or in written confirmation from ALBA.

**II. Conclusion of contract and terms of payment**

1. Offers from the supplier are only deemed accepted with an explicit declaration by ALBA to this effect.
2. The prices shown in the order or in the purchase contract are binding and apply, if not agreed otherwise, for delivery "free place of delivery".
3. Invoicing by the supplier or issuing of credit notes by ALBA shall be effected on the basis of the weight received and the estimation of quality by ALBA or an authorised third party on acceptance of the goods.
4. Incoming deliveries are settled fundamentally by ALBA by way of credit notes taking any rejection and other costs into consideration.
5. In the case of invoicing by the supplier the invoices must correspond to the legal requirements.
6. All documents (e.g. weighing slip, acceptance report, etc.) needed to check contractual fulfilment of delivery must be attached to the invoice.
7. Deliveries effected before the agreed delivery dates or delivery periods do not change the payment dates connected to the originally agreed delivery dates or delivery periods.
8. Payments are effected, save cash payment transactions are concerned, on the 30th or last day of the month following delivery.
9. The statutory value added tax is to be shown in the respective statutory rate separately in the invoice or credit note. Exceptions from the obligation to show the value added tax separately are only possible if the supplier can produce explicit proof that it is not a company. The supplier indemnifies ALBA from all claims by third parties asserted against ALBA due to false particulars on its capacity as a company.
10. When accounting by way of credit notes the supplier is obligated to prove its capacity as company with the right to input tax deduction to ALBA by prior presentation of suitable certification from the revenue office. Subsequent certification is to be presented annually.

**III. Data privacy**

The supplier is agreed that ALBA shall collect person-related data by way of presentation of identification documents for the purposes of invoicing or issuing of credit notes and in the case of cash payments and store same in accordance with the provisions of the German Federal Data Protection Act.

**IV. Intra-group netting**

1. The supplier is agreed that receivables that ALBA and other ALBA Group companies (cf. point 5 below) become entitled to from it appertain to all ALBA Group companies as joint and several creditors; these receivables may therefore be set off against payables of every ALBA Group company due to the supplier.
2. Extending beyond point 1 above, receivables due to the supplier from ALBA Group companies may be set off against receivables due to ALBA Group companies from other companies in the group to which the supplier belongs.
3. The above provisions also apply if on the one hand cash payment and on the other submission of bills of exchange have been agreed and if the reciprocal claims are due on different dates. In such a case accounting shall be effected on the value date.
4. In the case of a plurality of receivables the supplier shall waive its right to object to ALBA's stipulation of the receivables to be netted (§ 396, par. 1, clause 2, BGB).
5. The ALBA Group companies are all companies affiliated to ALBA Group plc & Co. KG in terms of § 15 of the German Stock Corporation Act (AktG), a list of which may be requested from ALBA.

**B. Execution of delivery**

**I. Delivery periods, delivery dates**

1. The agreed delivery dates and periods are binding.
2. The supplier is obligated to inform ALBA immediately in writing when circumstances arise or become foreseeable that can result in the agreed dates and periods not being met.
3. The supplier is to inform ALBA immediately in writing of any delay in delivery by its suppliers or subcontractors. Such a case does not justify failure to meet a delivery date or period.

4. In the event of default of delivery ALBA is entitled to the statutory rights. In particular ALBA is entitled, after fruitless expiry of a reasonable period of grace, to demand compensation instead of performance and to withdraw from the contract. The supplier is responsible for a fault of its proxies and its vicarious agents as for its own fault.
5. The supplier must accept suspension against it. Suspensions can be declared by ALBA in writing, telephonically or some other suitable way (e.g. by email).
6. If ALBA is in cases of force majeure, strikes or lockout prevented completely in performing its contractual obligations or same is complicated significantly, ALBA may cancel the contract in whole or in part or demand execution at a later point in time without the supplier deriving any claims whatsoever against ALBA from this.

**II. Execution of delivery**

1. If no other agreement has been reached, ALBA shall determine the place of delivery (place of performance). If ALBA does not explicitly name a place of delivery, the place of performance is the registered place of business of ALBA. The supplier is to have receipt by ALBA confirmed in writing.
2. If weighing is necessary, the weight determined on the calibrated scales at the place of delivery shall prevail.
3. The goods are to be delivered in the form customary in the trade. Legal regulations, especially concerning industrial health and safety and environmental protection, must be complied with. The delivery must correspond to generally accepted technical practice. Several sorts may not be mixed together.
4. Retention of title in favour of the supplier or a third party is precluded. The supplier is obligated to hand over and assign the goods to ALBA free of the rights of third parties and the own rights of the supplier.
5. The declaration of deliveries in waybills, delivery notes, bills of lading and other delivery papers must be complete and correspond to the respectively valid regulations. Costs and losses due to incorrect, incomplete and/or omitted declaration shall be borne by the supplier. The supplier indemnifies ALBA from claims of third parties asserted against ALBA due to incorrect, incomplete and/or omitted declaration.
6. If the supplier makes declarations on the origin of the goods, it is obligated to enable the responsible authorities to check the proof of origin as well as to provide the necessary information and to produce any necessary certifications in this respect. If the declared origin is not accepted by the responsible authorities due to deficient certification or lack of the possibility to check the origin, the supplier is obligated to compensate ALBA for the loss arising as a result and to indemnify ALBA from any claims of third parties.
7. The transportation and importation of the goods ordered by ALBA must be effected in accordance with the respectively valid legal regulations, in particular the GGVSE (German regulations on the carriage of dangerous goods by road and rail) and customs regulations. If the supplier does not fulfil this obligation, ALBA is entitled to take the necessary measures at the expense of the supplier, also where transportation on the premises of ALBA or the place of delivery is concerned.
8. Persons who work on the premises of ALBA to fulfil the obligations of the supplier must follow the instructions of ALBA and the provisions in the work regulations of ALBA as well as the accident prevention, industrial health and safety, environmental protection and other regulations applicable at ALBA. Hazardous substances may only be used on the premises of ALBA after arrangement with ALBA and must be marked properly.
9. Several sorts may not be mixed together.

**III. Despatch, packaging and passage of risk**

1. All shipping costs (e.g. packaging, transport, insurance, customs duties and other charges) shall be borne by the supplier.
2. The supplier shall bear the risk of shipment up to delivery of the goods to ALBA or to a third party named by ALBA at the place of delivery.

**IV. Claims for defects**

1. ALBA or the authorised third party is obligated to inspect the delivered goods for defects within a reasonable period. ALBA or the authorised third party is only obligated to conduct random inspections. If defects are found, the claim is in any event timely if the supplier receives it within a period of 10 workdays (excluding Saturdays) of delivery to the place of delivery or in the case of hidden defects of detection by ALBA - or ALBA's customer. In this case the supplier waives the plea of late notification of defects.
2. ALBA is entitled to the statutory claims for defects and warranty claims in full; in any event ALBA is entitled to demand at its discretion elimination of the defects (improvement) or delivery of goods free of defects from the supplier. The right to compensation instead of performance remains unaffected by this.
3. ALBA is entitled, at the expense of the supplier, to eliminate the defects itself or to have same eliminated by a third party if there is imminent danger or particular urgency exists.
4. If not agreed otherwise, the limitation period for claims for defects is 36 months, commencing from the date of delivery of the goods.
5. The costs incurred by ALBA from quality-related claims or claims for other reasons shall be charged to the supplier as refusal costs; the supplier shall further bear in particular the demurrage arising from the claim.
6. Should explosive devices, suspected explosive objects, closed hollow bodies or contamination by radioactivity be found in the delivered goods, all costs, in particular those for inspection, sorting, securing, storage, additional transport costs, handling, disposal, possible fines and other consequential costs, shall be borne by the supplier. The supplier is moreover liable for any resultant damage to property or injuries to people. If legally permitted, the supplier is obligated to take back the contaminated substances. ALBA may further charge the supplier a reward for finding the

substances. The supplier indemnifies ALBA from the claims of third parties asserted due to the contamination delivered by the supplier.

#### **V. Cologne Agreement, freeness of radioactivity and ionising radiation**

1. The supplier declares with delivery of the goods that the goods in all deliveries were checked for the presence of explosive devices, suspected explosive objects, closed hollow bodies and radioactive substances. Based on this check, it guarantees that the delivered material is free of explosive devices, suspected explosive objects, closed hollow bodies and radioactive substances as well as other substances harmful to the environment and health as well as that it is free of ionising radiation extending beyond the level of natural intrinsic radiation. ALBA is entitled to refuse to accept deliveries in which the above-mentioned contamination or radiation levels are found and to inform the responsible authorities and the supplier.
2. The supplier is to submit written certification with the following contents to ALBA on commencing deliveries to ALBA and at the beginning of each calendar year:

"For **shipments ex our own stores** we certify that we will only deliver steel scrap that has been checked by us beforehand with our own measuring instruments to ensure it is free of ionising radiation. We can therefore declare to the best of our knowledge and belief in advance for every delivery effected in the course of the year ..... that the steel scrap is, due to the aforementioned check, free of ionising radiation lying above the level of the ambient background radiation measured.

For **shipments by subcontractors (direct sales business)** we declare that we have informed our subcontractors of the obligation to check the steel scrap that is to be delivered by them carefully to ensure it is free of ionising radiation lying above the level of the ambient background radiation measured. Our suppliers have assured us that they will check the steel scrap that is to be delivered carefully with their own measuring instruments and that they, due to this check, can declare to the best of their knowledge and belief that the steel scrap that is to be delivered is free of ionising radiation lying above the level of the ambient background radiation measured.

For **steel scrap deliveries from direct imports** by ship, waggon or truck we declare that the contract from which the imports stem will contain the explicit assurance that the steel scrap that is to be delivered will, due to a check with own measuring instruments, be free of ionising radiation lying above the level of the ambient background radiation measured."

3. The supplier is to submit written certification with the following contents to ALBA on commencing deliveries to ALBA and at the beginning of each calendar year:

"For **shipments ex our own stores** we certify that we will only deliver steel scrap that has been checked by us beforehand to ensure it is free of explosive devices, suspected explosive objects and closed hollow bodies. We can therefore declare to the best of our knowledge and belief in advance for every delivery effected in the course of the year ..... that the steel scrap is, due to the aforementioned check, free of explosive devices, suspected explosive objects and closed hollow bodies.

For **shipments by subcontractors (direct sales business)** we declare that we have informed our subcontractors of the obligation to check the steel scrap that is to be delivered by them carefully to ensure it is free of explosive devices, suspected explosive objects and closed hollow bodies. Our suppliers have assured us that they will check the steel scrap that is to be delivered carefully and that they, due to this check, can declare to the best of their knowledge and belief that the steel scrap that is to be delivered is free of explosive devices, suspected explosive objects and closed hollow bodies.

For **steel scrap deliveries from direct imports** by ship, waggon or truck we declare that the contract from which the imports stem will contain the explicit assurance that the steel scrap that is to be delivered will, due to a check, be free of explosive devices, suspected explosive objects and closed hollow bodies."

4. ALBA is entitled to charge the insurance premium, which contains the insurance premium tax, agreed in the "Cologne Agreement (new)" to the supplier for every ton of delivered scrap.
5. Scrap from delaborated ammunition may only be delivered after prior agreement with ALBA even if a suitable clearance certificate is available.
6. The accident prevention regulations "Explosive devices and hollow bodies in scrap" of the association Hütten- und Walzwerks-Berufsgenossenschaft and the official regulations on the prevention of damage by munitions (Munitions Ordinance) of the respective German federal states as amended are components of these GTP Raw Materials.

#### **VI. Product liability – Indemnification**

1. If the supplier is responsible for damage caused by a product, it is obligated to indemnify ALBA from any claims for damages from third parties insofar as and to the extent that the cause lies within its sphere of control and organisation and it itself is liable in relation to third parties.
2. Within the scope of the indemnification obligation in the sense of point 1 the supplier is obligated to reimburse any expenses in terms of § 683 and § 670 of the BGB arising from or in connection with measures taken by ALBA.

#### **D. Miscellaneous**

##### **I. Secrecy**

1. The supplier is obligated to treat all not obvious commercial and technical information and knowledge that becomes known from the business relationship between ALBA and the supplier as business secret.
2. The supplier may only advertise with the joint business relationship after receiving the prior written consent of ALBA.

##### **II. Assignment, netting, rights of retention**

1. The supplier is only entitled to assign its claims against ALBA after receiving the prior written consent of ALBA.
2. ALBA is entitled to netting rights and rights of retention in the scope allowed for in law.

##### **III. Legal succession / Subcontractors**

1. ALBA is entitled to transfer the respective agreement without special approval by the supplier to a subsidiary or associate company of the ALBA Group plc & Co. KG (the "ALBA Group of Companies"), insofar as this is a certified specialised waste management company.
2. ALBA is also entitled to assign its claims arising from the business relationship to a third party.
3. ALBA is entitled to have its services rendered entirely or in part by suitable subcontractors. References to ALBA in this GTP Raw Materials likewise refer to these third parties correspondingly.

##### **IV. Amendments to GTS Raw Materials**

Amendments to these GTS Raw Materials will be made known to the supplier in writing or by email and are considered as approved if the supplier does not object to the amended GTS Raw Materials within six weeks after announcement in writing or by email. The supplier will be made aware of this separately during the announcement of these changes. In case of a timely objection, the validity of the originally included GTS Raw Materials shall continue.

##### **V. Applicable law/Language of contract**

The law of the Federal Republic of Germany shall apply exclusively. The UN Convention on Contracts for the International Sale of Goods is precluded. The contractual and business language is German.

##### **VI. Supplementary applicability of other provisions**

For the purchase of non-ferrous metals, the provisions of the German metal trade, published by the Verein Deutscher Metallhändler e.V., as amended, shall apply additionally.

##### **VII. Place of jurisdiction**

The exclusive place of jurisdiction is the registered seat of ALBA. ALBA is, however, also entitled to sue for claims against the supplier before the courts with general and special jurisdiction for the supplier.

##### **VIII. Severability clause**

Should one or more provisions of these GTP Raw Materials be or become ineffective or unenforceable, this shall not affect the validity of the remainder of these GTP Raw Materials. The parties undertake to replace ineffective or unenforceable provisions of these GTP Raw Materials immediately with effective provisions coming as close as possible to the commercial objective of the ineffective provisions. The provisions according to sentences 1 and 2 shall apply analogously should there be omissions in these GTP Raw Materials.