

## General Terms of Purchase

The Terms and Conditions below constitute an integral part of all contracts (orders) concluded with our Suppliers (Sellers). Deviating, supplementary or opposing contractual provisions, agreements as well as collateral agreements shall, even with knowledge thereof, shall not become an integral part of the contract unless their applicability is expressly approved in writing, it does not apply to entries in our orders or request for proposal addressed to the Suppliers. Decisive for the interpretation of trading clauses are, in case of doubt, the valid INCOTERMS 2010.

### 1. Orders

1. Orders and other declarations are only binding if they are submitted or confirmed by the Cronimet in writing. General Conditions of Sale of Suppliers apply only in the event of the prior express consent to their content and use to concluded contracts of purchase made by the Cronimet. The modification of the content of the orders or other statements by the Supplier, without Cronimet express consent to do so, is invalid.
2. The stated prices are principally fixed prices. They include all remuneration for the services assigned to the Supplier and also the transport costs and the cost heard to the moment of delivery, if not otherwise agreed, are free to the Cronimet respective warehouse or the stated receiving plant.
3. Dimensions: max 0.5 m x 0.5 m x 1.5 m, max 500 kilograms. In case of delivery of goods not in the indicated size, the price will be appropriately reduced by the cost of processing, which includes the thermal processing or mechanical in order to get the required sizes, form and mass at the discretion of Cronimet .
4. The maximum values of chemical elements which stainless steel contains are presented in the table below. Element Hg is not acceptable in any kind of material. If values are exceeded, the price will be reduced accordingly at the discretion of CRONIMET or the material will have to be picked up by Supplier.

Element	Maximum content	Element	Maximum content
Ag	0,100 %	S	0,0400 %
Al	0,500 %	Sb	0,010 %
As	0,010 %	Se	0,020 %
B	0,005 %	Si	1,00 %
Bi	0,0002 %	Sn	0,0250 %
Cd	0,001 %	Ta	0,20 %
Co	0,50 %	Te	0,0020 %
Cu	0,50 %	Ti	0,3000 %
Mn	1,50 %	V	0,10 %
Nb	0,10 %	W	0,10 %
P	0,040 %	Zn	0,05 %
Pb	0,002 %		

### 2. Dates and deadlines

1. Delivery dates are binding. Agreed delivery deadlines shall principally begin upon conclusion of the contract.

2. Our orders principally apply as prompt delivery if no delivery time is stipulated.
3. If it is determined that the delivery date will be exceeded, the Supplier must inform the Cronimet about the reason and the expected duration of the delay in delivery immediately in writing. Irrespective thereof the exceeding of a delivery time shall result in the corresponding consequences of delay.
4. A provision of service before the agreed dates entitles the customer to reject the service until the due date. Any additional costs caused by the refusal to accept the goods shall be borne by the Supplier. Cronimet also does not provide, in case of an earlier delivery, parking space for the vehicle or in the case of railway transport, railway siding space and also space for temporary storage of goods.
5. In the case of acceptance by the Cronimet of deliveries conducted before the agreed date, which results in additional costs for the Cronimet, the Supplier shall bear these costs. If the Supplier refuses to accept to incur these costs, the Cronimet may in return refuse to accept the goods until the arrival of the agreed delivery date.
6. In case of not meeting the deadline of delivery by the Supplier, the Supplier shall bear the additional costs for Cronimet or / and Cronimet may completely or partially withdraw from the contract without any justification at the discretion of Cronimet .

### **3. Shipment**

1. The goods must be shipped and delivered to the receiving place stipulated by Cronimet.
2. Every single delivery must be notified to the following address: awizacja@cronimet.pl The notification must be sent the latest 24 hours before delivery. The time and the place of the delivery will be decided by Cronimet.
3. The Supplier undertakes to inform Cronimet at the date upon which the goods are shipped still by means of a dispatch advice including the details of Cronimet contract number, the quantity and the exact goods designation and make all accompanying documents necessary for the official handling, in particular customs documents, delivery note, waste transfer note, the original of an invoice available in full. The Supplier agrees to submit the original of a valid certificate of registration as an active VAT payer at the request of Cronimet. Cronimet accepts the PDF invoice to be sent by the Supplier electronically to the following address: invoice@cronimet.pl All risks and/or costs incurred in this respect shall pass to the Supplier in case this requirement is not met.
4. The Supplier is obliged to make available the goods at the place of delivery and ready for unloading.
5. Changing the date or the place of delivery requires a written consent of Cronimet.
6. The materials used for packaging must be taken back free of charge or in case they are not taken back disposed of at the Supplier's costs.
7. An over-delivery or shortfall in delivery or change in class, type or quality of the goods is not permitted without a written consent of Cronimet . The Shipment, which exceeds the quantity covered by the agreement, with a deficiency or goods of another class, type or other

parameters of the goods as well with properties other than those covered by the agreement shall be at the expense and risk of the Supplier and the Cronimet may refuse to accept such goods.

8. The weight determined on the calibrated scales of the Cronimet house is decisive.
9. The Supplier must have the delivery confirmed in writing by the stated receiving place.

#### **4. Invoice and payment for the goods**

1. The Supplier shall submit a written invoice to the Cronimet after the service has been provided as per the contract. This invoice must contain the order number, receiving center, full article text/object designation, quantity of the goods, weight and weight units as well as the value added tax ID no. (with import from the EU). In the event of exemption from taxes or customs duties reference shall be made thereto in the invoice.
2. The Supplier is also obliged to provide all other documents, especially a waste transfer form.
3. Cronimet may refuse to pay for the goods if there are not necessary documents.
4. In case of premature deliveries we reserve the right to pay the invoices on the date which would have applied as per contract in case of timely delivery.
5. Should no agreement have been reached with regard to payment, the invoice is due and payable 30 days after delivery and service as well as receipt of the invoice.
6. In case that Cronimet will delay its payment, the Supplier may perform his rights to terminate / give notice of termination, or the right to cancel the contract only after a call to pay receivables and the appointment of an additional 7 days period for the payment by Cronimet.

#### **5. Waiver, termination, offsetting**

1. The Supplier is not entitled to assign any of his contractual rights to third parties without the Cronimet written consent.
2. The offsetting against counter claims of the Supplier is only possible with undisputed claims or claims stated by the valid court's sentence.
3. Cronimet is entitled to offset against existing claims against Cronimet Supplier with all receivables to which the Cronimet is entitled. In the event that goods are returned for reasons of quality, the Supplier is obliged to reimburse to Cronimet any payments which Cronimet may already have made for these goods immediately, including interest equal to legal interest for default. Insofar as these payments are not made, Cronimet shall be entitled to retain the goods until receipt of the repayment is made.

#### **6. Warranty, acceptance of goods and complaint**

1. The Supplier guarantees the goods will meet the quality settled in the contract.

2. Cronimet does not accept deliveries requiring evidence of recovery and / or recycling in accordance with the Act of 11 May 2001 on the obligations of entrepreneurs in the field of management of certain waste and the product fee and the Act of 11 October 2015 on waste electrical and electronic equipment.
3. Each delivery must be free of all parts which are dangerous or harmful for the processing and storage. This also includes the prerequisite that the goods have been examined for explosion material in accordance with the Act of the Minister of Economy from 30 December 1999 on workplace health and safety regulations concerning eliminating dangerous objects, including explosives from scrap of metal and hollow bodies, which means kegs, containers, and boxes must be cut. The Supplier shall be liable in full for damages which are suffered through the co-delivery of such materials.
4. All goods must be free of ionizing radiation which goes beyond the natural own radiation of the steel. An ionizing radiation of the goods, which goes beyond the natural own radiation of the steel, exists if the buyers measuring device displays a value which exceeds the ambient surface radiation at the time of the take-over control measurement. This is documented in a measuring report after a further control measurement. Should such an ionizing radiation of the goods be determined, the buyer shall be entitled to refuse acceptance of the load located in the transport unit for which a complaint was made and inform the responsible authority as well as the Supplier. Insofar as the authority does not order any other measure, the Supplier must pick the goods up within two days after notification of the acceptance refusal, or to order the utilization. All costs from the acceptance refusal by Cronimet, the costs of return transport and the utilization are covered by the Supplier. The seller shall also bear the incurred costs if the authorities order special measures (e.g. the separation and inspection of all parts of a load, which is recognised as contaminated, a temporary interim storage on the plant site, removal transport subject to special safety precautions, the disposal).
5. Each delivery requires a statement concerning the origin of goods.
6. In case of load or delivery of goods not conforming to the contract or the General Terms of Purchase, any additional cost, including the cost of shipment, the cost of cleaning of means of transport, the cost of the penalty shall be covered by the Supplier.
7. For reasons of optimum quality control (determination of analysis) it will be necessary to make modifications to the goods, e.g. breaking of chips, stretching etc, the Supplier agrees for that.
8. The delivered goods will be analysed in the laboratory of Cronimet, in order to determine and control the type, properties and the class in terms of conformity of the goods with the contract. The Supplier must file a possible objection to the findings of the incoming inspection carried out by Cronimet within two workdays from notice of analyse results. We are entitled to process the goods if we do not receive any notification from the Supplier.
9. Should the delivered goods be in different types or should they need to be checked for quality, quantity and value, they could be put in deposit until the Supplier has received the results from Cronimet by phone or email.
10. Detected during collection or analyse as well hidden or revealed at a later date defects of the delivered goods, the Supplier must remedy at his costs immediately after our notice. In case when it is not possible, unacceptable or deemed unreasonable to remedy a defect or in case

when a remedy of a defect is not customary accepted and no mutual solution can be found with regard to a price deduction, we can then insist upon immediate free substitute delivery or a discount. A report of a defect submitted by Cronimet shall be deemed as recognised by the Supplier if no objection is filed within two workdays after the report is submitted.

11. Filing an objection does not limit the right of Cronimet to assert their entitlements under the warranty or guarantee for defects. If the Supplier does not satisfy his obligation to remedy the defect or make a substitute delivery immediately, Cronimet can assert the statutory warranty rights without setting a further deadline.
12. The Supplier shall be liable for all costs concerning the claim for defects.
13. In case of repeated faulty supplied goods Cronimet reserves the right to terminate the contract without observing a period of notice.
14. The Supplier shall bear the additional costs if a faulty delivery leads to the fact that an overall extraordinary control is necessary.
15. Legal expiration terms are binding for the claims for defects arisen in connection with a delivery.

## **7. Assignment of contract**

Concluded supply contracts may not be assigned to third parties without a written consent of Cronimet.

## **8. Liability**

Unless is otherwise regulated in these conditions , Cronimet shall be liable for damages due to the breach of contractual or non-contractual duties or in case of the initiation of the contract only with willful intent or gross negligence of Cronimet legal representatives or vicarious agents. With the culpable breach of essential contractual duties Cronimet shall only be liable with the exception of cases of wilful intent or gross negligence of Cronimet legal representatives or vicarious agents for the typical contractual, foreseeable damages with the except of lost profit.

## **9. Transborder transactions**

1. All contracts in which the delivery is made into the country differ than the register office of Cronimet or when the Supplier has the registered office in the country differ than the registered office of Cronimet, permissions from Polish Administrative authorities can be demandable. In case of subsequent introduction and/or increase in customs duties, taxes, freight charges, energy costs, etc. the Cronimet is entitled to charge these further to the Supplier.
2. The Supplier will issue the original of an invoice after obtaining the receipt of Cronimet declaration mentioned in paragraph 7, annex VII according to the Regulation (EC) No. 1013/2006 of 14 June 2006 in original. The Supplier agrees to submit the original of this declaration at the request of Cronimet.
3. A contract for recovery of waste according to Article 18 of the Regulation (EC) No 1013/2006 of 14 June 2006 on shipment of waste. The shipment of the subject of the Contract will be subject to the General Information Requirements in accordance with Article 18 of EU Regulation No 1013/06. Cronimet hereby agrees to submit the waste sent to it to a recycling procedure in accordance with applicable regulations. Where a shipment of waste or its recovery cannot be

completed as intended or in case of an illegal shipment, the Supplier takes the waste back or ensures its recovery. Otherwise, and if necessary, the Supplier provides its storage in the meantime.

4. For waste deliveries to Poland from abroad, after the vehicle has been loaded, it is required to send the loading documents, i.e. the CMR and Annex VII, to the following email address: sent@cronimet.pl.

#### **10. Place of performance**

1. The place of supply is always designated by Cronimet place of receipt of goods.
2. The court proper for this contract is the court of the registered office of Cronimet with this restriction that the sue can also be brought before the court of the defendant.
3. The conclusion of the contract, interpretations of the contract and hereby conditions and also the validity and the execution of contractual duties will be done under the Polish law with the exclusion of UN Treaty of the International Sale.