



## GENERAL PURCHASE CONDITIONS OF SCRAP

TOM" Limited liability company with its seat at Pomorska street 112, 70-812 Szczecin, incorporated into the entrepreneurs' register of the National Court Register conducted by the District Court Szczecin – Centrum in Szczecin XIII Economic Division KRS under the number 0000118719, NIP 851-030-58-95, REGON 005456928, hereinafter referred to as „the Ordering Party” established on the basis of art. 384 of the civil code “General purchase conditions of scrap”, hereinafter referred to as “Conditions”, in the following wording:

### §1

Whenever in the Conditions the definitions provided below appear, they should be understood as follows:

1. Conditions – General purchase conditions of scrap
2. Scrap:
  - a. input scrap – scrap prepared; in the form, dimension, weight, chemical composition and permitted pollutions, allowing for economic and safe usage as the input into the furnaces used for smelting cast iron, pig iron and iron-alloys;
  - b. non-input scrap – scrap requiring before being used with the user the mechanical or manual processing in order to obtain necessary dimensions, form and weight and remove metal and non-metal pollution to the limits permitted with the Polish standard of steel scrap PN-85/H-15000.
3. Supplier – the entity including also entrepreneur within the meaning of art. 43<sup>1</sup> of the civil code submitting the offer of concluding the agreement or, to which the Ordering Party directs an inquiry or order.
4. Recipient – the entity for which the scrap is delivered covered with the Order submitted to the Supplier by the Ordering Party.

### §2

Any provisions of the subjective Conditions are applicable to all sale agreements of scrap, including also for the activities preceding conclusion of the agreement of that type, in which the Ordering Party appears in the side of the purchaser or the agent unless the parties expressly decided to exclude a part of all Conditions. The exclusion, referred to hereby, must be made in writing or it shall be null or void.

### §3

Unless stated otherwise, the Conditions shall be applied each time in the current version. The current version of the Conditions shall be available at any time in electronic form at the address: [www.grupatom.pl](http://www.grupatom.pl).

### §4

Unless the Ordering Party and the Supplier stated otherwise in writing, the application of all contractual patterns of the Supplier is excluded. The patterns of the agreements of the Supplier are not applied either when the Ordering Party does not raise towards their exclusion exact acceptance. The acceptance or collection of goods by the Ordering Party without exact reservation or making the payment by the Ordering Party for the scrap purchased without objection, in no case means the acceptance of the contractual patterns of the Supplier.

### §5

The TOM employees are not authorized to include any contractual pattern of the Supplier into the purchase agreement of scrap or recognize its application, even in part, unless something else results from the power of attorney presented by them.

### §6

In case of discrepancy between the text of the provisions of the order submitted by the Ordering Party and the text of the Conditions, the provisions of the order shall prevail.

### §7

The Parties to the agreement by means of negotiations establish all significant conditions thereof. After agreeing these conditions, the Ordering Party shall send to the Supplier by post or electronic mail or fax the order for scrap, covering the conditions of the agreement agreed during the negotiations of the parties. Failing to submit an immediate objection from the Supplier shall mean the acceptance of the agreed conditions, sent to the Supplier in the form of an order. Also commencement of the realization of supplies by the Supplier for the Ordering Party shall mean the acceptance of the agreed conditions confirmed with sending an order.

### §8

In case of no express different provisions in the order, the purchase price of scrap established in the order shall cover transport to the place of delivery indicated in the order. In the event when in the course of the order the Ordering Party covers the costs of transport, he shall be entitled to charge the Supplier with the incurred costs of transport (freight).

### §9

The threat of accidental loss of scrap, referred to in art. 548 of the Civil Code, during transport and unloading shall be on the side of the Supplier.

### §10

The final weight and quality class of the scrap delivered by the Supplier shall be established on the basis of the weight and class indicated to the Ordering Party by the Recipient.

### §11

Examination of scrap for its defectiveness or non-compliance with quality requirements shall take place not earlier than after unloading Scrap with the Recipient.

### §12

In case of defectiveness of scrap or its non-compliance with the agreement or the order, the Supplier shall repair the damage suffered by the Ordering Party or the Recipient in full amount including also lost benefits or calculated contractual penalties by the Recipient to the Ordering Party.

### §13

The scope of responsibility of the Supplier shall cover also costs of repair or replacement of the devices of the Recipient damages as a result of defectiveness or non-compliance with the agreement or the order of the scrap delivered by the Supplier.

### §14

Responsibility for the Supplier's warranty may not expire earlier than the liability for this borne by the Ordering Party towards the Recipient.



## §15

The scope of responsibility of the Supplier shall cover also the responsibility for all damages caused to the Recipient or the Ordering Party by the Supplier or his subcontractor (including the carrier) even indirectly connected with the realization of the agreement. In case of charging the Ordering Party by the Recipient with any costs connected with damages caused by the Supplier or his subcontractors (including carriers), the Supplier shall return to the Ordering Party all costs incurred by him.

## §16

In case of such defects as, inter alia, inconsistency with the declared class or occurrence of pollutions in the scrap purchased, the Ordering Party may, at his discretion, demand a proper price reduction, delivering to the indicated place a batch of scrap free from defects or withdraw from the agreement or the order.

## §17

The dispatch of scrap in classes not covered with order or exceeding the amount resulting from the order (unless other provisions contained) shall take place at the risk of the Supplier and may not be accepted by the Recipient or accepted under the conditions established with the recipient unilaterally by the Ordering Party – also with a remuneration lower than the indicated in the order.

## §18

1. In the situation of lack of realization of all the order on the indicated date, the Supplier shall pay to the Ordering Party a contractual penalty of 10% of the order value net if the order was realized on the level between 95% and 100%, whereas in case of realizing the order on the established date on the level below 95% of the amounts ordered in accordance with the order. The Supplier shall pay to the Ordering Party a contractual penalty of 30% of the order value net.
2. A contractual penalty, referred to in it. 1 shall become due on the day following the day on which the basis was created to charge it.

## §19

In the event when the scrap delivered by the Supplier does not fulfill the quality conditions, the Ordering Party reserves the right to withhold the realization of the agreement immediately or withdraw from the agreement in whole or in part – statement on withholding or withdrawal may be delivered to the Supplier in any form, including by fax or email. In case of using the said right by the Ordering Party, the Supplier shall not be entitled to any claims for withholding or withdrawal from the agreement by the Ordering Party.

## §20

1. In the event when the Supplier, an employee of the Supplier or subcontractor of the Supplier infringed good name of the Ordering Party by means of committing the deed towards the Recipient or his employees contrary to with the law provisions, about which the Ordering Party shall be informed by the Recipient, the Supplier shall pay to the Ordering Party a contractual penalty of 30% of the order value net.
2. For the contractual penalty, referred to in it. 1, § 18 it. 2 shall apply.

## §21

In the event when between the parties, in connection with the realization of the agreement or the order any disputes result of any type, the competent court to resolve them shall be competent common court for the seat of the Ordering Party and the disputes will be resolved on the basis of the Polish law.

## §22

The conditions have been drawn up in 3 language versions: Polish, English and German. In case of incoherence or discrepancy between the Polish version and another language version, the Polish version shall prevail.