General Terms and Conditions of Purchase of ROMONTA Group

A. Scope of application, contract conclusion

1. These General Terms and Conditions of Purchase shall apply to all contracts concluded between the following companies of the ROMONTA Group

   ROMONTA Holding GmbH
   ROMONTA GmbH
   ROMONTA Reststoffverwertungsgesellschaft mbH
   ROMONTA EBS GmbH
   ROMONTA URZ GmbH
   Wertstoffaufbereitung GmbH Edersleben GmbH

   (hereinafter referred to as "Buyer") and suppliers, vendors, contractors or other contractual partners providing services for the Buyer (hereinafter referred to as "**Supplier**"), irrespective of whether it is a purchase contract, a contract for work, a contract for work and materials, a service contract or any other type of contract. The validity of the Terms and Conditions of Purchase shall also extend to any declaration of intent made with regard to the conclusion of contracts between the Buyer and the Supplier.
2. Any conflicting general terms and conditions of the Supplier shall not apply, even if they have not been expressly rejected from case to case.
3. Offers by the Supplier must be submitted free of charge for the Buyer, but with binding content. If the Buyer's order corresponds to the previously submitted quotation, the delivery contract shall be deemed concluded upon receipt of order, unless otherwise specified in the order. If the order deviates from the Supplier's quotation or if no quotation was submitted, the Buyer's order is non-binding – unless expressly stated otherwise – and must be accepted by the Supplier within two weeks from the date of order at the latest. If the Supplier confirms the Buyer's order only after expiry of the two-weeks period, this acknowledgement shall constitute a new irrevocable offer of the Supplier, which the Buyer can accept by an order confirmation or a corresponding declaration. If the order is signed by the Supplier within two weeks from the date of order or within the acceptance period otherwise specified in the order, the contract is deemed concluded with this signature. Any subsequent acknowledgement of order by the Supplier shall not result in an amendment of the contract that has already been concluded.
4. Drawings, models, samples and other documents placed at the Supplier's disposal or produced by the Supplier on the basis of the Buyer's specifications may only be used for processing the offer and performing the delivery contract and must not be passed on to third parties and – insofar as paid by the Buyer – remain the Buyer's property and are to be returned immediately upon completion and without further request.
5. If the Supplier discovers that the Buyer's technical specifications are faulty, incomplete, ambiguous or unfeasible, the Supplier must inform the Buyer in writing and indicate perceivable consequences without delay and before carrying out any further services. In this case, the Supplier shall wait for further instructions from the Buyer and discuss potential revisions of the technical specification on a constructive basis, if requested.
6. All contracts concluded between the Buyer and the Supplier (order and acceptance) including their amendments and supplements shall be subject to written form. Delivery call-offs can also be made by remote data transmission.

B. Prices, payments, transfer of ownership

1. The agreed prices are fixed prices and apply until the order processing has been completed. Subsequent price increases – for any reason whatsoever – are excluded. This applies in particular to surcharges for import and customs duties as well as to any other charges that have not been agreed.
2. The agreed prices shall be free point of use, including ancillary, packaging and freight costs.
3. Invoices must be settled either within 14 days with a 3 % discount or within 30 days without discount. The period allowed for payment shall start from receipt of the invoice, but not before the date of the incoming goods inspection or, in the case of work performances, not before acceptance and – if the scope of supply comprises documentation and test certificates or similar – not before these documents have been handed over to the Buyer as contractually agreed. If payments are delayed due to incorrect delivery documents or incomplete invoice details, the Buyer shall remain entitled to discount deduction. In the event of receipt or acceptance of early deliveries, the due date shall be based on the agreed date.
4. The Buyer is entitled to set off claims of the Supplier against the Buyer's outstanding claims against the Supplier. The conditions governing set-off must be evaluated on the basis of the time when the claim arises and not when it becomes due. In the case of set-off, it does not matter whether payment was agreed in cash, by bill of exchange/cheque or by any other performance.
5. Payment shall be made subject to subsequent verification of the invoice accuracy in terms of contents and calculation.
6. Non-performance of the Supplier's contractual obligations or circumstances which become known to the Buyer upon order placement and are likely to affect the Supplier's creditworthiness or ability to fulfil the contract properly and completely shall entitle the Buyer to withhold other due payments up to twice the amount of the rectification costs, unless the Supplier provides security of an equivalent amount.
7. If a down payment is made, the ordered items shall become immediately the Buyer's property, even if they have not been handed over. In this case, the Supplier agrees to keep the goods in safe custody free of charge and to insure them against fire and other risks until delivery. The Supplier shall remain committed to perform until delivery or acceptance, even if the items are damaged or lost beforehand through no fault of the Supplier.
8. The transfer of ownership of the goods or delivery items to the Buyer shall be unconditional. If, however, the Buyer accepts a Supplier's offer of transfer of title based on payment of the purchase price, the Supplier's retention of title shall expire at the latest upon payment of the price agreed for the delivered items. Subject to prior assignment of the resulting claim, the Buyer shall remain entitled to resell the goods in the ordinary course of business even before the agreed price has been paid.
9. Any processing, mixing or combination (further processing) of Buyer-supplied items shall be carried out by the Supplier on behalf of the Buyer. The same shall apply if the delivered goods are further processed by the Buyer, so that the Buyer acquires ownership of the item upon further processing in accordance with the statutory provisions at the latest.
10. Without the Buyer's prior written consent – which may not be unreasonably withheld – the Supplier is not entitled to assign any claims against the Buyer to third parties or to have them collected by third parties. Consent to an extended reservation of title in favour of an upstream supplier is considered to be granted.

C. Deviations, notice of defects

1. Excess and short deliveries as well as any deviations in terms of dimensions, weights and other contractually stipulated specifications of the items to be manufactured or delivered are inadmissible.

2. The Buyer agrees to promptly notify the Supplier of any defects in the delivered products as soon as they become apparent in the ordinary course of business.

D. Packaging

The Supplier shall pack the goods properly in compliance with the Buyer's shipping and packaging instructions to ensure that they are adequately protected and secured against damage and loss during transport. Goods susceptible to corrosion must be provided with temporary corrosion protection for at least 24 months. These provisions shall apply irrespective of the agreed place of delivery, in particular if "ex works" delivery has been agreed.

E. Place of delivery, date of delivery and acceptance

1. Unless otherwise specified, the agreed place of delivery shall be the registered office of the ordering company of the ROMONTA Group. All deliveries shall be made DDP (Incoterms 2020) to the place of delivery.
2. The agreed dates and deadlines are binding. Early delivery or partial delivery is subject to the Buyer's express written consent. The Supplier shall coordinate deliveries in good time in advance with the purchasing agent responsible for the respective order and obtain his/her confirmation. The Buyer shall be entitled to refuse deliveries made without such confirmation. Any costs associated with the rejection shall be borne by the Supplier.
3. Compliance with the delivery date shall be determined on the basis of the receipt of the goods at the Buyer's premises. Unless delivery "free domicile" has been agreed, the Supplier shall make the goods available in a timely manner considering the usual time for loading and dispatch.
4. If the agreed deadlines are not observed (unless this is due to reasons not attributable to the Supplier), the Buyer shall be entitled – after setting a reasonable period of grace and without prejudice to any further legal claims – either to withdraw from the contract, to procure replacements from a third party and/or to claim damages in addition to or instead of performance. Any additional costs incurred due to delayed deliveries or services are to be reimbursed by the Supplier. The choice of one of these rights by the Buyer shall not constitute a waiver of the assertion of any further rights.
5. Notwithstanding the Buyer's rights under clause 4. and any other agreements made, the Buyer shall be entitled – in the event of delayed deliveries and after prior written reminder – to claim from the Supplier a contractual penalty of 0.5 % up to a maximum of 5.0 % of the order value of the delayed performance for each day of delay in delivery, unless the Supplier proves that the Buyer has suffered a lower loss. This provision shall not apply if the delay in delivery is not attributable to the Supplier.
6. Receipt or acceptance of a delayed delivery or service shall not constitute a waiver of claims for damages.
7. If the Supplier expects difficulties in production or material procurement, or if circumstances beyond the Supplier's control occur that may prevent on-time delivery in the prescribed quality, the Supplier shall notify the Buyer continuously and without delay.
8. If receipt or acceptance of the services on the date originally agreed is impossible for the Buyer or anyone else, the Buyer shall be entitled to reasonably postpone receipt or acceptance dates. The Supplier shall only be entitled to assert statutory rights (damages, rescission) due to postponed receipt or acceptance if the Supplier proves that the Buyer has caused the impossibility or inability by intent or gross negligence. § 300, section 1 of the German civil code (BGB) shall not apply.

F. Quality, accident prevention and other regulations

1. The Supplier agrees to provide the ordered supplies and services in compliance with the agreed specifications and taking into account the current state of the art. The Supplier warrants that the supplies and services are suitable for the specified purpose and use.
2. If known to the Supplier or can be taken from documents handed over to the Supplier in advance that the deliveries and services to be provided are intended for a specific end customer, the Supplier shall familiarise itself with the local circumstances, regulations and conditions of use at the end customer's premises. The Supplier shall provide its supplies and services in such a way that they can be used by the end customer as contractually agreed.
3. In the case of machining jobs, the Buyer shall reimburse the machining costs only for parts that are delivered in a usable condition in accordance with the agreed specifications and taking into account the current state of the art. The Supplier may only use the material provided by the Buyer for the completion of the order and has to check it again at its own responsibility. If the Supplier processes material other than that provided by the Buyer, the Supplier shall be liable for any resulting damage. Any material costs for defective parts due to machining scrap caused by the Supplier shall be borne by the Supplier.
4. The ordered and delivered parts, devices, equipment, machines etc., including accessories, must comply with the Product Safety Act, relevant accident prevention regulations, occupational safety regulations, generally recognised rules concerning safety and occupational health and any further relevant regulations. All required protective devices or guards are included in the scope of delivery. Within the scope of its economic and technical possibilities, the Supplier shall apply environmentally compatible production processes for its deliveries and services as well as for the deliveries and services of sub-suppliers.
5. The Supplier represents and warrants that in executing the order only permanent staff will be used in compliance with the obligations, laws and regulations on safety, well-being and assistance and all applicable regulations. The Supplier will pay its employees at least the legal minimum wage. The Supplier agrees to immediately provide the Buyer with all documents proving the legitimacy of the personnel employed. The Supplier shall warrant and hold the Buyer and the Buyer's legal successors harmless from any liability, including claims for damages.
6. In the event of quality issues caused by sub-supplier deliveries and services, the Supplier shall arrange for an audit of the sub-supplier concerned and provide the Buyer with a copy of the audit report. Additional requirements on the quality of the delivered goods within the frame of a quality assurance agreement shall remain unaffected. We reserve the right to request such additional requirements in the order.
7. Any use of subcontractors shall be subject to the Buyer's prior written consent. If this requirement is not observed, the Buyer may terminate the contract without notice and without the Supplier being entitled to claims of any kind against the Buyer.

G. Spare parts

1. The Supplier is obliged to keep spare parts in stock for the equipment delivered to the Buyer for a period of at least ten years after delivery.
2. If the Supplier intends to discontinue the production of spare parts for the products delivered to the Buyer, the Supplier must inform the Buyer immediately after having taken such decision. This decision must be taken at least 12 months before production is stopped.

H. Quality inspections

1. The Buyer may at any time during regular working hours check the quality and the manufacturing progress of the supplies and services owed at the Supplier's premises. For this purpose, the Supplier shall provide the Buyer free of charge with all equipment necessary to carry out the inspections.
2. During regular working hours, the Supplier shall grant the Buyer, the Buyer's representatives, customers and their representatives free access to the production facilities for the deliveries and services to be provided.
3. Quality inspections carried out by the Buyer or the Buyer's representatives shall not constitute acceptance and do not release the Supplier from its contractual obligations, in particular

from its warranty obligations. The Supplier shall respond to the Buyer's notifications of defects within a maximum of three working days.

4. Intermediate and final inspections are carried out at the Supplier's premises on the basis of the agreed inspection and test plans (ITP). If no ITP has been agreed for the items to be manufactured or procured by the Supplier, the Supplier shall carry out final inspections upon completion of the equipment. The Supplier shall notify the Buyer in writing of the final inspection 14 calendar days in advance and agree the exact date, so that the Buyer is in a position to attend the final inspection. If the Buyer decides not to participate in the inspection, the Supplier shall carry out the inspection on its own. In this case, the Supplier shall promptly provide the Buyer with the contractually agreed documents and evidence of the inspection. The Supplier shall prepare the delivery items for dispatch only after having obtained the Buyer's approval, which does not constitute acceptance in legal terms.
5. Defects of the equipment detected during intermediate or final inspections must be remedied by the Supplier without delay at its own expense. The costs for re-inspections shall be borne by the Supplier. Any other contractual agreements – such as the delivery date – shall remain unaffected.

I. Changes to the subject matter of the contract

1. The Buyer is entitled to request at any time changes to the specifications, requirements, sketches and installation drawings for the deliveries and services to be provided by the Supplier. The Supplier shall inform the Buyer immediately in writing of any additional costs caused by such changes. Changes shall only be implemented upon the Buyer's written acceptance of the additional costs involved.
2. The Supplier shall inform the Buyer in writing without delay of any changes or additions to the subject matter of the contract that prove necessary during execution, stating the resulting additional costs. Such changes or additions shall only be implemented upon the Buyer's written acceptance of the additional costs involved.
3. Changes or additions to the subject matter of the contract or to the scope of delivery that become necessary for reasons attributable to the Supplier shall be implemented by the Supplier at its own expense upon the Buyer's written approval.

J. Warranty

1. The Supplier shall be liable for defects in the products or services for the duration of the warranty period in such a way that the Buyer is entitled to demand either free replacement delivery, free rectification of the defects, including removal or replacement costs, or an appropriate price reduction – irrespective of whether defects become apparent immediately or at a later date and without prejudice to any other rights or remedies. In urgent cases or after expiry of a set grace period, the Buyer shall be entitled to remedy the defects on its own or have them remedied by a third party. The costs involved shall be borne by the Supplier with the Buyer being entitled to demand an appropriate advance payment for the rectification costs from the Supplier.
2. The warranty period shall be five years for services or delivery items that relate to the construction of a building according to their customary purpose and caused deficiencies of the building. In any other cases, the warranty period shall be two years after delivery (purchase contracts) or after acceptance (contracts for work).
3. If negotiations are conducted on the warranty claim or the circumstances substantiating such claim, the suspension shall continue until one of the contracting parties refuses to continue the negotiations in writing. The statute of limitations shall commence three months after the end of the suspension at the earliest.
4. The Supplier shall provide warranty for rectification work and replacement deliveries to the same extent as for the original delivery item. The warranty period for repaired items or items delivered as a replacement begins upon delivery/acceptance.

K. Liability, infringement of third party rights, insurance

1. Unless no stricter liability of the Supplier is provided for in these Terms and Conditions of Purchase or otherwise – e.g. a strict liability for guarantees or warranted characteristics, liability for fraudulent concealment and liability under the Product Liability Act – the Supplier shall be liable for damage caused by the Supplier or its vicarious agents pursuant to the statutory provisions for intent or gross negligence. If the Supplier is responsible for product damage under these provisions, the Supplier shall indemnify the Buyer against any third-party claim and, in particular, reimburse the Buyer for any costs resulting from or in connection with third-party claims, including recall actions carried out by the Buyer. The Buyer will inform the Supplier – as far as possible and reasonable – about the content and scope of recall measures and give the Supplier the opportunity to comment. Further legal claims shall remain unaffected.
2. The Supplier warrants that no third party rights are violated by the delivery, use and distribution of the delivered items as well as by the exploitation of any service provided by the Supplier and shall indemnify and hold harmless the Buyer without any restriction and upon first request against any third party claim.
3. The Supplier shall take out or maintain liability insurance to an appropriate extent, but at least in the amount of EUR 5.0 million or – if this sum insured is exceeded – in the amount of the order value. The Buyer shall be entitled to demand a corresponding proof of insurance.

L. Confidentiality

1. The Supplier shall keep all commercial and technical details which are not in the public domain and become known to the Supplier through the business relationship strictly confidential, take appropriate measures to protect them against disclosure to third parties and use them exclusively to fulfil the contract concluded with the Buyer.
2. All data resulting from the use of the items delivered by the Supplier (hereinafter referred to as "machine data") belong exclusively to the Buyer, are to be treated confidentially by the Supplier and may only be collected, used, stored or processed by the Supplier insofar as this is indispensable for the provision of the services for the Buyer. The Supplier shall inform the Buyer without being asked about all machine data the Supplier collects, uses, stores or processes and shall grant the Buyer free access to the machine data at any time. Upon complete performance of the services, the Supplier shall hand over to the Buyer all machine data not stored in the items delivered or in any other equipment/lines used by the Buyer and to delete such data subsequently from its own systems. Unless expressly agreed otherwise, the items delivered to the Buyer must not be equipped with data loggers or similar devices granting the Supplier access to machine data or enabling collection, use, storage or processing of such data for its own purposes.
3. Confidential product information in the form of samples, drawings, models, dies, cutting, punching or other tools and similar information, which are either communicated by the Buyer or developed by the Supplier on behalf of the Buyer in connection with the order, belong exclusively to the Buyer and may not be handed over or made accessible to unauthorised third parties by the Supplier. Any duplication of such objects, technical drawings or corresponding data is only permitted within the scope of the operational requirements involved in the fulfilment of the Buyer's order.
4. Data carriers, samples, templates, drawings etc. made available by the Buyer are to be returned without request upon completion of the order. Any right of retention is excluded, irrespective of the legal grounds.

5. Subcontractors shall be subject to the same confidentiality obligation.

M. Withdrawal from the contract

If, as a result of Force Majeure (cf. E.7 of these Terms and Conditions of Purchase), the Supplier's deliveries and services can no longer be used finally or temporarily for the Buyer or the end customer, the Buyer shall be entitled to cancel the contract in whole or in part or to demand performance at a later time, without entitling the Supplier to any claim whatsoever.

1. In the case of contracts for work and contracts for work and material, the Buyer shall be entitled to terminate the contract in whole or in part. In such cases, the Buyer shall only be obliged to pay the agreed remuneration; however, any savings resulting from the cancellation of the contract, through a different use of the labour force or which the Supplier refrains from acquiring with malicious intent shall be taken into account. It is assumed that the Supplier will be entitled to 1 % of the agreed remuneration attributable to the part of the work not yet performed; however, the parties shall be free to prove a higher or lower margin.
1. In the event of a withdrawal from the contract pursuant to clauses 1. or 2., any partially completed components or partial deliveries shall be surrendered to the Buyer upon request.

N. Miscellaneous provisions

1. The Supplier shall only be entitled to exercise a right to set-off or retention if its counter-claims are uncontested or legally established.
2. The place of performance for the Supplier's obligations shall be the place of destination, provided both parties are merchants.
3. If the Supplier is a fully qualified merchant, a legal entity under public law or a special fund under public law, any disputes arising from the contractual relationship shall be settled before the competent court at the Buyer’s head office in Seegebiet Mansfelder Land. The Buyer shall also be entitled to sue the Supplier at the Supplier’s registered office or at the location of its subsidiary.
4. All agreements shall be subject to the exclusive law of the Federal Republic of Germany. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.
5. Should any provision of these terms and conditions be held or declared invalid or unenforceable, the validity or enforceability of the remaining provisions or terms shall not in any way whatsoever be affected or impaired thereby.