

General Terms and Conditions HeiTec Group

1 Section - General

1.1 Scope

These General Terms and Conditions (hereinafter "GTC") apply to everyone between HeiTec Group (HeiTec Rohstoffe GmbH, HeiTec Waste Trade GmbH, Lionhead International GmbH), hereinafter referred to as "HeiTec", and recipients, customers and suppliers. In addition to the provisions of these terms and conditions, the statutory provisions apply. Deviating, conflicting or additional terms and conditions of recipients, customers and suppliers shall only be part of the contract if and to the extent that HeiTec has expressly agreed to their validity. Incidentally, the terms and conditions apply only to companies within the meaning of § 310 para. 1 BGB (German Civil Code).

2 Section - Conditions of Purchase and Sale

2.1 Offers and Orders

Offers are subject to alterations and non-binding, unless otherwise agreed. An order shall be deemed accepted if the scope and conditions have been confirmed by HeiTec in writing (by fax, e-mail or in writing). All agreements, promises, amendments etc. become binding only upon written order confirmation. The confirmation is considered as accepted, if the customer does not contradict it in writing within one week, however at the latest at acceptance of the material. Errors in offers, invoices, etc., also calculation and spelling mistakes, are non-binding to HeiTec. If the customer refuses to adapt the contract on the basis of this, HeiTec shall be entitled to withdraw from the contract. In this case, claims for damages are excluded. The documents belonging to the offer such as photos, weights and measurements are only approximately authoritative, unless they are expressly designated as binding. In case of doubt with multilingual declarations, the nature and scope of the order will be determined by the German text.

2.2 Contract duration and termination

For long-term contracts, the right to extraordinary termination for good cause remains unaffected. As an important reason applies in particular if the contracting party becomes insolvent, an application for insolvency proceedings is filed against it and was not dismissed as unfounded or insolvency proceedings are rejected for lack of assets, the other party is unable to complete a material contractual obligation for more than 30 days due to force majeure, the other party violates contractual obligations and this breach is not terminated within a reasonable period of 10 working days at the written request of the contracting party. A warning or setting of a deadline is unnecessary if the continuation of the contractual relationship, because of the seriousness of the breach of duty, appears to be unreasonable, success is not to be expected or, weighing the mutual interests, an immediate termination appears to be justified. In principle, a termination without notice is not considered as long as this breach of contract is insignificant, so that after weighing all circumstances a termination without notice seems not appropriate. HeiTec also has a significant reason for termination if the customer is in default of payment for more than two months from the due date.

2.3 Prices - Sampling / Analysis

Prices quoted on offers are non-binding if the offer does not lead to a conclusion of the contract within 30 days or if nothing else has been agreed. The prices of previous and / or current contracts are not binding for reorders. Unless otherwise agreed the material price for the material applies for the agreed period. In the case of a framework contract with a term of more than 2 months, the price may be adjusted to the market prices determined by the BDSV (Federal Association of German Steel Recycling and Disposal Companies) without this leading to a right of termination of the parties. The adjustment occurs at both higher and lower market prices.

Our prices are net prices and are exclusive of the statutory sales tax (value added tax). In the area of the applicability of the reverse charge procedure (reversal of the tax debt in accordance with § 13b VAT Act), an appropriate reference to the obligation of the contracting party to pay the respective sales tax is expressly included in the offer and in the invoice. In this case, the sales tax incurred by the legal transaction must be determined directly by the contracting party and remitted to the responsible tax office. HeiTec reserves the right to have the materials analysed at the place of destination. The results are then a binding basis for accounting. The supplier is entitled to be present at the sample collection, sample preparation, sampling, analysis or to be represented at his own expense. Purchase: Prices are valid, if not otherwise agreed, free loading from the factory premises. Transport, freight costs shall be borne by HeiTec unless otherwise agreed. Sale: Prices are valid, if not otherwise agreed, free delivered from the factory premises. Transport, freight costs shall be borne by HeiTec unless otherwise agreed.

2.4 Accounting

Decisive for the settlement are the determined net weights from the weighing slips. Deviations of measure, weight and quality are permissible according to the applicable exercise. The weights used in the order confirmations / delivery notes of HeiTec are not binding.

2.5 Delivery

The adherence to a delivery time depends on timely self-delivery. If the delivery option depends on delivery by a pre-supplier and if this delivery fails for reasons for which HeiTec is not responsible, HeiTec is entitled to withdraw from the contract. For this reason, the customer is not entitled to compensation. The same applies if, due to force majeure or other events, the delivery becomes considerably more difficult or impossible and HeiTec is not responsible for this. Such events include in particular: Fire, flood, labour disputes, breakdowns, strikes and official orders that are not part of our operational risk. In the cases mentioned, the customer will be immediately notified about the possibility of a missing delivery and an already provided service will be reimbursed immediately. Agreed loading and delivery deadlines must be strictly adhered to. Suppliers and customers are obliged to notify HeiTec immediately as soon as it becomes apparent that the agreed loading or delivery date can not be met. If the loading or delivery date is a so-called fixed date, HeiTec has the right to refuse the delayed loading or delivery. In such a case, the contracting party of HeiTec in default has to assume liability for the damage caused by the delay. If HeiTec accepts the delay, only a possible delay damage caused by the delay is to be compensated. By accepting the material, the supplier warrants that the transferred material is his sole property and free from third party rights

– insofar HeiTec is fully indemnified against any claims of third parties. The supplier assumes the risk of accidental loss until arrival at the place of destination. He is obliged to process the material in such a way that the freight forwarders

are not entitled to refuse liability for damage during transport. Provisions of the currently valid version of the Recycling Management Act, the Dangerous Goods Ordinance and the ADR must be observed. Deliveries are clearly and unmistakably marked with our delivery notes / shipping documents (MRP No. :). The weights of each delivery are to be created by means of a weighing slip. Deductible packaging such as pallets, etc. must be recorded in number and weight. Partial retrievals for larger deliveries have to be made in the loading volume of a truck (24 tons). The respective maximum retrievals are specified in the contract.

2.6 Complaints / Warranty

Obvious defects must be reported by the customer to HeiTec in text form, immediately after delivery of the goods. Deliveries must be inspected and checked promptly and carefully. They are considered to be correct, unless a complaint is made within 10 days. § 377 HGB (German Commercial Code) applies. The customer has to report defects immediately after becoming aware of them. In claims for defects, the warranty is limited to replacement or repair at our discretion. If rectifications or substitute deliveries fail after a reasonable period of time, the customer can either demand a reduction of the purchase price or the cancellation of the contract. The deadline is at least four weeks. Repair or replacement have failed if three attempts to remedy the defect have failed.

2.7 Limitation of liability

Customer damage claims are ruled out. This does not apply to intent, gross negligence, breach of essential contractual obligations of HeiTec, or the lack of written assured properties. For the scope of the contractually owed service, only the order confirmation of HeiTec shall prevail. The measures and weight information on which the offer or order confirmation is based are generally to be understood as approximate values unless they are expressly designated as binding. The limitation period for claims for defects is one year. Incidentally, the warranty of HeiTec is based on §§ 433 et seq. BGB (German Civil Code). HeiTec is indefinitely liable for the compensation of damages due to intentional or grossly negligent behavior of the HeiTec organs, legal representatives, employees or other vicarious agents. In the case of a breach of contractual obligations, which are indispensable in order to achieve the contractual objective (cardinal obligations), HeiTec is also liable for slight negligence. In the latter case the liability is limited to the damages typical for the contract. Contributory negligence of the customer is to his credit. The liability for intent, malice and for personal injury as well as due to the product liability law remains unaffected.

2.8 Terms of payment / Assignment prohibition

In the invoices, the sales tax or the reverse charge procedure must be shown separately. An assignment of the claims against us is excluded. Exceptions require special written agreements. Our invoices must be paid via bank transfer to our accounts within the agreed time limit. In the event of late payment by the buyer, the statutory default interest pursuant to § 288 para. 2 BGB (German Civil Code) shall apply. The assertion of further damages remains reserved. The provider is entitled to demand higher interest for another legal reason. In case of non-compliance with the terms of payment or in case of circumstances that reduce the creditworthiness of the buyer, HeiTec is entitled to execute outstanding deliveries only against payment in advance or additional security. HeiTec reserves the right to pay in cash or by cheque.

2.9 Offsetting and retention rights

The customer is entitled to offsetting only with such claims that are undisputed or legally binding. The customer is not entitled to counter the payment claims of the provider rights of retention – also from defects – unless they come from the same legal transaction.

2.10 Retention of title

Our deliveries remain our property until payment of all claims – also arising in the future – for whatever legal reason. For current invoices, the reserved property is considered a security for our balance claim. The customer is not authorised to assign or pledge the goods as security. Reservation claims on resale of the reserved goods are deemed to be assigned to us. If the goods are processed or reprocessed by the customer, the retention of title extends to the whole new product. The customer acquires co-ownership at the fraction corresponding to the ratio of the value of his goods to that of the goods delivered by the seller.

2.11 Confidentiality agreement

HeiTec is obliged to treat business and operational procedures confidentially. Business secrets that have come to HeiTec's knowledge in connection with this contract must be kept secret even two years after termination of the contract. In particular, confidential and legitimate business secrets of the customer as well as other information marked as confidential are considered confidential. Confidential documents may only be disclosed to the persons who address them, in particular those belonging to the relevant field of activity. All documents, including transcripts and copies including their records, relating to this contract, must be kept by HeiTec as a property of the customer entrusted to it, must be protected against any inspection by third parties and handed over to the customer on request at any time, but at the latest upon termination of this contractual relationship. Furthermore, HeiTec has to assure in written form that it has no further documents, in particular copies, neither in written nor digital form. HeiTec will comply with the provisions of the EU Data Protection Regulation and, if necessary, the Telemedia Act. All parties involved in the contract may not make the resulting information available to third parties without our express consent.

2.12 Applicable Law, Place of Jurisdiction, Place of Performance

All legal relationships between us and the contracting party shall be exclusively governed by the law of the Federal Republic of Germany, excluding the UN Sales Convention. In cross-border transactions too German law shall apply. Exclusive place of jurisdiction is Hildesheim. The invalidity of individual provisions of this contract or its components shall not affect the validity of the remaining provisions. The contracting parties are bound, within reasonable limits and in good faith, to replace an ineffective provision by an effective provision which is in line with their commercial success, provided that this does not bring about a substantial change in the content of the contract; the same applies if a situation requiring regulation is not expressly regulated. Changes and additions to these conditions must be agreed in text form.

Place of fulfilment is the seat of the provider

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