



## General Terms and Conditions of Purchase ("GTCP")

Correct as of February 2021

### Article 1 Applicability

- (1) Unless otherwise agreed in writing, the following terms and conditions shall apply to all orders placed by Hargreaves raw material services GmbH (hereafter referred to as "Hargreaves"). These General Terms and Conditions of Purchase shall also apply mutatis mutandis to contracts of other kinds, in particular contracts for work and services and contracts for work and materials.
- (2) Insofar as special terms and conditions are agreed for specific orders or are attached to the order, the General Terms and Conditions shall apply subordinately and supplementarily. Unless otherwise agreed in writing, the Incoterms as amended from time to time shall apply in addition to and be subordinate to the GTCP.
- (3) Terms and conditions of business of Hargreaves' suppliers or third parties shall not apply, even if Hargreaves does not expressly object to their validity in each case. Even if Hargreaves refers to a document or correspondence that contains or refers to the terms and conditions of business of the Supplier or a third party, this shall not be deemed to indicate acceptance of the validity of those terms and conditions.

### Article 2 Enquiries, Orders

- (1) Offers must correspond to Hargreaves' enquiry and shall be strictly binding, unless the offeror expressly reserves the right not to be bound by them. All offers shall be submitted free of charge for Hargreaves. No compensation shall be paid for orders which are not placed.
- (2) All orders must be placed in writing to be legally binding. Oral agreements shall require written confirmation by Hargreaves. Unless otherwise stated in the order, Hargreaves shall be bound by it for one week from the date of the offer. The date of receipt by Hargreaves of the declaration of acceptance shall be decisive for determining timely acceptance.

### Article 3 Prices, Terms of Payment, Invoice Details, Deliveries

- (1) The agreed prices are fixed prices.
- (2) Unless otherwise agreed in writing, the delivery/service shall be delivered/performed and duty paid ("DDP"/ "delivered duty paid") including packaging to the place of delivery/service or use specified in the order. For the final settlement amount, the weights determined on the customer's premises by full and empty weighing of the means of transport shall be decisive for all deliveries – in particular also those covered by Incoterms – at the warehouse or in the case of onward delivery to the end customer of Hargreaves. Insofar as Hargreaves takes delivery of the goods at the supplier's warehouse, the final settlement amount shall be based on the incoming weight determined by empty and full weighing in the warehouse after the collection of the goods. Hargreaves shall be entitled to a reasonable period of time for the preparation of the quality report. Unclear or incorrect material designations on consignment notes and delivery notes shall be irrelevant for the invoicing process and shall not result in any obligation to submit a specific objection to them.
- (3) Unless otherwise agreed, the invoice shall be paid at the latest at the end of the month following the month in which the complete delivery, including the original documents required under the contract, has been received and accepted and the invoice has been issued. Hargreaves is entitled to set off all claims to which the Seller is entitled against Hargreaves, irrespective of the legal grounds. This shall also apply if payment in cash by one party and payment in bills of exchange or other services on account of performance by the other party has been agreed. If applicable, these agreements shall only refer to the balance. Insofar as the claims become due for payment at different times, the claims in this respect shall fall due for payment at the latest upon the due date of payment of Hargreaves' liabilities and shall be settled on the value date.
- (4) All order confirmations, delivery documents and invoices must state Hargreaves' order number, the article number, delivery quantity and delivery address. Insofar as one or more of these details are missing and this delays the processing by Hargreaves in the normal course of business, the payment deadlines referred to in paragraph 3 shall be extended by the period of the delay.
- (5) In the event of default in payment, Hargreaves shall be liable for the payment of default interest at a rate of 5 percentage points above the base interest rate in accordance with Section 247 of the German Civil Code (BGB).

### Article 4 Termination/Withdrawal

- (1) Hargreaves shall have the right to terminate or withdraw from the contract in whole or in part. In such a case, Hargreaves shall be obliged to pay for all deliveries/services rendered up to that point and to adequately remunerate procured material and work that has been delivered/performed; in addition, Section 648 p. 2, 2nd half-sentence of the German Civil Code (BGB) shall apply. All further claims of the Seller shall be excluded.
- (2) Hargreaves shall have the right to terminate the agreement without notice for good cause, in particular if a significant deterioration in the Seller's financial position occurs – or threatens to occur – and the fulfilment of obligations towards Hargreaves is thereby jeopardised. In such cases, Hargreaves shall have the right to accept material and/or semi-finished products, including any special operating resources, on reasonable terms.

### Article 5 Delivery Time, Default Penalty, Transfer of Risk, Retention of Title

- (1) The delivery time stated in the order or otherwise applicable according to these GTCP shall be binding. Premature deliveries are only permitted with the written agreement of Hargreaves.
- (2) The Seller is obliged to inform Hargreaves immediately in writing if circumstances arise or become apparent which prevent or hinder delivery within the specified time.
- (3) Insofar as the day on which the delivery must be carried out at the latest can be determined on the basis of the contract, the Seller shall be in default upon the expiry of this day without any need for a reminder in this respect. In the event of a delay in delivery, Hargreaves shall be fully entitled to the statutory claims, but shall not exercise a right of withdrawal or assert claims for damages instead of performance until after the fruitless expiry of a reasonable period of grace.
- (4) In the event of delays in delivery, Hargreaves shall be entitled to demand a contractual penalty of 0.5% – up to a maximum of 5% – of the respective order value for each week of delay in delivery or part thereof after submitting a prior written warning to the Seller. The contractual penalty shall be set off against the default damage that is to be reimbursed by the Seller.
- (5) The Supplier is not entitled to make partial deliveries without the prior written agreement of Hargreaves.
- (6) Even if dispatch has been agreed, the risk shall only pass to Hargreaves when the goods are handed over at the agreed destination.
- (7) Retentions of title by the Seller shall only apply insofar as they relate to the purchase price for the respective purchased items to which the Seller reserves ownership. Extended or prolonged reservations of title are not permitted.

### Article 6 Warranty

- (1) All substances, preparations and products supplied/provided must comply with the specifications and measures according to the REACH Regulation.
- (2) The Seller shall also be liable for ensuring that the goods are not encumbered with third-party rights.



- (3) In the event of defects, Hargreaves shall have a right to the statutory claims. However, in derogation thereof, the warranty period shall be 30 months.
- (4) Complaints relating to quality and quantity deviations shall be deemed to have been submitted on time if Hargreaves notifies the Seller thereof within 10 working days of receipt of the goods. Complaints about concealed material defects shall also be deemed to have been submitted on time if the notification is made within 20 working days after their discovery.
- (5) Hargreaves shall not be deemed to waive any warranty claims if the items have passed the acceptance process or samples or specimens have been approved.
- (6) Upon receipt of the written notice of defects by the Seller, the limitation period for warranty claims shall be suspended until the Seller rejects the claims, declares the defect to have been eliminated or otherwise refuses to continue negotiations on these claims. In the event of a replacement delivery and the rectification of defects, the warranty period for replaced and rectified parts shall start again unless there was no entitlement to the replacement delivery or the rectification of defects and the Seller only carried this out as a gesture of goodwill or for similar reasons.
- (7) The Seller guarantees that the goods are free of explosive devices, objects which are suspected of possibly being explosive, closed hollow bodies, radioactive or other contaminated substances that reduce the value or are safety-relevant; the Seller shall be obliged to carry out a detailed inspection of the goods before delivery. Insofar as contaminated components are nevertheless detected, all costs resulting from such a delivery that is in breach of the agreement (contamination), in particular for the purposes of an examination, segregation, securing, storage, additional transport costs, treatment, disposal and possible fines, shall be borne by the Seller. Furthermore, the Seller shall be liable for any personal injuries that occur. To the extent permitted by law, the Seller shall be obliged to take back the contaminated materials.

#### **Article 7 Product Liability**

- (1) The Seller shall be responsible for all claims asserted by third parties for personal injury or property damage which is attributable to a defective product supplied by the Seller and shall be obliged to indemnify us against any liability resulting therefrom. Insofar as Hargreaves is obliged to carry out a recall action or the like towards third parties due to a defect in a product, the Seller shall bear all costs or shall indemnify Hargreaves from this upon first request.
- (2) The Seller shall be obliged to maintain product liability insurance at its own expense with coverage of at least EUR 10 million. The Seller shall provide evidence of this at any time upon request.

#### **Article 8 Assignment, Transfer**

Without the express written agreement of Hargreaves, the Seller may not transfer the execution of the contract or its contractual claims in whole or in part to third parties. Hargreaves shall not refuse to give its consent to the assignment of claims without good reason, unless there are counterclaims.

#### **Article 9 Confidentiality**

Use of the contractual relationship for advertising purposes is not permitted. The Seller shall maintain strictest confidentiality about the contents of the purchasing negotiations and contracts, in particular with respect to materials, quantities, delivery conditions and prices, and shall be obliged to pay damages in the event of a breach of this confidentiality obligation. The Seller shall maintain confidentiality with respect to third parties concerning all operational processes, facilities, equipment, documents, etc., on Hargreaves' premises and those of its customers of which it becomes aware in connection with its work for Hargreaves, even after the submission of the respective offers or completion of the contract. The Seller shall place its vicarious agents or persons employed in the performance of its obligations under a similar obligation in accordance with this Article 9.

#### **Article 10 Compliance with Laws**

- (1) The parties undertake to comply with the applicable provisions of the respective Member States of the European Union. In connection with the contractual relationship, the Seller shall be obliged to comply with the statutory provisions that apply to the Seller in each case. This relates, in particular, to anti-corruption and money laundering laws, the General Data Protection Regulation (GDPR) as well as anti-trust, labour and environmental protection regulations.
- (2) The Seller shall ensure that the products it supplies comply with all relevant requirements for placing items on the market in the European Union and the European Economic Area. The Supplier shall provide proof of conformity upon request by submitting appropriate documents.
- (3) The Seller shall undertake all reasonable efforts to ensure that its vicarious agents comply with the obligations contained in this Article 10 which apply to the Seller.

#### **Article 11 Liability**

Hargreaves, its legal representatives or vicarious agents shall only be liable in cases of intent or gross negligence. In the event of a breach of material obligations, liability shall also apply in the case of simple negligence, but shall be limited to the foreseeable damage that is typical for this type of contract. This shall not affect damage that arises from injury to life, limb or health or pursuant to mandatory statutory liability regulations.

#### **Article 12 Advertising**

The use of the Hargreaves logo and word mark as reference customers of the Seller shall require prior written consent.

#### **Article 13 Place of Performance, Place of Jurisdiction, Application of German Law, Written Form**

- (1) The place of performance for the delivery or service shall be the receiving location designated by Hargreaves.
- (2) The exclusive place of jurisdiction for all disputes arising out of the contractual relationship is Duisburg in the Federal Republic of Germany.
- (3) The law of the Federal Republic of Germany shall apply to all legal relationships between Hargreaves and the Seller, to the exclusion of the Convention on the International Sale of Goods (UN Sales Convention).
- (4) Insofar as these GTCP require written declarations by the contractual partners, the text form shall suffice in each case.

#### **Article 14 Severability Clause**

Insofar as individual provisions of these GTCP are invalid in whole or in part, the remaining provisions hereof shall remain in full force and effect. The parties are hereby in agreement that the invalid provision shall be replaced by a valid provision which is reasonable for both contracting parties and which comes as close as possible in economic terms to the purpose intended by the invalid provision.