



GENERAL TERMS AND CONDITIONS OF THE SUPPLIER 'S CONTRACT

(Rev. No.2 valid from 1st May 2021, original terms valid from 1st Jan,2013)

1. Subject and scope of the general terms and conditions

1.1 These “General Supplier Contract Terms and Conditions” (hereinafter referred to as the Document) are the general terms and conditions applicable to all agreements between Martin Metals Kft., As the Buyer, (hereinafter the Buyer) and the sellers as suppliers, formulate contractual terms.

1.2 The scope of these “General Terms and Conditions of Supplier” extends to any agreement entered into by the Buyer's authorized representative with the Supplier, verbal or in writing, if the agreement expressly refers to this Document. Such reference may include, or be expressly referenced in, the title, name, and Internet access or link to this Document. The conditions listed in the Document shall enter into force if the Supplier has not notified its objection to the Document in writing by 12:00 on the working day following the receipt of the agreement.

1.3 If a contracting partner does not know or does not accept this document or any part of it, it must express it in writing. Failure to do so will give effect to the Document as set out in Section 1.2. Any individual contractual agreements those may modify certain clauses of this Document do not alter the validity of other clauses of this document.

1.4 Types of Buyer's purchase agreements, subject of this Document:

- Long-term (semi-annual, annual, multi-annual) frame-contracts and their purchase orders,
- Periodic frame-contracts and their purchase orders (quantitative frame-contracts monthly or quarterly call-offs),
- Other individual agreements, contracts, like: Exchange open-price, futures, spot price agreements.

2. Legal background and legal liability

2.1 All transactions concluded by the Seller and the Buyer, all steps taken on the market shall be carried out in compliance with the laws in force governing its activities, such laws, inter alia and in particular:

- Act XCL of 2013. of the Metal Trading (hereinafter the Act),
- Governmental edict 443/2013. (XI. 27.) of the trade with metals,

- Regulation (EC) No 1013/2006 of the European Parliament and of the Council of 14 June 2006 of shipments of waste
- 2012 CLXXXV. Waste Act and its implementing regulation
- Council Regulation (EU) No 333/2011 of the European Parliament and of the Council laying down criteria for the decommissioning of certain types of scrap metal in accordance with Directive 2008/98 / EC of the European Parliament and of the Council.

2.2 The Buyer is obliged to refuse to enter into any transaction in connection with which he has become aware of any action or information taken by the Supplier is against or is in violation of the applicable legislation. Buyer excludes its liability for all contracts, deliveries and services that have been created by the Supplier by deceiving the Buyer. Such contracts, supplies, services shall be deemed null and void by operation of law.

3. General liability of Supplier and Buyer to guarantee legality

3.1 The Parties are aware that the trade in metals, and in particular the trade in scrap metal, is an activity strictly monitored by governmental authorities. They are mutually undertake to assist each other in complying with the law through their records, expeditious administration, and to help the partner party to avoid or at least minimize any disadvantages, fees, penalties resulting from the partner's error, mistake, or infringement.

3.2 The Parties shall mutually recognize the other Party's claims for damages if their activities create a situation where the other Party is unable to fulfill its obligations to the authorities due to them.

4. Buyer's and Supplier's Price and Exchange Rate Risk Guarantee

4.1 Parties, aware that the metal trading activity involves significant price and exchange rate risks, are giving guaranty for each other for the quantities, deadlines and price and exchange rate hedging transactions specified in their trade agreements as follows:

4.2 The Supplier shall hold the pre-fixed average price and the risk of quantities and price levels concluded under "spot" agreements. If the Supplier failed to deliver the agreed quantity on time and this results damage to the Buyer, the Supplier shall be obliged to indemnify this damage. In such a case, the Buyer is entitled to deduct the duly substantiated damage and the resulting claim expressed in the financial documents from its open payment obligations.

4.3 If the Supplier has requested the pricing in another currency with a later conversion option, the exchange rate risk shall be borne by the Supplier.

4.4 The Buyer is entitled to judge the Supplier's solvency according to its own criteria and, depending on this, is entitled to refuse or to carry out price and exchange rate insurance but only against a financial guarantee.

4.5 If the Buyer enters into an agreement with a subsequent price determination, he may charge all subsequent costs related to the price or exchange rate insurance to the Supplier.

5. Qualitative and quantitative performance and deadline warranty and liability

5.1 The Supplier is aware that the Buyer sells the goods in the European Union or in Hungary. The type of goods and the method of pricing vary from agreement to agreement and transaction to transaction. The Seller is responsible to the Buyer for the fulfillment of the quantitative and term conditions of each agreement and transaction, as well as for the quality of the delivered goods, for the observance of the prescribed parameters of the packaging.

5.2 If the Buyer is adversely affected by the failure of the Supplier to meet its contractual terms, quantity or quality obligations, it may pass them on to the Supplier. In such cases, the Buyer is entitled to terminate the unfulfilled contract or written agreement unilaterally, with a written notice for the Supplier.

5.3 Certain wastes defined by written agreements and withdrawn from waste status, hereinafter referred to as quality composition, acceptance requirements for secondary raw materials can be found on our website: martinmetals.eu, products menu, raw materials tab.

5.4 Packaging rules for each waste and secondary raw material can be found under martinmetals.eu/packaging-sale.

5.5 Unless otherwise agreed by the Parties, the quantities corresponding to each contract shall be delivered until the deadline agreed written. Failure to deliver in whole or in part in the event of force majeure may only be made on the basis of terms and conditions mutually agreed upon in writing by the Buyer and the Supplier. In the event of damage arisen due to expired or non-fulfilled contracts, the Buyer may assert a claim for damages against the non-performing Supplier.

5.6 Each written agreement, the quantities stipulated in the contracts shall be fulfilled in full with a tolerance of +/- 1%, unless the Parties have agreed otherwise in written contract. Place of performance of the quantities specified in each written agreement, unless the Parties agree otherwise: 8104 Várpalota, Fehérvári út 26. Martin Metals Kft. Warehouse.

5.7 Supplier guarantee that the prices specified in the Contract or the written agreement are complete and no additional charges of any kind will be charged without the prior written consent of the Buyer, including without limitation shipping, packaging, labeling, fees, duties, taxes, and storage and insurance fees.

5.8 The Buyer weighs all incoming waste and secondary raw materials on its authentic 60 tons bridge scale and passes thorough all incoming material on the gate measuring radioactivity, operating in the territory of Inotal Zrt. Separate measures taking effect on its own authentic digital pallet balance, and the quality being checked in its own accredited laboratory. All results should be sent in a receipt to the Supplier.

5.9 Buyer considers them invalid and terminates all written agreements with immediate effect if the Supplier fails to comply with the supplier's own fault, and the Supplier does not notify the buyer of the bankruptcy, liquidation, bank blocking, regulatory sanctions, and any other legal sanctions against him. Buyer may pass on the damage to the supplier as a result of the termination of the contract in accordance with section 5.2.

6. Property and Terms of Payment:

Unless otherwise provided by the Contracting Parties, the following general terms and conditions apply:

6.1 After the delivery of the wastes and secondary raw materials covered by each written agreement and the receipt by buyer, the Supplier shall draw his invoice to the Buyer on the basis of the receipt marked under point 5.8, in accordance with the agreed payment terms agreed in the contract.

6.2 In case of a separate agreement, Buyer according to point 5.8 can also issue a Self-Billing invoice, which is posted and accepted and booked by the Seller as his own outgoing invoice. In this case, the time limit for payment is also determined on the basis of point 6.4.

6.3 The currency of invoicing is normally EUR or Hungarian Forint.

6.4 The Customer shall pay his payment obligation by bank transfer no later than the date specified in the written agreement against Supplier's invoice to the Supplier's account.

6.5 The scrap delivered, certified and received under point 5.7 is getting in Buyer's possession, along with the liability for the integrity.

6.6 Except in certain open cases, the Buyer has the right to immediately process, recycle or resell the waste and secondary raw materials he has owned and possessed in accordance with clause 6.5 without having paid the consideration for the waste or secondary raw material in question. In all such cases, the Supplier is entitled to enforce its claim against the Buyer.

7. Other provisions, information, exclusion of Force Majeure and liability:

7.1 There is a Force-majeure situation if buyer and or supplier are unable to fulfil their obligations in whole or in part under the terms set forth in the written agreement for the following unforeseen reasons beyond their control. In addition to the legal provisions, the following circumstances shall, for the purposes of the Agreement, be considered as Force Majeure event:

- Labor disputes, strikes, uprisings,
- Mobilization of the armed forces, seizure, boycott,
- Embargo, currency transfer,
- Epidemics, pandemics, natural disasters,
- General shortage of raw- and ancillary materials, state restrictions on energy consumption,
- War, war threat, civil war and rebellion.

7.2 A digital copy of this Document can be found on the Customer's website, which is to be propagated and noted as a written reference in the written agreement or as a banner on his website.

7.3 The Supplier by signing each written agreement acknowledges and considers this Document to be binding on him without further notice.

7.4 Buyer disclaims any liability for any damage caused by the Supplier's indiscretion, non-cognition, reading or acceptance of this Document!

7.5 This Document has been produced in several languages in addition to Hungarian. In aim to avoid any confusions arising from translation errors the points of the original Hungarian version are pending and are always relevant for all other foreign language copies.

8. Invalidity:

8.1 If by force of a Law or Act any provision of these terms proves invalid or unenforceable, all other provisions shall remain in force and the Parties shall act accordingly.

8.2 Buyer may rewrite provisions that are invalid or unenforceable so that the new provision may follow the original intention of the Buyer in a valid way. Such action is to be taken only and solely with written consent of the Buyer.

9. Remedies:

9.1 In the case of legal disputes, the Parties shall conclude the jurisdiction of the Szekesfehervar District Court by means of a Hungarian-language procedure. It is the Supplier task to provide his own translator.

9.2 Buyer and Supplier agree that some of the disputes arising in connection with the agreements they have concluded may also be submitted to the Hungarian Chamber of Commerce and Industry Arbitration Court. In addition, they intend to use the services of the Conciliation Board, which operates in addition to the chamber above, in order to resolve their disputes.



Penk Galor manager

Székesfehérvár

1st of May,2021.