

GENERAL TERMS AND CONDITIONS RELATING TO THE PROCESSING AND PURCHASE OF MATERIALS CONTAINING PRECIOUS METALS

Status: September 2018

1. Exclusive validity

Unless otherwise expressly agreed in writing, these General Terms and Conditions shall exclusively apply. The unconditional acceptance of goods, the provision of services or receipt of payments shall not imply our acceptance of any diverging provisions.

2. Quotations and contract

Our quotations are always subject to confirmation after expiry of the binding quotation term. A contract is created only by our written order confirmation.

Any amendment to, modification or rescission of a contract or these terms and conditions shall only be valid when confirmed by us in writing.

Any declaration and notification by the principal after conclusion of the contract shall only be valid if made in writing.

In any case, the form in which metals are returned or whether and at which prices they are purchased shall be agreed between the two parties. We specify the time limits for return delivery respectively purchase in all quotations or contracts.

3. Prices

Our quotation prices are net prices. Turnover tax is calculated additionally at the respectively valid rate. This shall also apply to all agreed additional costs such as packing, insurance, freight, haulage etc. We reserve the right to increase the prices specified in the quotation and to extend the time limits for return delivery/purchase if material properties which were unknown to us at the time of submitting the quotation or concluding the contract require special expenditure. When parting material or metal is purchased, the prices valid at the time of purchase shall be calculated unless otherwise agreed.

4. Delivery

The European and German Kreislaufwirtschafts- und Abfallgesetz [Laws on recycling economy and waste materials] apply to materials delivered for processing. The principal is obliged to comply with the relevant regulations. We do not take any material for waste disposal. We must be notified of consignments in due time, at the latest when the goods are received.

The principal shall bear the costs and risk of delivery to our works at Hauptstrasse 3 in Halsbrücke, parting material reception, or another location specified by us. The material for processing must be packed and labelled properly and with consideration for any instructions we may provide.

The delivery of explosive or radioactive material is prohibited. Hazardous material (e.g. toxic, very toxic, readily inflammable) or with inappropriate elements (e.g. chlorine, bromine, fluorine, mercury, arsenic, selenium, tellurium etc.) may only be delivered for processing after prior written agreement with us. If the principal fails to comply with this regulation, it shall be liable for all consequences. Delivery papers with at least the following information must be enclosed with each lot:

- SAXONIA's quotation or contract number
- precise designation of material
- weights (gross, tare, net)
- information on metals to be analysed

Empties shall be returned on request. Costs and risk shall be borne by the principal.

5. Weighing, sampling and invoicing

Weighing, sampling and preparation shall be carried out with binding force by SAXONIA on behalf of the principal. The principal shall be entitled to be represented at its expense by a neutral expert sampler. The sampler must be specified before the consignment arrives; the sampling date must be agreed with us. If the principal has failed to specify a sampler to us by the time the consignment is received, this work shall be carried out by us on a trust basis. Settlement shall be based on the weights and contents determined by us. Objection may only be made in writing and within 14 days, counted from the 3rd day following the settlement date. We shall keep corresponding sample material reserved until then.

If the principal is represented during sampling, the contents determined by the principal or its representative and by our laboratory shall be exchanged on a previously agreed date by registered letter. If the agreed separation limits are exceeded or there is no corresponding agreement, both parties shall try to establish the contents to be invoiced in friendly agreement. If no agreement is reached, in consultation with the principal, we shall instruct a neutral expert laboratory - but not the laboratory entrusted with the sampling - to carry out an arbitration analysis.

The costs for the arbitration analysis must be borne by the party whose analysed value deviates most from the analysed value of the result of the analysis. Where deviation is the same, the costs shall be shared on a pro rata basis. When determination of the weight, sampling and the taking of samples, if any, is completed for the representative and the arbitration analysis, we shall be free to process the material immediately.

6. Ownership and liability

The principal is aware that it is the co-owner of the material mixed and combined with other materials following completed sampling and retention of a sample, if any. The principal's title to the material delivered shall expire at the latest upon fulfilment of entitlement to redelivery or remuneration. We are at all times up to this time authorised to restore the principal's sole ownership by separation.

In the case of improper treatment or storage of the materials delivered which is caused by us and delay in performance or failure to provide services for which we are responsible, our liability shall be limited to the invoice value of the goods or service in question. In the case of Section 635 BGB, this shall apply accordingly. We shall be liable to the principal for damages and losses only in cases of gross negligence.

Liability is in any case limited to foreseeable damages.

7. Force majeure

In all cases of force majeure, the stipulations and obligations under the contract shall be suspended in whole or in part depending on the extent of the obstruction for the duration of the force majeure. Deliveries during this time shall only be permitted with our express consent. The question of whether quantities undelivered due to force majeure shall be subsequently delivered at a later date shall be stipulated in each case by friendly agreement between the parties.

8. Passing of risk - return delivery of metal

The principal shall always bear the costs and risk of the return delivery. If the principal collects the metal, the risk of its accidental destruction and accidental deterioration shall pass to the principal at the time the principal receives notification that it can collect it.

In the case of return delivery, the risk passes at the time when we have delivered the metal to the person designated to carry out the return delivery. If delivery is delayed for reasons for which the principal is responsible, the risk shall pass to the principal upon its receipt of the notification that the metal is ready for delivery.

We shall select the packing, mode of dispatch, dispatch route or dispatcher which in our sole judgement is the best. We shall only be liable for negligence in the selection. We shall be authorised to conclude a transport or valuables insurance covering the value of the goods on behalf and at the expense of the principal. No forwarding, logistics and storage insurance [SLVS] may be concluded at our expense.

9. Complaints about returned metals

We must receive all complaints, in particular complaints in respect of defects, immediately but at the latest 14 days after receipt of the goods (in the case of latent defects immediately but at the latest 14 days after their discovery) in writing.

Where complaints are justified, we shall at our option exchange the goods or take them back against credit. Where there are shortfalls in quantity, we shall make an additional delivery or issue a credit. The onus of proof in the case of differences shall lie with the principal.

10. Final accounts, verification statements, account statements

The principal shall be obliged to check invoices, credits, verification statements, invoice statements, account statements etc. for correctness and completeness. However, objections must be asserted in writing within 14 days of receipt.

Failure to make an objection in due time shall be deemed acceptance. Excluded from this are any legal claims of the principal where objections after expiry of the time limit are justified.

11. Calculation/Payment/Set-off

The calculated prices shall be due upon receipt of the invoice by the principal. We reserve the right to request advance payment or security amounting to the price of processing if circumstances arise subsequently or become known which endanger our claims arising from performance of the processing. Our request must be addressed to the principal in writing. If the principal fails to provide advance payment or security within one week, we shall be authorised to retain a corresponding quantity of metal as security or to rescind the contract without setting any further time limit.

The principal shall only have a right of set-off if the counter-claims against us are incontestable or have become res judicata both in terms of reason and amount. The principal shall have a right of retention if its counter-claim is based on the same contractual relationship.

12. Weight accounts for precious metals

We maintain weight accounts in business operations with precious metals. The precious metal quantities of the individual account holders are not always stored separately. The individual account holders form a community of owners which we manage.

Each account holder is co-owner of the existing total quantity amounting to the weight quantity of a precious metal entered on its account. When the account holder's precious metals are sold to us, the passing of ownership is accomplished when entered on the respective weight account.

13. Trade and transfer transactions in precious metals

Customer orders over the telephone shall become binding with our approval. Any damage resulting from communication errors, misunderstandings or mistakes in telephone transactions with the customer or third parties shall be borne by the principal unless we are at fault.

We may revoke (cancel) any credits made because of a mistake, typing error or for other reasons without the existence of a corresponding order by simply making an entry on the account.

14. Place of performance and legal venue

Place of performance for mutual obligations is the registered office of SAXONIA Edelmetalle GmbH in Halsbrücke. Any disputes arising from the contractual relationship shall be settled before a court competent for the registered office of SAXONIA Edelmetalle GmbH. However, we are also entitled to bring an action at the principal's general legal venue.

15. Severability clause

If individual provisions of these General Terms and Conditions relating to the Processing and Purchase of Materials containing Precious Metals are or shall become invalid in whole or in part, this shall not affect the validity of the remaining provisions.

16. Supplementary condition

The foregoing General Terms and Conditions shall only apply to the processing and purchase of materials containing precious metals. The General Terms and Conditions of Sale and Delivery of SAXONIA Edelmetalle GmbH shall apply to product business.