

SA Recycling Material Purchase Agreement

SA Recycling LLC (Buyer) and ______ (Seller) have agreed that Buyer will buy Material from Seller and Seller will sell Material to Buyer as in on below terms and the following Terms and Conditions consisting of 28 sections, which seller acknowledges receiving and reading.

	Seller		Buyer	
Parties:	("Seller")		SA Recycling LLC, a Delaware limited liability company ("Buyer")	
Notice Address: Notices under this Agreement shall be given to the parties in writing at the following addresses:	Name: Address: Fax: Email:		SA Recycling LLC 2411 N. Glassell Orange Ca. 92865 Attention: Fax: Email:	
Effective Date of Purchase agreement:				
SA Purchase Contract No.: Commodity Description (Material):				
		1. 2. 3.		
Minimum Weight per container:				
Amount of Material:				
Price:		1. 2. 3.		
Payment Terms- Subject additional terms and conditions attached:		Advance Payment. \$ Upon Possession by Buyer. Net:		
Location of Material:				
Container type and size (Roll off box, trailer, shipping container or other equipment):				
Container loading instructions (special instructions):				

Subject to additional terms and Conditions consisting of sections 1-28 following this signature.

LLC

SELLER:	BUYER: SA Recycling
By:	By:
Print Name:	Print Name:
Print Title:	Print Title:



Recyclable Material Purchase Agreement (Containers)

TERMS AND CONDITIONS.

- 1. Payment. Buyer will pay Seller based on the agreed price, less any off sets within aforementioned terms. Payment period will begin after the Buyer receives conforming Material and the Material is weighed on Buyers scales.
- 2. Pricing. The prices paid by the Buyer to the Seller shall be governed by the Commodity Description, and the Price or formula as indicated. Pricing may be reviewed on a semi-annual basis and adjusted based on the written consent of both parties. If the parties fail to agree on an adjustment, the contract will continue under the same terms and condition or either party may terminate this contract with 30 days written notice to the other party. Pricing for this contract will also be subject to change at any time the pricing index in use (American Metal Market-AMM, Platts, Scrap Bulletin etc.) makes a structural change to their published pricing index.
- **3.** Advanced payment. If the terms of this agreement are that Seller is to receive advanced payment, Seller will be paid the agreed advanced payment to be applied against total material purchased.
- 4. Method of Payment. All payments will be made by placing a check in the mail to Seller unless other arrangements are made in writing that payment will be made electronically.
- 5. Weights. The Material Purchase Price shall be based on the scale weights of a certified scale at Buyers facility. If there are disagreements regarding Sellers scale weights and Buyers scale weights, then the parties shall negotiate in good faith to resolve the dispute. All dirt, trash and nonconforming materials will be deducted from the final weight based Buyer's best estimate.
- 6. Title and Risk of Loss. Unless otherwise specified by the shipping terms above, title and risk of loss shall pass from Seller to Buyer upon the container leaving Sellers place of business.
- 7. Term. If the contract is for Material purchased on an ongoing basis, unless otherwise specified in the term above, this contract is cancelable at will be either party. In the event the contract is terminated, any material delivered to Buyer at the time the notice of cancelation is given will be completed and the payment will be made in accordance the terms of this agreement.
- 8. Seller Warranties. Seller warrants to Buyer that:
 - a. Seller has marketable title to the Material free and clear of all liens and encumbrances,
 - b. Notwithstanding any other provision herein to the contrary, Seller warrants and it shall not tender to Buyer any material that is subject to regulation as toxic or hazardous waste under the federal Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§ 6901 et seq., applicable state RCRA programs, or any applicable federal, state, or local laws, regulations, decisions and requirements including but not limited to mercury, chlorinated solvent PCB's, waste or cuffing oils, antifreeze or coolant, radioactive material, or any corrosive, explosive, flammable, poisonous, toxin, or other substance that would render the Material unsafe for handling or unfit for re-melting purposes("*Hazardous Waste*"). In the event of such breach of said warranties and representations, Seller shall retain title to such Hazardous Waste. Seller certifies that the Material (including without limitation any residue or other material that may comprise the residue) is exempt from regulation as, and is not, Hazardous Waste. Any non-detect of radiation by Buyers radiation detectors does not waive the Sellers warranty that the material is free of radiation. Seller remains responsible for any material that has been detected for radiation at any time including delivery to Buyers customer. All warranties, certifications, indemnities, and other obligations made by Seller with respect to the Material shall survive the termination or expiration of this Agreement.
 - c. Buyer is allowed at its discretion to accept non-conforming material or deduct for non-conforming material. Acceptance of non-conforming material will not waive the right to reject non-conforming material in later shipments.
 - d. Seller has not filed for bankruptcy or made any assignment for the benefit of creditors.
- **9. Inspection/Non-Conforming Material.** Buyer retains the right to inspect analyze the Material either at Sellers place of origin or at Buyer's chosen destination or both. Notwithstanding prior payment and/or inspection by Buyer, all shipments of Material shall be subject to inspection and final acceptance by Buyer after arrival of such Material at the specified destination. Final acceptance shall be the inspection of Material and the subsequent acceptance of the same by Buyer as strictly confirming to Buyers instructions as provide in the Purchase order and these terms and conditions. Buyer retains the right to inspect and analyze after processing, crushing baling, or reselling the Material and to downgrade or reject the Material, revoke acceptance or to offset or adjust the purchase price as set forth in this agreement. If this contract calls for delivery in installment or separate lots, and any such installment or lot are nonconforming or are otherwise not delivered in strict conformance with Buyers instructions, Buyer shall the right to sell or divert any of the Material to any other facility and any increase in delivery costs due such sale or diversion shall be paid by Seller and any decrease in any costs as a result thereof shall be credited against the purchase price or retained by Buyer.

10. Freight/Container.



- *a.* Buyer is responsible to provide the appropriate Containers at Seller's facility for the Material and to arrange and pay for all cost of transportation of Material from Seller's to Buyer's facility.
- b. Seller will drop the Container at Buyers designated drop location and Seller agrees to only load the Container with Material agreed to be purchased. Seller will notify Buyer when the Container is full and ready to be picked up. The price quoted is based on full containers.
- c. The Container will be placed at Sellers at a location as directed by the Seller, subject to Sellers's discretion of safety. The Container must be placed in a location that provides sufficient accessibility to safely drop off and pick up the Container. Access to the drop off and pick up location must be a hard surface and kept clear of low overhead utility lines. The Container must be placed in a location where it will not create a danger to the public's line of sight for traffic movement. Seller will be responsible for any additional costs incurred if the access is blocked. The Container must not be over loaded and loaded in a manner for safe transportation on a public highway. Seller will be responsible for and any damages or claims arising from the placement of the Container.
- *d.* Buyer or the Carrier is not responsible for any damage done to the access path or the area where the Container is placed. Seller is not permitted to move the Container and will be responsible for any damages to property or personal injury caused by moving the Container or in any way altering the blocking or any visible safety warnings placed on the Container.
- e. The Container is provided for recyclable material described above metal only. The Container is not for the disposal of paint, oil, acids, solvents, or other chemicals, toxic or hazardous material, regulated or illegal materials, concrete or other trash or building materials. Buyer has the right to inspect at Sellers facility or Buyer facility and to refuse to pick up a Container or accept any material in a Container that contains unacceptable material or improperly loaded. Buyer may reject the material after arriving at Sellers business for weighing and it is determined that the material is unacceptable. Seller will be provided the opportunity to pick up and transport the unacceptable material from Seller's yard. While the Container is at Sellers location the Seller has the control and responsibility over what is placed in the dumpster and how it is loaded. Seller must follow all loading instruction provided by Buyer. Seller will be responsible for any damage to the Container at Sellers shall be responsible for any damage to the floors walls or chassis of the Container and Buyer may fix the container at Sellers expense. Buyer will keep a record of the damages and the repair. Such expense may be deducted from the payment to the seller and any dispute about the damage will be handled as a separate dispute.
- 11. Right of Set off. Buyer's obligation to make payment to Seller under this agreement is subject to any unsettled claims may have against Seller under this agreement or any prior agreement.
- 12. Indemnification. Seller agrees to indemnify, defend and hold Buyer and its respective parent company, affiliates, agents, employees, officers, directors, successors, and assigns harmless, against any and all claims, damages, fines, penalties, costs, liabilities or losses (each, a "<u>Claim</u>"), to the extent such claim arises out of Seller's negligence or other tortuous fault or breach of this Agreement. In the reciprocal, Buyer agrees to indemnify, defend and hold Seller and its respective parent company, affiliates, agents, employees, officers, directors, successors, and assigns harmless, against any and all claims, damages, fines, penalties, costs, liabilities or losses (each, a "<u>Claim</u>"), to the extent such claim arises out of Buyers negligence or other tortuous fault or breach of this Agreement.
- **13. Insurance:** Seller, and Buyer's contractors and subcontractors, shall maintain the following: (a) Workers' Compensation and Occupational Disease insurance complying with the laws of each state in which the work is to be performed; (b) Employer's Liability insurance with a limit of not less than \$1,000,000 per occurrence; (c) General Public Liability insurance, including contractual liability, with a combined single limit for bodily injury or property damage of not less than \$1,000,000 per occurrence; and (e) such other insurances as the law or Buyer may require. Seller agrees to include Buyer as an additional insured under the insurance policies described in (c) above and to endorse such policies as primary coverage. Whenever requested, Buyer shall furnish evidence satisfactory to Seller that such insurances are in effect
- 14. Non-Waiver. A waiver by Buyer of any breach of any provision hereof by the other shall not be taken or held to be a waiver of any subsequent breach whether similar or dissimilar, or as a waiver of any provision itself unless supported by consideration and expressed in writing and signed by both Customer and Carrier. No payment or acceptance of compensation shall be deemed a waiver of any right to object to or acceptance of defective performance.
- **15.** Governing Law and Venue. This Agreement shall be interpreted, construed and governed by the laws of the State of California. and the parties further agree that venue for any action brought in connection herewith shall exclusively be in the California Superior Court, County of Orange
- **16.** Legal Fees. If any legal action is initiated either to interpret or enforce this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any of the provisions of the Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and other costs incurred, in addition to any other relief to which it may be entitled. This Agreement shall be construed in accordance with the laws of the state of California.
- 17. Mediation. In the event of a dispute regarding the performance under this agreement resulting in allegation of default and termination



of this agreement that is not cured, the parties shall first reasonably participate in a third party mediation procedure. The cost of the mediation shall be shared equally by all parties.

- **18.** Severability. If any part of this Agreement shall be declared invalid or unenforceable by any court, legislative action or executive decision, such invalidity or unenforceability shall not affect other portions of this Agreement.
- **19.** Authority. Each individual executing this Agreement on behalf of the Buyer and the Seller represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of their party and that this Agreement is binding upon their party in accordance with its terms and conditions.
- **20.** Force Majeure. Neither Seller nor Buyer is liable for failure to perform the its obligations if such failure is as a result of Acts of God (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, labor dispute, strike, lockout or interruption or failure of electricity or telephone service.

If a party asserts Force Majeure as an excuse for failure to perform the party's obligation, then the nonperforming party must prove that the party took reasonable steps to minimize delay or damages caused by foreseeable events, that the party substantially fulfilled all non-excused obligations, and that the other party was timely notified of the likelihood or actual occurrence of a Force Majeure event.

- 21. Time is of the Essence. Delivery of the Material at the times specified is of the essence of this Agreement.
- **22.** Confidentiality. Seller shall not, without first obtaining the written consent of Buyer, in any manner advertise, publish or disclose the fact that Buyer has contracted to buy from Seller the Material purchased under this contract or any of the details of the purchase agreement including the price of the material, the identity of the Buyer's customer or any information regarding origin or destination of the material. Seller acknowledges this information is highly sensitive and is defined as Buyer's "Confidential information." It is extremely vital to the success of Buyer's business that its Confidential Information not be disclosed to existing or future competitors of Buyer. Seller specifically agrees that such Confidential Information will only be disclosed to Seller's employees and agents as needed to complete its services for Buyer and that all employees will be informed of this Confidentiality Agreement. If Seller needs to hire any sub consultants to work on Buyer's work they will be required to execute this agreement. Seller and its agents agree that they will not misuse, misappropriate, or disclose in writing, orally, or by electronic means, any Confidential Information, directly or indirectly, to any other person or use them in any way, either during the time they are doing business with Buyer or at any other time thereafter, except (a) as required by law or court order after reasonable written notice to the other party and an opportunity to defend or narrow such release of information or (b) as is required in the course of this engagement.
- **23.** Assignment. Seller shall not delegate or assign any duties under this contract without Buyers prior written consent. Buyer may cancel this contract any obligations hereunder if any such delegation or assignment is attempted without the prior written approval of Buyer.
- **24.** Notice. Any Notice which is required to be given, or which may be given pursuant to this contract, shall be in writing and delivered by personal service, by next business day overnight courier service, by registered mail (return receipt requested) mail, facsimile or email. Such notice shall be addressed to the Parties at the address, facsimile number or email address set forth in the Purchase Order. If one of the methods of notice is not provided in the Purchase Order, delivery by the non-provided method is not a valid form of notice. Any notice shall be deemed to have been delivered upon receipt if personally delivery, facsimile, email, or by next business day overnight courier. If the notice is delivered by US Mail, the delivery shall be deemed delivered 3 days after notice was placed in the US mail in a properly addressed and stamped envelope.
- **25. Default.** Buyer reserves the right to reject any material if Sellers fails or neglects to comply with any of the terms, conditions or specification contained herein, After notifying the Seller of the rejected material, buyer may:
 - a. Determine the value of the Material and adjust the purchase price accordingly, which the Seller may or may not accept;
 - b. Offset payments in the amount that Buyer owes to Seller against such purchase; or
 - c. Return the rejected portion of the Material to Seller at Seller's expense; and
 - i. demand strict performance of this Contract;
 - ii. Purchase like goods elsewhere and charge the direct expense of the purchase and transportation costs.
 - d. Buyer shall be promptly reimbursed for all costs and expenses of inspection, handling and returning non-compliant Material.
 - e. Buyer reserves the right to determine the value of the Material rejected, and to use the Material in any manner whatsoever if Seller fails to make a suitable arrangement for disposition of the rejected goods within Seven days of the notice of rejection.



- **26.** Limitation on Liability. NEITHER BUYER NOR SELLER SHALL BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES WITH RESPECT TO DIRECT CLAIMS MADE BY THE OTHER PARTY WHETHER IN TORT, CONTRACT, BREACH OF THIS AGREEMENT OR ANY WARRANTY OR ANY OTHER THEORY.
- **27.** Counterpart and Facsimile signatures. The parties hereto may execute this contract in one or more counterparts, with the effect that the contract shall be effective to the same extent as if the parties executed the same counterpart. Facsimile or emailed PDF signatures by either party shall be effective to the same extent as an original wet signature, and the parties may rely on such signature as if the same were an original wet signature.
- **28.** Entire Agreement. This Agreement represents the entire understanding and agreement between Buyer and Seller relating to the purchase agreement and supersedes any and all agreements or understandings, whether written or oral, that may exist between Buyer and Seller. Any modifications to this Agreement shall be in writing and shall be signed by both parties.



Document Revision History					
Revision #	Description of Change	Date	Approved By		
1.0	New	2/10/15	Tom Knippel		
1.1	Updated File Name to RIOS2016	3/20/19	Margarita Maturino- Tom Knippel		