

“GENERAL TERMS AND CONDITIONS OF SALES”

Except as otherwise agreed in writing, signed by an authorized representative of Ibermet d.o.o., the following terms and conditions shall be regarded as an integral part of each contract entered into by Ibermet d.o.o. and shall prevail over and above any other terms and conditions stated or expressed by any other party to such contract, however except to the extent that such prevalence shall be prohibited by a mandatory law:

1. The Contract shall be governed by and subject to the General Terms and Conditions (GTC's) provided that in the event that there is any inconsistency between these GTC's on the one hand and the terms of the Contract (other than these GTC's) on the other hand, then the terms of the latter shall prevail.
2. The Seller reserves the right to deliver up to 5% more or 5% less than the contracted quantity, and the quantity so delivered shall be good and complete delivery under the contract. If the contractual quantity is stated as “approximately” or “about” this shall allow 5 % tolerance on quantity delivered.
3. Risk shall pass from the Seller to the Buyer, in accordance with the rules set out in International Chamber of Commerce.
4. If the Buyer fails to take delivery of the goods or breaches the terms of this or any other contract which may exist between the parties from time to time or the Buyer becomes insolvent, has a receiver or liquidator appointed or makes a composition with its creditors or if anything analogous occurs in any other jurisdiction, the Seller, without limiting any other rights or remedy available to the Seller may:
 - a) store the goods until actual delivery and charge the Buyer all the costs (including insurance) or storage; and / or
 - b) sell the goods at the best price readily obtainable and charge the Buyer for any shortfall below the price in this contract; and/or
 - c) terminate this contract and/or any other contract then subsisting between the Seller and the Buyer.
5. Without limiting the application of cl.3. above, if the Buyer does not pay the Seller on the day (s) and in the amount(s) provided for the contract, the Seller shall be entitled:
 - a) to interest at the rate of LIBOR plus 5% or 1,5% per month, whichever is the greater, on the outstanding sums(s) from the day(s) on which payment was due; and
 - b) to offset any sums owing by it to the Buyer under any contract; and
 - c) cancel the contract or suspend any further deliveries until payment has been made, and in either event also terminate any other contract or contracts with the Buyer, and
 - d) to appropriate any payment made by the Buyer to such of the goods as the Seller thinks fit, notwithstanding any purported appropriation by the Buyer, and
 - e) to indemnify from the Buyer in respect of any losses and/or expenses it incurs as a result of the Buyer's default.
 - f) in case of any changes looking at last agreed date of loading/delivery, the Seller is obligated to inform the Buyer in written way. The Buyer accepts this changes unconditionally⁶. In the event that the Seller's credit insurance is exceeded, reduced, withdrawn or otherwise terminated based on the underwriters evolution of credit risk, the Seller and Buyer shall endeavor to agree new payment terms appropriately protective of the Seller.
7. (a) Notwithstanding delivery and the passing of risk in the goods, or any other provision in this contract, the property in the goods shall not pass to the Buyer until the Seller has received in cash or cleared funds payments in full of the price of the goods and all other goods agreed to be sold by the Buyer for which payment is then due.

(b) Until title has passed to the Buyer the commodity and any delivery documents delivered under the contract remain the Seller's property and are held in trust by the Buyer. The Buyer shall store the commodity held in trust separately from all other goods and ensure that the commodity is clearly marked and remains identifiable as belonging to the Seller. In the event the effectiveness of the retention of the Seller's title is subject to registration or compliance with any other formalities the Buyer is required to take all necessary steps at its own cost to ensure Seller's title is duly retained. Until title has passed the Seller may at any time require the Buyer to deliver up the goods to the Seller and, if the Buyer fails to do so forthwith, enter any premises of the Buyer or third party where the goods are stored and repossess them.

8. The Seller's shall not be liable to the Buyer in respect of any claims relating to the weight or quality of the goods it delivers unless the Buyer gives written notice of the claim with 8 days [for weight claim] and 14 days [for quality claim] of delivery of the goods that are the subject of that claim. In the event that a valid claim is made, the Seller may replace the goods or refund the price (or a proportionate part of the price) in which case the Seller shall have no further liability to the Buyer.

9. Notwithstanding any other clause in these GTC's, the Buyer shall not be entitled shipment of Commodity delivered pursuant to the Contract remains intact in one single location for inspection by Seller or its agent for a period of business days from the date of service of either a weight or quality claim.

The Seller makes no express or implied warranties with respect to merchantability, fitness for purpose or otherwise, expressly provided in this GTCs or in the Contract.

The Buyer shall not be entitled to withhold payment of any amount due to the Seller under this contract between the Seller and the Buyer by reason of any credit, set-off (whether legal or equitable), cross or counterclaim.

Both Buyer and Seller recognize that VAT may be due on individual deliveries made under this agreement at different rates in different countries and both Parties agree to supply all necessary information required to invoice compliant with the VAT laws of the country in which the delivery occurs, and all necessary information required to file complete and accurate returns with the appropriate taxing authorities. In the event that VAT is not assessed on the transaction, Buyer is responsible for supplying all necessary documentation which Seller needs to not assess VAT on the transaction. Failure of Buyer to provide such documentation shall entitle Seller to assess VAT on the transaction at the applicable for the country in which title transferred from Seller to Buyer. If Buyer delays paying any VAT assess on the transaction, Buyer shall be responsible for any interest, penalties, or cost incurred by Seller. Such costs shall include, but not be limited to, collection fees, attorney fees and foreign currency and exchange loss. Seller reserves the right to assess VAT at a later date if at such time it is determined that VAT is due on the transaction. In the event VAT is determined at a later date, Buyer shall pay Seller, in the applicable currency, the entire amount of VAT due, plus any interested or penalties assessed by an authorized taxing agency, and any additional costs, including foreign currency exchange rate loss, incurred by Seller as result of the delayed determination of VAT status. Buyer shall pay Seller such an amount within two (2) business days after receipt of notification that VAT is due. Such notification

shall be in writing and in the form of a supplement invoice, delivered to Buyer via fax, telex, courier, or mail, and shall include the amount of any VAT due and any interest, penalties, and additional cost. In the event that Seller initially charged VAT on the transaction, but Buyer subsequently presents documents to Seller which allow for the transaction to be free Vat, Seller shall return the amount of VAT, in the applicable currency, collected from buyer within two (2) business days from the date of the documents. Seller shall also issue Buyer a supplement invoice on which no VAT is assessed on the transaction. In all events. Buyer shall indemnify and hold Seller harmless for any VAT charged or not charged on the transaction when Seller has relied on Buyers presentation, or non-presentation, of documents to determine the VAT status of the transaction.

Neither party shall be liable for any delay, defect or deficiency hereunder, to the extent that such delay, defect or deficiency is caused by an event of force majeure (as defined below), which affects performance by hindering, delaying or making substantially more difficult the fulfillment of the commitments of either party.

In such case of force majeure, delivery dates and time for fulfillment of any contractual obligations to either party shall be deferred and extended, by a period of time to be agreed between the parties. However in the event of force majeure delaying performance by either party for more than 90 days, then the party not affected shall have the right to terminate this agreement with regard to material affected by such force majeure. If such circumstance of force majeure is still existing 180 days after the party affected notifies the other party of the existence of that force majeure either party is entitled to bring the agreement to a close with regard to material affected by such force majeure. If such force majeure is still existing 365 days after the date of original notification, then either party is entitled to bring the contacts as a whole to a close.

The party wishing to claim relief by reason of an event of force majeure shall notify the other in writing by both facsimile and by courier, without delay, at the beginning of the intervention of the event of force majeure and again at the cessation thereof. The date of notification of such force majeure shall be deemed to be the date of delivery of the original notification, by courier, as evidenced by the courier air waybill.

Force majeure, as used this agreement, shall mean labor disputes or any circumstance beyond the control of the parties, such as acts of God, war and warlike actions, civil commotion, sabotage, acts of any national or local government, disruption of transport, restrictions in supply of power or energy, fire, average or general average, accidents, breakdown of machinery, or accidents in any industrial plant or works pertinent to this contract. Neither party shall be entitled to claim force majeure on material that has already been shipped or dispatched, or for which a firm freight booking has been made.

14. Save as expressly in the Contract, a Party's liability under the Contract shall be limited to direct damages only and in no event shall either Party be liable for consequential, incidental, punitive,

exemplary or indirect damages, loss of profits or other business interruption damages, by statute, in tort, contract or otherwise.

15. Any Party required by the relevant Incoterm to insure the Commodity the subject of the Contact shall do so for 110% of the Price. The insurance shall be provided in the Payment Currency and include coverage of "all risks" of direct physical loss or damage from any cause.

16. Each Party warrants and represents that each authorized person purporting to sign the Contract on behalf of that Party has full power and authority to enter into that Contract on that Party's behalf and that the Contract will constitute valid and binding obligations of that Party enforceable in accordance with their respective terms.

17. Any typographical, clerical or other error or omission in any quotation, invoice or other document issued by the Seller shall be subject to correction without any liability on the part of the Seller.

18. This agreement shall bind both parties. The heirs and assigns to both parties shall be bound in the same manner as if such heirs and assigns had been party to this original agreement. The Seller shall have the right to assign their rights and obligations under this agreement to a Company in the same Group or a related party, otherwise no assignment under this agreement may be made without express written approval of the Buyer.

19. In case of any dispute, controversy, claim in connection with this contract, both parties shall make every possible effort to settle such dispute, controversy, claim or argument amicably between themselves.

If in such amicable agreement can be reached, then such dispute, controversy, claim or argument shall be settled by the City of Koper / Capodistria in accordance with the rules and regulations of the London Metal Exchange. The arbitration proceedings shall be conducted in the English language and any such arbitration decision shall be governed by, and shall be interpreted in accordance with Slovenian law.

The decisions of the arbitrator shall be binding on both parties and shall be final. Neither party shall criticize the judgment of the arbitrator, and neither party shall refer the arbitrator's judgment to any further court for consideration. The cost and legal fees of any such arbitration shall be borne by the parties in accordance with the award of the arbitrator.

20. This contract shall be construed as and shall take effects as a contract in accordance with the laws of Slovenia.

21. If no comment on or objection to any of the stated contract terms is received by Ibermet d.o.o. from its contract partner within 3 working days of the date of facsimile transmission of the contract by Ibermet d.o.o. to its contract partner. Ibermet d.o.o. shall be entitled to presume that all stated contract terms are accepted.