

**- LS ALLOYS TRADING-
GENERAL TERMS AND CONDITIONS OF SALE**

1. - Application of General Terms and Conditions of Sale - Enforceability

1.1 These General Terms and Conditions of Sale govern all relations between the parties, and also all contracts entered into between LS Alloys Trading and the purchaser.

1.2 Accordingly, unless expressly agreed otherwise in writing, LS Alloys Trading's acceptance of any order for goods entails the purchaser's full and unqualified acceptance of these General Terms and Conditions of Sale, and a waiver of his right to rely on any provision to the contrary included in his own General Terms and Conditions of Purchase or any other document exchanged with LS Alloys Trading prior to ordering.

2. - Order

2.1 Any order given in writing or verbally by the purchaser to LS Alloys Trading will be subject to confirmation in writing (by post, fax or email) by LS Alloys Trading within two (2) working days and will specify among other things the nature, quantity and description of the goods, the agreed price, the payment terms, the delivery terms, the place and date of delivery or collection, and the invoicing address.

2.2 Without prejudice to the provisions of Article 6, the order will be firm only once confirmed by LS Alloys Trading.

3. - Modification or cancellation of the order

3.1 Any modification or cancellation of an order will be valid only once expressly accepted in writing by LS Alloys Trading. A request to modify or cancel will be entertained only if received in writing (by post or fax) by LS Alloys Trading within three (3) working days from the date of acceptance of the order by LS Alloys Trading.

3.2 If a request to modify or cancel the order is not accepted by LS Alloys Trading, delivery of the goods must be accepted, monies paid in advance will not be returned, and the amount of any balance will be due. If delivery is not accepted by the purchaser, the monies paid in advance shall accrue to LS Alloys Trading and if no advance payments have been made, all costs incurred up to the date of cancellation will be charged to the purchaser, without prejudice to any claim for damages.

4. - Delivery

4.1 Terms

Delivery shall be made in accordance with the terms of delivery specified in the order confirmation sent by LS Alloys Trading and subject to the Incoterms rules in force at the time of sale.

Without prejudice to the provisions of Article 6.2 (Conditional availability), should the purchaser fail to call and/or collect the goods, LS Alloys Trading retains the right after the giving of written notice to cancel the sale and resell the goods within a period of fifteen (15) days following the agreed collection date, or to compel the purchaser by any legal means to take delivery. Moreover, all additional storage costs shall be borne by the purchaser and LS Alloys Trading will be entitled to damages amounting to the difference in price obtained in the event of resale to another party plus the costs related to such resale and interest.

4.2 Times

Delivery times are estimates only and not binding. Late deliveries shall not create an entitlement to damages, hold-back, or cancellation of orders in progress.

However, and unless otherwise agreed in writing between the parties, if the goods have not been delivered thirty (30) working days after the estimated delivery date, the sale may be cancelled by either party; the purchaser may obtain a refund of his advance payment but no other compensation or damages except in the event of gross misconduct by LS Alloys Trading in processing the order, on the understanding that such gross misconduct is not established by the failure to deliver within the time specified and must be proved by the purchaser.

LS Alloys Trading will inform the purchaser in a timely manner of any event that might delay or render delivery impossible.

5. - Price

5.1 The conditions for determining the selling price of goods are defined in the order as confirmed by LS Alloys Trading.

5.2 Only the weights and quantities shown on the shipping documents (delivery note, consignment note, bill of lading, etc.) will be taken into account in raising invoices for all sales regardless of the destination.

Prices are in the currency stipulated in the written confirmation. Except as otherwise provided and without prejudice to the Incoterms rules in force at the time of sale, prices are stated net of taxes, excluding customs duties and insurance, excluding postage and packaging. These costs will be added to the invoice.

5.3 Prices are nevertheless subject to review in the event of changes to the taxation rules, customs duties and other similar taxes and duties on goods in the country of origin and the destination country.

6. - Late or non payment

6.1 Without prejudice to the provisions of Articles 6.2 and 6.3, in the event of late payment, LS Alloys Trading retains the right to suspend any outstanding orders without prejudice to any other remedies.

6.2 Where LS Alloys Trading and the purchaser have arranged a payment against a conditional availability of goods issued by the storage warehouse in which the goods are stored, LS Alloys Trading reserves the right to terminate the sale and to resell the goods if the payment has not been received by LS Alloys Trading's bank within five (5) business days from the date of expiry of the conditional availability provided for in the conditional availability document issued by the storage warehouse. Moreover, all additional storage costs shall be borne by the purchaser and LS Alloys Trading will be entitled to damages amounting to the difference in price obtained in the event of resale to another party plus the costs related to such resale and interest.

6.3 In the event that LS Alloys Trading and the purchaser have provided for payment against the issue of a letter of credit by the purchaser's bank, LS Alloys Trading reserves the right to terminate the sale and resell the goods if LS Alloys Trading (or its bank, as appropriate) does not receive notification and confirmation of the letter of credit from the issuing bank of the purchaser within fifteen (15) business days from the date of dispatch by LS Alloys Trading of the order confirmation to the purchaser. Furthermore, all possible storage costs shall be borne by the purchaser and LS Alloys Trading will be entitled to damages amounting to the difference in price obtained in the event of resale to another party plus the costs related to such resale and interest.

6.4 Any amount not paid by the due date shown on the invoice shall automatically incur with effect from the day following the payment date shown on the invoice penalty interest as provided for in the Payment Periods and Default Interest Act of 18 April 2004 as modified (pursuant to Directive 2000/35/EC).

6.5 Without prejudice to the Retention of Title clause (9, below), if payment is not made within eight (8) working days after formal notice to which no response has been received, the sale will be automatically cancelled and LS Alloys Trading may request that the goods be returned without prejudice to any penalty. Cancellation will apply not only to the order concerned but also all previously unpaid orders, whether delivered or pending delivery, and whether payment is past due or not.

6.6 In all the above cases, any amounts owed for other deliveries, or for any other reason, shall become immediately payable unless LS Alloys

Trading chooses to cancel the corresponding orders.

The purchaser shall be required to reimburse all costs incurred by legal action to recover sums due, including lawyer's fees.

7. - Quantities delivered

Unless otherwise agreed, a variation of 10% more or less from the order shall be tolerated on the quantity delivered. The amounts invoiced shall be those actually delivered (as shown on the weighbridge ticket, scale ticket or measuring/tonnage certificate (as the case may be)).

8. - Acceptance - Control

8.1 LS Alloys Trading acts as an intermediary for the purchase and resale of goods. All the steps taken by LS Alloys Trading to control the goods and the sampling tests conducted notwithstanding, LS Alloys Trading cannot discount all possibility that goods delivered will not conform to the order. Accordingly, on receipt of the goods, the purchaser must check that the goods delivered correspond in quantity, quality and type to the goods specified in the order. To do so, the purchaser must keep the delivered goods separate from any similar goods to enable identification. In the event of a complaint, the goods must remain separate in order to enable sampling and control tests to be carried out.

Subject to the application of clause 7, should the purchaser determine that the quantity of goods delivered does not correspond to that specified on the order, he must notify LS Alloys Trading of the fact by fax or email within two (2) working days of receipt of the goods with sufficient substantiating evidence (such as a weighbridge ticket, scale ticket or measuring/tonnage certificate (as the case may be)).

Without prejudice to any steps to be taken as regards the carrier, complaints concerning patent defects or non-conformity of goods delivered compared to the goods ordered or the shipping order must be made in writing (letter or fax) within eight (8) working days of receipt by the purchaser or third party supported by an impartial certificate drawn up by one of the internationally recognised sampling organisations included on the accompanying list. Complaints as to quality must be made and substantiated in writing in the same time and by the same procedure.

8.2 Should LS Alloys Trading receive no deficiency notice within fifteen (15) working days of receipt of the goods, the goods shall be indefeasibly deemed to be in conformity.

8.3 In the event of disputes over the results of sampling, LS Alloys Trading shall be entitled to appoint separately another internationally recognised sampling organisation to provide a second opinion on the disputed goods within eight (8) working days of receipt of the purchaser's substantiated complaint. To that end, the purchaser shall afford LS Alloys Trading and any person appointed or authorised by it every facility to have access to the goods to perform the requisite sampling tests on the disputed goods.

8.4 If after performing such sampling tests, the two organisations so appointed prove to produce conflicting results, LS Alloys Trading and the purchaser may by agreement within a period not exceeding fifteen (15) working days from receipt of the second report (at the initiative of LS Alloys Trading) appoint a third internationally recognised sampling organisation whose findings shall be binding on both parties.

8.5 In the event of patent defect or non-conformity of goods delivered, duly established by the sampling organisations in the conditions provided above, the purchaser may obtain either replacement of the goods free of charge in complete conformity with the order as placed, or a reduction of the order price, or a refund of the goods at the invoice price (if a payment has already been made) as LS Alloys Trading's chooses, to the exclusion of any compensation or damages, as respects both the purchaser and third parties. In the event of replacement of the goods, a reasonable delivery time shall be set by agreement between the parties.

8.6 If non-conforming goods are not accepted (including in the event of reimbursement of non-conforming goods), the purchaser shall afford LS Alloys Trading the access needed to remove the said goods and assistance in loading them.

8.7 Each party shall bear the fees and costs of the sampling organisation personally instructed by it. If a third organisation is instructed, the costs and fees thereof (and such if any advances as may have been made) shall be borne by the party who incorrectly disputed the sampling results.

9. - Retention of title

9.1 LS Alloys Trading shall retain property in the goods sold until the full price - principal and other amounts - of all orders placed by the purchaser is paid.

The purchaser shall therefore ensure the safekeeping of LS Alloys Trading's goods until property is transferred to him. The purchaser must ensure that the goods remain appropriated as long as they remain subject to this retention of title clause. The purchaser shall likewise refrain from removing the labels displayed on unpaid goods existing unaltered in its stocks.

9.2 The purchaser shall not sell, pledge or assign as security the property in the goods. He shall likewise resist by all legal means any such claims as others might seek to assert, in particular by attachment, against goods which are the property of LS Alloys Trading and immediately notify LS Alloys Trading of any risk of dissipation to enable LS Alloys Trading to protect its interests.

9.3 If payment is not made on the agreed date, LS Alloys Trading may request the return of the goods without the need for any particular procedural requirement. The Purchaser shall permit LS Alloys Trading or any of its officers or agents to enter into and upon its depots at any time in order to recover the goods. They shall be jointly identified and a release will be given to the purchaser who shall bear all costs related to the return (including the costs of carriage, customs fees, insurance costs, etc.).

9.4 If all or part of the goods have been processed into new goods, whether or not involving the addition of other goods or merchandise of whatsoever kind, LS Alloys Trading shall acquire legal title to the new goods resulting from such processing, but shall not acquire any liability of any kind whatsoever towards third parties in connection therewith.

The Purchaser shall indemnify and hold LS Alloys Trading harmless from all liability in this regard.

10. - Passing of risk

The risks in the goods, especially those associated with carriage, shall pass to the purchaser upon the handing-over of the goods to the purchaser or the carrier in accordance with the Incoterms rules in force and agreed at the time of sale between the parties.

11. - Labelling

To ensure greater security and the traceability of the goods, the purchaser agrees to preserve the labelling until the goods are used.

12. - Warranty

12.1 Our goods are of standard industrial quality. The purchaser must perform the tests he deems necessary to take any decision about the use of the goods; he must satisfy himself that the goods are fit for the purpose for which he wishes to use them.

12.2 LS Alloys Trading shall not under any circumstances be liable for the consequences of misuse, negligent use or one not consistent with custom and practice; this relates equally to the handling, storage and carriage of goods sold and generally to any act carried out by the purchaser on the delivered goods.

12.3 In any event, and any provision to the contrary contained in the purchaser's General Terms and Conditions of Purchase notwithstanding, where goods are not in conformity with the order, LS Alloys Trading's liability shall be limited to the price of the goods in conformity with those

specified in the order. LS Alloys Trading shall not under any circumstances be held liable for loss or damage related to the use of nonconforming goods.

13. - Force Majeure

13.1 Any unforeseeable circumstance beyond the control of the parties that prevents them from fulfilling their respective obligations under normal conditions shall be considered as grounds for exemption from the parties' obligations and shall lead to the suspension thereof.

Circumstances such as the following shall be considered as circumstances of force majeure or fortuitous events: internal disturbances, wars, fires, earthquake, natural disasters, strike, import and export restrictions, epidemics and pandemics caused by infectious diseases, etc.

13.2 The party invoking any of the circumstances referred to above shall immediately inform the other party of the occurrence thereof in accordance with Article 14.

The parties shall come together to consider the impact of the event and agree on the conditions under which the performance of the contract shall be continued. If the event of force majeure lasts for more than three months, each party shall have the right to terminate the contract.

14. - Notices

14.1 All notices to be given by the purchaser to LS Alloys Trading hereunder shall be validly given only if sent by recorded delivery letter (preceded in such case by the sending of a fax or email), or by fax or email (with acknowledgement of receipt) followed by a surface mail letter at the registered office of LS Alloys Trading, to:

LS Alloys Trading
11, rue de l'Industrie
L-8399 Windhof
Fax: + 352 26 30 84 55
Email: lsalloys@lsalloys.com

14.2 Except as otherwise expressly provided, any notice given by LS Alloys Trading to the purchaser hereunder shall be validly given if sent by recorded delivery letter (preceded in such case by the sending of a fax or email) or by fax to the purchaser's registered office as stated in the order, or by email (with acknowledgement of receipt) to the address specified by the purchaser.

14.3 Notice by registered letter shall be deemed to be given within four (4) working days of the date of sending (the postmark being conclusive proof).

Notice by fax shall be deemed to be given on the day it is sent (the date shown on the send report being conclusive proof).

14.4 Any change of registered office or fax/telephone number or other must be notified to the other party as soon as possible.

15. - Languages

In the event of difference or problem of interpretation between these General Terms and Conditions in French and General Terms and Conditions written in English, the General Terms and Conditions in French shall apply.

16. - Governing law

The contractual relationships between the parties shall be governed by the law of Luxembourg or any applicable international convention.

17. - Arbitration Clause

The parties agree that any dispute directly or indirectly connected with their contractual relations shall be permanently settled in accordance with the Rules of Arbitration of the International Chamber of Commerce (ICC) by one or more arbitrators appointed in accordance with its Rules. The parties agree that the place of arbitration shall be Luxembourg.

The language of the proceedings shall be English.

18. - General provisions

18.1 Failure by LS Alloys Trading to enforce at any time any of the provisions of these General Terms and Conditions of Sale shall not be construed as a waiver thereof.

18.2 If any provision of these General Terms and Conditions of Sale shall be determined null and void, it shall be deemed non-existent and shall not invalidate the remaining provisions.

18.3 LS Alloys Trading reserves the right to modify these General Terms and Conditions of Sale at any time.

19. - Property Clause

The title in the goods shall pass to the purchaser only when payment in full has been received by the seller for all goods whatsoever supplied (and all services rendered) at any time by the seller to the purchaser. The purchaser shall permit the servants or agents of the seller to enter on to the purchaser's premises and repossess the goods at any time prior thereto.

As long as payment has been effected the purchaser cannot sell, pledge or offer goods as guarantee or collateral security.

Should the goods (or any of them) be converted into a new product, whether or not such conversion involves the admixture of any other goods or thing whatsoever and in whatever proportions, the conversion shall be deemed to have been effected on behalf of the seller and the seller shall have the full legal and beneficial ownership of the new products, but without accepting any liability whatsoever in respect of such converted goods in relation to any third party, and the purchaser hereby indemnifies the seller in relation thereto.

In case of non-payment at the due date and upon demand the purchaser must return forthwith to the seller all merchandise unpaid for.

Schedule: List of internationally recognised sampling organisations

List of internationally recognised sampling organisations

SGS
Alfred H. Knight
Alex Stewart
Inspectorate
RC Inspection
Hoff & Co
CIQ

Available on website: www.lsalloys.com