



General terms for processing and possible purchase of raw materials containing precious metals

These terms are valid from 1.1.2010



For the purposes of the General terms herein, the term "customer" signifies a legal or physical entity that hands over raw materials/material containing precious metals for re-processing to SAFINA, a.s.

1/ Terms obligation

These general terms herein are valid for all orders of re-processing of raw materials containing precious metals (Au, Ag, Pt, Pd, Rh – further only PM). Terms other than those stated herein become obligatory on SAFINA, a.s. subject to written confirmation of such by SAFINA, a.s (e.g. in the form of a contract).

The following guideline is applied on SAFINA, a.s. premises: "Instructions for purchase of raw materials containing precious metals in outlets/premises of the company SAFINA, a.s."

No used goods to be purchased in any of SAFINA, a.s. outlets.

2/ Terms of Acceptance and Contract

Upon the conclusion of contract for raw material re-processing it is understood that the customer acknowledges acceptance of the terms duly specified therein, unless stated. Changes and/or amendments to the contract or withdrawal thereof are valid only upon written confirmation of such by SAFINA, a.s.

3/ Prices

The basis of charges pertaining to processing of individual items shall be the "Price terms of re-processing of raw materials containing PM" available at the PM purchase and re-processing warehouse of SAFINA, a.s. Prices duly stated in the price terms are exclusive of VAT. SAFINA, a.s. further reserves the right to make amendments to a submitted offer and/or amend quoted prices against the listed prices as well as to modify terms of purchase where raw material qualities were other than originally stipulated and unknown to SAFINA, a.s. prior to receipt, and where works on such material will incur additional costs or require different time limit for re-processing than originally stipulated.

4/ Possible modes of handling processed precious metals by customer

a/ metals sale to SAFINA, a.s.

b/ metals put on claims account, from which the customer can utilize the metal for possible manufacturing of one of the final products of SAFINA, a.s. Or the customer can require return of metal (point b/ is conditioned by concluding a contract of depositing precious metals to the claims account).

In the event that the customer requires placing the metal(s) on a claims account, the former is obliged to confirm this fact in writing no later than the day of raw material delivery to PM purchase and re-processing storehouse. Otherwise it shall be assumed that the raw material is handed over to SAFINA, a.s. for the purposes of its sale (point a/).

In the case that customer would like to take metal back, customer is obliged to pay for all fabrication costs.

The price for fabrication is based on the valid price list of SAFINA, a.s.

5/ Delivery of raw material for re-processing

The customer delivers material for re-processing to SAFINA, a.s. seat stated as: Vídeňská 104, Jesenice, Vestec, 252 42. The customer duly guarantees that he is the

undisputed and authorised owner of the material, which is not subject to any claims, restrictions, guaranty rights or demands that limit handling the material in any way. Material delivery must correspond with the organisational code OS-01/01 of SAFINA, a.s. The customer is obliged to provide all necessary information on the physical and chemical qualities of delivered material, inclusive of information and/or warning on possible risks that could occur during processing. In the event of neglect and/or breach of this obligation, the customer duly acknowledges bearing costs for all incurred losses.

Re-processing cannot be done for radioactive material or (subject to special agreement) explosive materials, auto-ignitable materials and magnetically active materials (except for electric gilded metal contacts).

6/ Packing

The material must be delivered in packaging that duly meets conditions of safe transport. The packaging is free of charge and non-returnable on SAFINA, a.s. (if the customer does not require its return). Packaging costs are to borne solely by the customer. Dispatched materials must be properly marked. Packaging containing dangerous materials must be clearly marked with warning tags providing needed information in accordance with corresponding legislation and in accordance with the Law on Waste 185/2001 Coll, as amended. Materials that are insufficiently or incorrectly marked shall not be processed until the missing information is received. Each delay caused thereof will be added to the stipulated delivery date according to the terms of SAFINA, a.s or as stated in the contract.

The material must be accompanied with a delivery note stating the type of material for re-processing, the number of consignments, and markings stating gross (with packaging) or net weight of each item. Additionally, dangerous materials must be accompanied with a Registration note for transporting dangerous waste. Markings on packaging of materials containing precious metals must be in accordance with the standard-practice guideline OS-27/03 - Handling of waste.

In the event that the customer dispatches materials from abroad (from countries outside the EU), it is necessary to state the information in the accompanying documentation with total value of the consignment for customs purposes. Accompanying the customs clearance document, the customer is required to send:

- 2 x copies of consignment note (CMR),
- 2 x copies of invoice,
- 1 x certificate of goods origin
- 1 x packaging note or delivery note

In the event that the customer dispatches materials from abroad (from EU countries), it is sufficient for the consignment to be accompanied with a delivery note or a pro-forma invoice with information necessary for entries in Intrastat report:

- goods code,
- goods value,
- goods weight,
- terms of delivery,
- type of transaction,
- type of transport.

7/ Weighing and sampling

All materials containing precious metals intended for re-processing are duly subject to gross weighing upon receipt. Obligatory ascertainment of net weight, sampling and humidity shall be executed onsite at SAFINA, a.s. between the 5th and 30th working day after material modification into a state of possible sampling (homogenizing, fusing, etc.) according to material character. However, SAFINA, a.s. reserves the right to extend the time limit where necessary with regard to the type of material and pursuant to technological reasons. During the entire period of re-processing, the customer remains the rightful owner of the material.

The customer has the right to be present or represented during weighing and sampling. The customer desirous of being in attendance or representation is obliged to inform SAFINA, a.s. of this fact in writing at the point of goods handover and he is further required to provide the name and address of the proposed representative. Where the customer fails to provide the information stated above or where the customer representative fails to be in attendance at the given time, SAFINA, a.s. reserves the right to rightfully assume that the customer does not wish to avail this provision and the weighing, sampling shall be executed in abstentia. Individual sample for analysis can be divided into three parts. The first part is for the customer, the second part is for SAFINA a.s. and the third part for possible arbitration analysis. The sample assigned to arbitration analysis will be sealed and stored in SAFINA, a.s. unless agreed otherwise. This sample is ready to take out by customer in work hours for 3 months from statement of account order. After the elapse of this date, the sample will be disposing.

8/ Analyses

Individual samples shall be analysed in a specialized laboratory of the company SAFINA, a.s. to detect contents of bought-back PM. SAFINA, a.s. shall inform the customer on respective analysis results in the form of basis for analysis recognition (in claims account owners) or for invoicing (in persons interested in sale of precious metals), stating, at the same time, the costs involved in re-processing. SAFINA, a.s. commits to issue these documents within 05 working days of performance of the analyses. In the event that the customer does not agree with the basis for analysis recognition or with the basis for invoicing, he must present a written complaint to this effect immediately, and no later than 03 working days of receipt. Otherwise, he is deemed to agree with all basic materials for analysis recognition or invoicing. In the event that the customer is not VAT-registered, SAFINA a.s. shall issue a credit letter and shall effect due payment. In the event that the customer is VAT-registered, he is, in compliance with the VAT Law No. 235/2004 Coll., §26 obliged to issue a respective tax document within 15 days of VAT liability; such a day being the date of due date of order. Orders are due after finished refining process. Date of finished refining process is marked at final calculation.

Unless stated otherwise, (e.g. in the form of a contract), invoices are due for payment within 21 days of issue.

In the event that the customer assumed the samples in order to complete their own analyses, respective analyses results shall be exchanged in an agreed-upon manner within pre-arranged deadline. If analyses differ within limits of tolerance, calculation for invoicing shall be based on the analyses result of the company SAFINA a.s. In the event that the analyses results differ significantly (beyond agreed-upon tolerance), both parties shall exert to define basis for invoicing by agreement (e.g. arithmetic mean of analyses results).

In the event that the parties do not come to a mutual agreement, an assigned sample shall be sent for arbitrary analysis to the Assay Office Prague, unless the two parties agree on a different subject entitled to carry out the arbitration analysis. The result of such an arbitration analysis shall be binding on both parties.

Costs of arbitration analysis shall be covered by the party that ordered the arbitration analysis.

9/ Raw Material processing

SAFINA a.s. is entitled to release raw material for processing, unless, prior to delivery of such material, the customer reserves the right in written form to have to give their explicit written consent to such release of raw materials. In the event that such release of materials for processing is subject to customer's consent, then, if the period between sample take-over and provision of such consent exceeds 21 days, SAFINA a.s. has the right to claim an amount of 3% of the material value from the customer for each initiated week as compensation for storage for the entire period commencing from the day of delivery of the material for processing up to the date of receipt of the customer's consent to release the material for processing. As soon as the material is released for processing, only the individual sample remains decisive for further proceedings.

10/ Setting redemption prices or return of precious metals

In the event of sales, the purchase price for each metals and treatment price is set according to the receiving day of raw material, by valid price terms.

In claim account owners and in the event that the claim account owner shall wish so, the obtained metal shall be added to his claim account based on approved materials for analysis recognition after finished refining process.

In the event that the claim account owner intends to have the obtained precious metal returned in a manner stipulated in Article 4 of these General Terms and Conditions, it shall be returned to him within deadlines stipulated in Article 11 of these General Terms and Conditions.

Expenses and risks pertaining to return delivery shall always be borne by the customer. Packaging, transport method and route shall be selected by SAFINA a.s. at their discretion. SAFINA, a.s. is entitled to conclude transport or valorisation insurance covering the goods value at customer's expenses.

11/ Conditions for opening a claims account (NÚ)

Claims account is opened based on Contract of opening a claims account (NÚ).

SAFINA a.s. provides for the customer storage, maintenance and protection facilities for supplied material. After the precious metal is put on a claims account, the customer may require processing of products from this material within the deadlines corresponding with production cycles or within an individually agreed-upon deadline.

In the event that the customer requires return of precious metal from the claims account, he is obliged to notify SAFINA a.s. of this fact within the deadline stipulated in the Contract of opening a claims account, i.e.:

for Ag	2 weeks
for Au	3 weeks
for Pd	6 weeks
for Pt and PtRh	8 weeks
for Rh	10 weeks.

Further, customer is obliged according to article 4., to cover all production costs pair with production. The price is calculate on the basis actual SAFINA,a.s. valid price list.

12/ Reimbursement of price for re-processing and other costs

Unless agreed-upon otherwise, the invoiced expenses for re-processing are due immediately. SAFINA a.s. reserves the right, in the event that expected expenses for re-

processing exceed the value of subsequently obtained precious metal contained in the material, to require an advance payment on the total expense. In some cases, especially in immediate re-processing of the handed-over raw material on the business premises and subsequent sales of smelted product to SAFINA, a.s., the latter reserves the right not to require payment for re-processing or the right to credit expenses for re-processing against the price for sales of the smelted product to the company SAFINA, a.s.

13/ Force majeure

In the event of occurrence of events that cannot be influenced by either of the parties and which affect either party in the course of duration of the contract (so-called force majeure), all liabilities resulting from the contract are discontinued for the period of continuation of the force majeure, however, only from the moment when the party affected notifies the other party on the occurrence of such event categorised under force majeure and related extent of damage. Both parties are obliged to agree on correct alternative solutions and deadlines.

14/ Complaints

Complaints relating to weight differences and visual defects of material must be lodged immediately.

Complaints relating to hidden defects must be lodged within 14 days of detection, at the latest. Complaints are to be lodged in writing only. Burden of evidence with respect to weight differences is to be borne by the customer. In the event that the complaint is established as legitimate, SAFINA, a. s. shall, on its accord, exchange the material, deliver missing material, or issue a credit note for the material in question.

15/ Applicable jurisdiction and dispute proceedings

The provisions of the Commercial Code according to Law No. 513/1991 Coll, as amended, are fully binding on all legal relations resulting from concluded contracts and the General Terms and Conditions. Any dispute in relation to interpretation of the concluded contracts or the General Terms and Conditions shall be resolved by mutual agreement of both parties. Where both parties fail to reach mutual agreement, the dispute can be only filed at an appropriate court in the Czech Republic.

16/ Interception of redemption of precious metals

SAFINA, a.s. reserves the right to intercept, at any time, redemption of raw material containing precious metals till further notice.

17/ Partial invalidity

In the event that any of the provisions of the General Terms and Conditions become legally invalid, all other provisions remain fully unprejudiced. The General Terms and Conditions herein supersede the General Terms and Conditions valid as of first of October 2008.

18/ Final provisions

This "General terms for processing and possible purchase of raw materials containing precious metals SAFINA, a.s." contain total 18 articles on 6 pages generally.