



Standard Ordering and Invoicing Process

Overview

Purchase Orders are due to SDI LaFarga, LLC by the fifteenth (15th) of the month prior to expected month of shipment. These orders are considered firm and non-cancellable. In the event of unforeseen circumstances, SDI LaFarga may allow some cancellations, or the delay of shipment until the following month. Order cancellation or agreement to delay shipments will be at SDI LaFarga's sole discretion.

Every invoice will include two parts: the Fabrication Adder (which may or may not include freight to an agreed location) and the copper value of the product.

Fabrication Adder

This portion of the invoice is a value previously agreed to by the customer and SDI LaFarga. This amount will be priced in \$/lbs. and is in addition to the copper value of the product shipped.

Copper Value – Current Month Average

For orders received by the 15th day prior to the requested month of delivery, the mechanism used for pricing copper is Comex average for the month material is originally scheduled to ship. But since material will ship before this value can be calculated, invoices will be computed using the previous month Comex copper average, as the provisional price. This invoice will need to be paid based on the Buyer's credit terms. At the end of the month, a settlement invoice, reconciling the difference between provisional price and final Comex average will be sent. This settlement invoice will either be for additional payment due upon receipt or for a credit, which can be applied on next payment.

Also, please note that Comex copper month average price may be extended to Buyer for additional Drop-In purchases after the start of each month. If the market is not in Seller's favor, an alternative Comex pricing method may be suggested. Additional fees apply to Drop-In purchases; please see Forward/Drop-In purchase policy.

Credit Terms for Provisional Invoices and Reconciliation Invoices are net 5 days.

Credit Terms and Limits are established after a review and approval process by SDI LaFarga, LLC.