

# International Conditions of Sale for Customers not Resident in Germany

## **I. Application of the International Conditions of Sale**

1. These International Conditions of Sale apply to all customers of Schwering & Hasse Elektrodraht GmbH - hereinafter referred to as SHWire - if the place of business of the customer concluding the contract is **not in Germany**. For customers whose place of business is in Germany, the General Conditions of Sale (Allgemeine Verkaufsbedingungen) of SHWire apply, which will be forwarded on request.

2. These International Conditions of Sale apply to all contracts made on or after 16 April 2024 whose preponderant object is the **sale of goods** to the customer. Additional obligations assumed by SHWire do not affect the application of these International Conditions of Sale.

3. Conflicting or deviating **terms of business of the customer** do not bind SHWire, even if SHWire does not separately object or unconditionally renders performance or accepts the customer's performance. Similarly, SHWire shall not be bound if the customer's terms of business, irrespective of the contents of these International Conditions of Sale, deviate from statutory provisions.

4. These International Conditions of Sale do not apply, if the customer buys the goods for **personal, family or household use** and if SHWire knew or should have known that at the time of the formation of the contract.

## **II. Formation of the Contract**

1. The customer is under an obligation to give **written notice to SHWire prior to the formation of a contract** if

- he concludes the contract for a third, undisclosed person, or
- the goods to be delivered are to be fit not only for normal use or the customer orders on the assumption of a particular purpose or his expectations are based on public statements, advertising messages or other circumstances outside the specific contract, or
- the goods to be delivered will be used in circumstances which are unusual, or which present a particular risk to health, safety or the environment, or which require a more demanding use, or
- there is a risk of atypical damages or unusual amounts of loss, in particular exceeding the limits

set up in section VII.-1.-e), of which the customer is or ought to be aware, or

- the goods to be delivered are intended for use in countries or by persons affected by a trade embargo or, in the case of resale, such uses cannot be excluded, or
- the customer is involved in proceedings for violation of foreign trade regulations, or
- the customer acquires the goods for the sole purpose of end use.

2. **Orders of the customer** are to be put in writing. If the customer's order deviates from the proposal or the tender submitted by SHWire, the customer will emphasize the differences as such. Illustrations and drawings just like the measures and weight indications featuring in SHWire's proposals or offers are only there as guidelines.

3. All orders, in particular also those received by employees of SHWire, will take effect **exclusively if followed by a written acknowledgement** of the order by SHWire. The actual delivery of the goods ordered, any other conduct of SHWire or silence on the part of SHWire does not allow the customer to assume the formation of the contract. SHWire can dispatch such written acknowledgement of the order up to and including **fourteen (14) calendar days after** the customer's order has been received by SHWire. Until this time, the customer's order is irrevocable.

4. The written **acknowledgement of the order** by SHWire shall be **received in time** if it is received by the customer within fourteen (14) calendar days after its date of issue. If, however, SHWire requests a signature by the customer of the acknowledgement of the order, the contract only comes into effect if SHWire receives a copy of the **acknowledgement of the order legally signed** by the customer, within fourteen (14) calendar days from the date of the written acknowledgement of the order. The customer will inform SHWire without delay in writing if the written acknowledgement of the order is received with delay.

5. The written acknowledgement of the order by SHWire sets out all the **terms of the contract** and brings the **contract into effect** even if - except for the description, the price for the goods and the quantity to be delivered - the written acknowledgement is not consistent with the declarations of the customer in every respect, especially with reference to the exclusive application of these International Conditions of Sale. There are no verbal collateral agreements. The contract will only fail to come into existence if the **customer objects in writing** that the

acknowledgement of the order by SHWire is not completely consistent with his declarations, the customer specifies the deviations not accepted by him in writing and if the objection is received by SHWire within a short time, at the latest seven (7) calendar days, after receipt of the written acknowledgement of the order by the customer.

6. **Particular wishes** of the customer, namely particular expectations of the customer regarding the usage or the condition of the goods, guarantees or warranties with reference to the goods or the performance of the contract, as well as performance declarations, instruction manuals or safety-related information requested by the customer, require express written confirmation by SHWire in every case.

7. Confirmations of the contract produced by the customer are of **no effect** without any objection by SHWire being necessary. In particular, neither the actual delivery of the goods, any other conduct of SHWire or silence on the part of SHWire shall give rise to any belief by the customer in the relevance of his confirmation.

8. SHWire's **employees**, consultants, commercial agents, or other sales intermediaries are not authorized to dispense with the requirement of a written acknowledgement of the order by SHWire or to make promises which differ from its content or guarantees. If and to what extent such persons are authorized to make or receive declarations with effect for or against SHWire, is to be determined according to German law.

9. **Amendments** to the concluded contract always require written confirmation by SHWire.

### III. Obligations of SHWire

1. Subject to a failure of delivery on part of his suppliers irrespective of a congruent covering transaction or to an exemption according to section VII.-1. c) SHWire must **deliver the goods** specified in the written acknowledgement of the order and transfer the property in the goods. SHWire is **not obliged to perform obligations** not stated in the written acknowledgement of the order by SHWire or in these International Conditions of Sale, in particular SHWire is under no obligation if not explicitly agreed upon in writing to furnish documents or certificates regarding the goods, to install additional safety devices, to carry out assemblies, to deliver accessories, or to advise the customer.

2. SHWire's obligations under the contract made with the customer are owed only to him. **Third parties not involved** in the formation of the contract, in particular the customer's clients, are not entitled to assert any claim arising from the customer's contract with SHWire. The customer's entitlement to take delivery continues to exist even if he **assigns rights to third parties**.

3. Taking account of the **tolerances customary** in trade, SHWire undertakes to deliver to the customer goods of the agreed description and quantity in a quality that corresponds to the standards customary in Germany and ensures that at the time of delivery the goods are free from rights or claims of private third parties which could prevent its use within the European Union. If the goods cannot be delivered in the condition offered at the time of the formation of the contract because technical improvements to goods of series production were made, SHWire is entitled to deliver the goods with the technical improvements. SHWire is entitled to make **part deliveries** and to invoice them separately.

4. If further **specification** is required in relation to the goods to be delivered, SHWire will carry this out having regard to his own interests and to the identifiable and legitimate interests of the customer. A request to the customer to specify the goods, or to participate in the specification, is not required. SHWire does not undertake to inform the customer of the specification he has made or to give the customer the option of a differing specification.

5. SHWire undertakes to place the goods in the packaging customary at SHWire and with the markings and labels customary in Germany **at disposal for collection by the customer FCA (Incoterms 2020)** at the place of delivery indicated in the written acknowledgement of the order or - if a place of delivery is not indicated - at the premises in 32676 Lügde/Germany at the agreed time of delivery. Previous separation or marking of the goods or notification to the customer of the goods being placed at disposal is not required. Under no circumstances is SHWire obliged to inform the customer of the delivery or a failure to take delivery of the goods in time, to examine the goods with respect to their conformity with the contract on the occasion of delivery, to check the operational safety of the means of transport and the transportation safe loading or to furnish proof of the delivery being effected. The agreement of other clauses of the Incoterms or of clauses such as "delivery free....." or similar ones merely involve a

variation of the provisions as to the transportation and the transportation costs; besides that, the provisions laid down in these International Conditions of Sale remain applicable.

6. The **transport** and the insurance of the goods beyond the place of delivery decisive according to section III.-5. is none of SHWire's obligations but is incumbent upon the customer. The customer shall ensure that the carrier is obliged to load and stow or to check the loading or stowage of the goods carried out by SHWire or third parties. If the customer does not give a counter instruction in writing in time, SHWire is entitled to contract in the customer's name and at the customer's expense on terms usual in Germany for carriage of the goods at the customer's risk and for reasonable insurance of the transport to the destination indicated by the customer and - if such a destination is not indicated - to the place of business of the customer.

7. Compliance with agreed **delivery times** shall be conditional upon the customer providing containers for the transport of the goods in good time, providing documents, releases, permits, approvals, licences or any other authorizations or consents to be obtained in good time, opening letters of credit and making down-payments as agreed and performing all other obligations incumbent upon him properly and in good time, public documents being able to be obtained in good time and official pre-shipments inspections not causing any delay. In case of doubt, agreed delivery time-periods begin on the date of the written acknowledgement of the order by SHWire. Notifying the customer of the delivery date SHWire is entitled to deliver earlier than at the agreed delivery time or to select the date of delivery within the agreed period for delivery.

8. Without prejudice to his continuing legal rights, SHWire is entitled to fulfil his obligations **after the delivery time agreed upon**, if the customer is informed that SHWire will exceed the delivery time limit and of the time period for late performance. Subject to aforesaid conditions, SHWire is entitled to make repeated attempts at late performance. The customer can object to late performance within reasonable time if the late performance is unreasonable. An objection is only effective if it is received by SHWire before commencing late performance. SHWire will reimburse necessary additional expenditure, proven and incurred by the customer as a result of exceeding the delivery time to the extent that SHWire is liable for this under the provisions laid down in section VII.

9. **Risks as to price and performance** even in relation to goods which are not clearly identifiable to the contract and without it being necessary for SHWire to give notice to the customer about the goods being placed at disposal, pass to the customer with delivery pursuant to section III.-5., albeit irrespective thereof with readiness for delivery by SHWire according to the originally agreed delivery times, if these are postponed on customer's request, or as soon as the title to the goods has passed to the customer. The **loading of the goods** is part of the customer's obligations. The agreement of other clauses of the Incoterms or of clauses such as "delivery free....." or similar ones merely involve a variation of the provisions as to the transportation and the transportation costs; besides that, the provisions laid down in these International Conditions of Sale remain applicable.

10. SHWire is neither obliged to clear the goods for export nor to take care of customs advance declarations. However, SHWire will apply for necessary export licences and operate **customs formalities necessary for the export** if the customer has requested SHWire to do so and has furnished SHWire with the data essential for the export in a written notice dealing with this purpose exclusively. If the goods are not cleared for export without any intentional or grossly negligent fault on the part of SHWire, SHWire is entitled to avoid the contract in whole or in part without compensation. The agreement of other clauses of the Incoterms or of clauses such as "delivery free....." or similar ones merely involve a variation of the provisions as to the transportation and the transportation costs; besides that, the provisions laid down in these International Conditions of Sale remain applicable.

11. Unless expressly agreed otherwise in written form, SHWire is **not obliged** to obtain proves of delivery, certificates of origin, **documents**, certificates, licences, or other authorizations necessary for the export, transit or import, or to achieve **security clearance** of the goods required for the carriage or otherwise or to render assistance to the customer in obtaining them. The agreement of other clauses of the Incoterms or of clauses such as "delivery free....." or similar ones merely involve a variation of the provisions as to the transportation and the transportation costs; besides that, the provisions laid down in these International Conditions of Sale remain applicable.

12. SHWire is in no case liable to perform duties associated with the making available of the goods on

the market outside Germany, to bear levies, duties and charges accruing **outside Germany**, to comply with weight and measuring systems, packaging, labelling, or marking requirements or registration or certification obligations applicable outside Germany or to comply with any other legal provisions applicable to the goods outside Germany. The customer will arrange for translations in any language other than German of instructions, safety information, performance declarations or other written materials about the goods at his risk and expense.

13. Without prejudice to his continuing legal rights and without a previous notice to the customer being necessary, SHWire is entitled to **suspend the performance of his obligations** as long as, in the opinion of SHWire, there are grounds for concern that the customer will wholly or partly fail to fulfil his obligations in accordance with the contract. In particular, the right to suspend arises if the customer insufficiently performs his obligations to enable payment to SHWire or a third party or pays late or if the limit set by a credit insurer has been exceeded or will be exceeded with the forthcoming delivery. Instead of suspending performance SHWire may at his own discretion make future deliveries, even if confirmed, conditional on payment in advance or on opening of a letter of credit confirmed by a major German commercial bank. SHWire is not required to continue with performance of his obligations if an assurance given by the customer to avoid the suspension does not provide adequate security or could be challenged pursuant to an applicable law.

14. Except as provided in section III.-8., SHWire is only obliged to inform the customer of **possible disruptions in performance**, once the commencement of the disruption is unavoidably definite for SHWire.

#### **IV. Obligations of the Customer**

1. Irrespective of continuing obligations of the customer to guarantee or to enable payment, the customer undertakes to pay the **agreed price for the goods** in the currency specified in the written acknowledgement of the order **transferring it** without deduction and free of expenses and costs to one of the financial institutions designated by SHWire. Insofar as the delivery shall not take place within four (4) months after the conclusion of the contract, SHWire can increase the agreed price by a reasonable amount having regard to the increases in the cost of materials, personnel, or energy in the meantime. To the extent

that a price for the goods has not been agreed, the price which is at the time of delivery SHWire's usual selling price for the goods will apply. The prices for **copper wire** are considered to be transformation prices. In addition, together with the purchase price the customer will pay SHWire the amount of the deposit stated in the invoice for the temporary provision of barrels and spools (VIII.-2). SHWire's employees, consultants, commercial agents or other sales intermediaries are not authorized to accept payments.

2. The payment to be made by the customer is in any event **due for payment** at the time specified in the written acknowledgement of the order or - if a time for payment is not indicated - on receipt of the invoice. The due time for payment arises without any further pre-condition and, in particular, does not depend on whether the customer has already taken delivery of the goods or the documents or has had an opportunity to examine the goods. Discounts have to be set out in every case in the written acknowledgement of the order by SHWire and are subject to full and timely payment of all SHWire's accounts receivable pertaining to the customer. Discounts are to apply only to the amount owed by the customer which remains after deduction of any credit notes which may be given. The **periods granted for payment** will cease to apply and outstanding accounts will be due for immediate payment, if insolvency proceedings relating to the assets of the customer are applied for, if the customer without providing a justifiable reason does not meet fundamental obligations due towards SHWire or towards third parties, or if the customer has provided inaccurate information regarding his creditworthiness.

3. Regardless of the currency and of the jurisdiction of any arbitral tribunal or court, SHWire is entitled at his own discretion to **set off** incoming payments against claims existing against the customer by virtue of his own or assigned rights at the time of payment. If payments owed by the customer are not credited timeously to SHWire, SHWire can change into money at the current copper price any credit account for metal given to the customer in writing and then set-off his claims against the customer against this money sum.

4. The customer undertakes to provide SHWire with the data for applying for **customs formalities** according to section III.-10. in reasonable time ahead and in writing, to make agreed call-offs, **to take delivery** of the goods at the place of delivery resulting from section III.-5. and at the delivery time without

taking any additional period of time and shall fulfil all the duties imposed by the contract and these International Conditions of Sale and insofar as not regulated therein by the rules of the ICC for the use of the agreed clause of the Incoterms® 2020 and by statutory provisions. The customer is only entitled to refuse to take delivery of the goods if he avoids the contract in accordance with the provisions in section VI.-1.

5. The customer warrants to have the goods transported abroad, not to transfer the right of disposal to third parties as long as the goods are in Germany, and to fulfil all legal requirements and documentations for the handling regarding **customs laws and value added tax** of the delivery or any service according to the applicable provisions in Germany. To the extent that SHWire has to pay German or foreign customs duties or German or foreign value added tax, the customer will indemnify SHWire in all and every respect without prejudice to any continuing claim by SHWire. The indemnity is granted by the customer waiving any further requirements or other defences, in particular waiving the defence of limitation or prescription and also includes the reimbursement of the expenses incurred by SHWire.

6. The customer will not agree to or undertake any actions in relation to the goods purchased from SHWire which are **prohibited**, in particular, under provisions of **foreign trade law** including but not limited to US and Chinese export control regulations or by the terms of the **export license** issued for the contract. To the extent that the customer is unsure whether such prohibitions exist, the customer shall seek consultation with SHWire in writing.

7. The customer will **monitor the goods** purchased from SHWire **in the market** and will inform SHWire without delay in writing of any concern that the goods might pose a risk for third parties. Moreover, the customer will, without any demand being necessary, inform SHWire in writing if SHWire has to observe any particular duties of reporting or registration or providing information or prior notification or other **requirements for access to market** or has to comply with **obligations to retain documents**, under the provisions which apply in the country of the customer or of the use of the goods initiated by the customer.

8. Any statutory rights of the customer to **set-off** against claims of SHWire, to **withhold payment** or taking delivery of the goods, to suspend the performance of his obligations or to **raise defences or counterclaims** are excluded, except where the

corresponding claim of the customer against SHWire is in the same currency, is founded in the customer's own right and is either due and undisputed or has been finally adjudicated or where despite written warning by the customer SHWire has committed a fundamental breach of his obligations due and arising out of the same contract, and has not offered any adequate assurance.

9. Irrespective of any statutory provisions, the customer shall at his own cost take care of or in any other way ensure renewed utilization, material recycling or otherwise prescribed **waste-disposal** of the goods delivered by SHWire to the customer and of the packaging material.

#### **V. Delivery of non-conforming Goods or Goods with Defective Title**

1. Without prejudice to any reduction of liability of the seller provided by law, goods do **not conform with the contract** if the customer proves that, taking into account the terms in section III., at the time the risk passes the packaging, quantity, quality or the description of the goods is significantly different to the specifications laid down in the written acknowledgement of the order, or in the absence of agreed specifications, the goods are not fit for the purpose which is usual in Germany. Changes in design, construction or material which reflect technical improvements do not constitute a lack of conformity with the contract. Regardless of the stipulation established in sentence 1, the goods shall be deemed to conform with the contract to the extent that the regulations applicable at the place of business of the customer do not prevent the usual use of the goods. Second-hand goods are delivered without any liability for their conformity.

2. To the extent that the written acknowledgement of the order by SHWire does not contain an explicit statement to the contrary, SHWire is in particular **not liable** for the goods being fit for a purpose which is not usual in Germany or for complying with further reaching expectations of the customer or for possessing the qualities of a sample or a model or for their compliance with the legal regulations existing outside Germany, for instance in the customer's country. In particular, slogan-like definitions, references to generally accepted norms, the use of brands, trademarks, adverts or prospectus do not constitute a guarantee. SHWire shall also not be liable for any non-conformity with the contract that occur after the transfer of risk. To the extent that the

customer makes attempts not coordinated with SHWire to remove non-conformities SHWire will be released from his liability.

3. The customer is obliged vis-à-vis SHWire to **examine or to have examined** every single delivery comprehensively for any discoverable or typical lack of conformity with the contract and moreover as required by law.

4. Without prejudice to any reduction of liability of the seller provided by law, goods have a **deficiency in title** if the customer proves that the goods are not free from enforceable rights or claims of private third parties at the time risk passes. Without prejudice to further legal requirements, third parties' rights or claims founded on industrial or other intellectual property constitute a deficiency in title only to the extent that the rights are registered, made public and in legal force in the European Union and prevent the usual use of the goods in the European Union. Regardless of the stipulation established in sentence 1, title to the goods shall be deemed not to be defective to the extent that the regulations applicable at the place of business of the customer do not prevent the usual use of the goods.

5. Without prejudice to the statutory obligations of the customer **to give notice** within reasonable time, the customer is obliged to give notice to SHWire of any lack of conformity with the contract or any deficiency in title at the latest within one (1) year after taking delivery in accordance with section IV.-4. Such notice has to be made in writing and directly to SHWire, formulated in such a precise manner as to enable SHWire to effect remedy measures and to secure claims against SHWire's suppliers, specify the root cause of the nonconformity to the extent possible, and moreover as required by law. SHWire's employees, consultants, commercial agents or other sales intermediaries are not authorised to accept notices outside SHWire's premises or to make any statements concerning lack of conformity with the contract or of title and its consequences. Statements by SHWire as to the lack of conformity with the contract or as to the deficiency in title are for the purpose of explaining the factual position only, but do not entail any waiver by SHWire of the requirement of proper notice.

6. After correct notification in accordance with clause V.-5., the customer may demand in accordance with the terms of the UN Sales Convention **delivery of substitute goods or repair** of SHWire **or reduce the price for the goods**. The delivery of substitute goods or repair does not lead to a recommencement of the

limitation period. The reduction of the price for the goods is limited to the damages suffered by the customer. The customer shall have no remedies not provided for in these International Conditions of Sale or claims of a non-contractual nature. SHWire is always entitled in accordance with the provision in section III.-8. to repair goods which do not conform with the contract or to supply substitute goods or to avert the customer's remedies by giving him a credit note of an appropriate amount.

7. The customer is **not entitled to remedies** for delivery of non-conforming goods or goods with a deficiency in title, insofar as the customer is liable vis-à-vis third parties for conditions of the goods or their fitness for a use which are not subject of the agreement with SHWire, or if the customer's claim is based on foreign law.

8. In the event of **notice not having been properly given**, the customer may only rely on remedies if SHWire has intentionally concealed the lack of conformity with the contract or the deficiency in title.

9. In case of **unjustified assertion of remedies** for delivery of non-conforming goods or goods with a deficiency in title, although the customer is or ought to have been aware that a non-conformity or a deficiency in title does not exist or that the cause for such non-conformity or deficiency in title claimed are not to be attributed to SHWire, the customer is obliged to reimburse SHWire for expenses incurred due to the unjustified assertion of claims.

## **VI. Avoidance of the Contract**

1. The **customer** is entitled to declare the contract avoided, if the applicable legal requirements are complied with, after he has threatened SHWire in reasonable time after the facts justifying the avoidance of the contract had occurred with avoidance of the contract in writing and an additional period of time of reasonable length for performance fixed in writing has expired to no avail. If the customer claims delivery of substitute goods, repair or other performance, he is bound for a reasonable period of time to the chosen remedy, without being able to exercise the right of declaring the contract avoided. In any event, the customer must give notice of avoidance of the contract within reasonable time after the additional period of time has expired in writing and to SHWire directly.

2. Without prejudice to his continuing legal rights, **SHWire** is entitled to avoid the contract in whole or in

part if the customer objects to the application of these International Conditions of Sale, if the implementation or performance of the contract is or becomes prohibited by the law in whole or in part, if on grounds for which SHWire is not responsible the written acknowledgement of the order by SHWire is received by the customer more than fourteen (14) calendar days after its date of issue, if insolvency proceedings relating to the assets of the customer are applied for, or if for other reasons SHWire cannot be expected to fulfil his obligations by means which - taking into consideration his own interests and that of the customer as far as ascertainable and legitimate at the time of formation of the contract - are unreasonable, in particular in relation to the agreed counter-performance and efforts to reach an amicable solution have failed.

3. Without prejudice to his continuing legal rights, SHWire is entitled to avoid the contract in whole or in part after **prior warning** if the customer does not place call off orders as agreed, if he does not furnish SHWire with the data necessary to apply for customs formalities in due time, if without providing a justifiable reason he does not meet fundamental obligations due towards SHWire or towards third parties, if he has provided inaccurate information regarding his creditworthiness or to the extent that the cover given by a credit insurer is reduced on grounds for which SHWire is not responsible.

## VII. Damages

1. Without waiving the legal requirements, **SHWire** is only obliged to **pay damages** due to the breach of obligations resulting from contracts concluded with the customer, contractual negotiations carried on with the customer or the business relation with the customer in accordance with the following provisions. These provisions apply equally for all of SHWire's obligations to **reimburse expenses** or to pay *penalties* or **liquidated damages**.

a) The customer is obliged in the first instance to claim damages from other parties and can only claim damages from SHWire to the extent that **compensation** cannot be obtained **from another party**.

b) The customer is required in the first instance to **rely on other remedies** and can only claim damages in the event of a continuing deficiency. The customer cannot claim damages as an alternative to other remedies.

c) **SHWire is not liable** for the conduct of suppliers, subcontractors, carriers, or freight-forwarders, for damages to which the customer has contributed or for the consequences of customer interference with the security and/or safety measures of the delivered goods. SHWire is not liable if the contract cannot be performed as agreed at the time of its formation due to statutory or sovereign measures. Neither is SHWire liable for impediments which occur, as a consequence of natural or political events, pandemics, industrial disputes, sabotage, accidents, terrorism, biological, physical or chemical processes or comparable circumstances and which cannot be controlled by SHWire with reasonable means. Moreover, **SHWire is only liable** for injury culpably caused to life, body or health of persons or to the extent that the customer proves that the executive bodies or members of staff of SHWire have deliberately, or grossly negligent breached obligations owed to the customer.

d) In the event of liability, SHWire will compensate within the limits of lit. e) the **losses** of the customer to the extent that the customer proves that he has suffered losses that cannot be avoided in any other way, that this loss was caused by a breach of an obligation owed to the customer by SHWire and that the occurrence of the loss and the amount of the loss were **foreseeable** for SHWire as a result of the breach of obligation when the contract was concluded. Moreover, the customer is required to **mitigate his loss** as soon as a breach of contract is or ought to be known.

e) SHWire is **not liable** for loss of profit or damage to reputation. Moreover, the **amount of damages** for late or non-delivery is limited to 0.5 per cent for each full week of delay, up to a maximum of 5 per cent, and in case of remedies because of delivery of non-conforming goods and/or goods with a deficiency in title is limited to an amount of 200 per cent of the value of the non-conforming part of the contract. However, this subparagraph does not apply to injury of life, body or health of persons or to intentional concealment of the non-conformity or deficiency in title of the goods.

f) For breach of contractual, pre-contractual or obligations resulting from the business relation owed to the customer, SHWire is obliged to pay damages exclusively in accordance with the provisions of these International Conditions of Sale. Any recourse to **concurrent bases of claim**, in particular of a non-contractual nature, is excluded. Equally excluded is any recourse against SHWire's company organs,



employees, servants, members of staff, representatives and/or those employed by SHWire in the performance of his obligations on grounds of breach of obligations owed by SHWire.

g) Insofar as the limitation period may not already have barred the claim or subject to damage caused intentionally, claims for damages brought by the customer are excluded after **six (6) months** beginning with the rejection of the claim for damages by SHWire.

2. Irrespective of continuing statutory or contractual claims, the **customer** is obliged to pay **damages** to SHWire as follows:

a) In the event of **delay in payment**, the customer will pay a lump sum of EUR 50.00, the costs of arbitral, judicial and extra-judicial means and proceedings, usual and accruing within the country and abroad, as well as (without evidence being necessary) interest at the rate applicable in 32676 Lügde/Germany for unsecured short-term loans in the agreed currency, at least however interest at 9 per-cent points over the base rate of the German Federal Bank (Deutsche Bundesbank).

b) In the case of a **late taking delivery** of the goods by the customer by more than two (2) weeks, SHWire is entitled to claim damages without evidence being necessary of 5 per cent of the value of the goods to be delivered. In the case of a late taking delivery of the goods by the customer by more than six (6) weeks or an entire failure to take delivery as well as in the event of non-delivery due to a breach of contract by the customer, SHWire is entitled to claim **damages without evidence being necessary** of 20 per cent of the value of the goods to be delivered.

c) In the event of **other breaches** of obligations, the customer shall pay damages in accordance with the statutory provisions.

d) If the contract has been **avoided by the customer** without justification, SHWire is entitled, insofar as he consents to the avoidance, to claim damages without evidence being necessary in the amount of 20 per cent of the value of the goods to be delivered.

3. Within the bounds of what is legally possible as well as within what is usual in the trade, the **customer** is in his commercial relationships with his clients obliged to **limit his liability** both in principle and in amount.

## **VIII. Other Provisions**

1. **Title of the goods** that have been delivered **remains with SHWire** until settlement of all claims existing against the customer. The allocation of risk as to price and performance in section III.-9. is not affected by the reservation of title.

2. Barrels and spools delivered with the goods, for which a deposit has been charged in the invoice (IV. - 1.), remain the **property of SHWire** and are only temporarily given to the customer. The barrels and spools are to be given back to SHWire after being emptied. If the barrels and spools are returned in good condition within six (6) months of delivery, SHWire will give the customer credit for 90 per cent of the amount of the deposit and on the return of small quantities 87 per cent of the amount of the deposit.

3. Irrespective of continuing statutory or contractual claims, the customer will indemnify SHWire without limit against all claims of third parties which are brought against SHWire on the grounds of **product liability** or similar provisions, to the extent that the liability is based on circumstances which - such as, for example, the presentation of the product - were caused by the customer or other third parties without express written consent of SHWire. In particular, the indemnity also includes the reimbursement for expenses incurred by SHWire and is granted by the customer waiving further conditions or other objections, in particular without requiring compliance with control and recall obligations and waiving any defence of limitation.

4. The **place of delivery** results from section III.-5. of these International Conditions of Sale and applies likewise to the delivery of substitute goods or the repair of delivered goods. The **place of payment and performance** for all remaining obligations arising from the legal relationship between SHWire and the customer is 32676 Lügde/Germany. These provisions also apply if SHWire assumes the costs of money remittance, renders performance for the customer somewhere else or payment is to be made in exchange of documents or goods or in the case of restitution of performances already rendered. SHWire is also entitled to require payment at the place of business of the customer. The agreement of other clauses of the Incoterms or of clauses such as "delivery free....." or similar ones merely involve a variation of the provisions as to the transportation and the transportation costs; besides that, the provisions laid down in these International Conditions of Sale remain applicable.

5. In relation to pictures, drawings, calculations and other **documents** and computer-software, which have been made available by SHWire in a material or electronic form, the latter reserves all proprietary rights, copyrights, other industrial property rights as well as know-how rights.

6. Within the scope of the negotiation, performance and termination of the contract concluded with SHWire, the client shall ensure compliance with Regulation (EU) 2016/679 (General Data Protection Regulation) and other legal requirements applicable to the processing of personal data in the specific case, i.e. in particular the lawfulness and transparency of the processing and, if applicable, the transfer to third countries. In case of transfer of personal data from one party to the other, the responsibility of the receiving party starts from the moment of transfer of the personal data.

7. **Data attachments to e-mails** in pdf or TXT format shall be deemed to have been received upon receipt of the e-mail. The transmission of **electronic documents (EDI)** requires special agreements.

8. All communications, declarations, notices etc. are to be drawn up exclusively in **German or English**. Communications by means of fax or e-mail fulfil the requirement of being **in writing**.

#### **IX. Copper account**

1. If SHWire and the customer agree to establish a so-called "copper account", SHWire will credit to the account the **quantity of copper** which the customer has provided to SHWire in the form of old copper or copper obtained by the customer from other sources. Quantities in the copper account are in kilogrammes.

2. **Copper to be provided** must correspond with LME-registered Grade A electrolyte copper cathodes. It must either six weeks before the desired delivery date or with the ordering of the enamelled copper wire be available in completely fungible form without being bound to any copper wire rod. The delivery and the place of delivery is to be agreed with SHWire. The copper account will be kept under continuous observation by SHWire for compliance with the conditions set out above. The holder of the account will be informed about the quantity of copper so ascertained regularly. The quantity to be provided shall be at least 5,000 kg.

3. On the **delivery of copper** wire to the customer, the copper proportion will be debited to the copper account. If on the day of delivery, there is no or no sufficient copper available in the copper account, the quantity of copper lacking will be charged at the agreed copper price.

4. On taking delivery of the copper delivered by the customer for **further processing or transformation**, the credit for the metal content is given exclusively on the basis of the weights ascertained on entry to SHWire's warehouses. SHWire and the customer agree, that the ownership of copper so delivered transfers to SHWire on receipt by SHWire or its agents. The contractual rights of the customer against SHWire are not affected. Any payment due can be made in metal (copper) or money at SHWire's option.

5. In the case of a **copper account** which is in deficit, the availability of discount (clause IV.-2.) lies in SHWire's complete discretion.

#### **X. General Basis of Contracts**

1. The United Nations Convention of 11 April 1980 on Contracts for the International Sale of Goods (**UN Sales Convention / CISG**) in the English version governs the legal relationship with the customer. The UN Sales Convention applies above and beyond its own area of application and regardless of reservations adopted by any state, to all contracts to which these International Conditions of Sale are to be applied according to the provisions of section I. above. Where commercial terms are used, in case of doubt the **Incoterms® 2020** of the International Chamber of Commerce apply taking into account the provisions stipulated in these International Conditions of Sale.

2. The **formation of contract**, including but not limited to agreements as to the jurisdiction of courts or arbitral tribunals, its amendments or alterations, and the contractual **rights and obligations of the parties**, also including but not limited to the liability for death or personal injury caused by the goods to any person and for non-compliance with pre-contractual and collateral obligations, as well as the interpretation are exclusively governed by the UN Sales Convention specified in section IX.-1. together with these International Conditions of Sale. Subject to differing provisions in these International Conditions of Sale, the rest of the legal relationship between the parties is governed by the Swiss Code of Obligations (Obligationenrecht).

3. All contractual and extra-contractual disputes as well as disputes under insolvency law, arising out of or in connection with contracts to which these International Conditions of Sale apply, including but not limited to their validity, invalidity, or cancellation as well as other disputes arising out of the business relationship with the customer shall be submitted to the Swiss Arbitration Centre and shall be finally resolved, without recourse to the ordinary courts of law, by arbitration according to the Swiss Rules of International **Arbitration** (Swiss Rules) in force on the date when the Notice of Arbitration is received in accordance with these Rules. The Tribunal shall consist of three (3) arbitrators, one (1) of them shall be nominated by the claimant, one (1) of them by the respondent and the chairman of the Tribunal shall be designated by the two arbitrators so nominated, or if the amount in dispute is inferior to € 250.000, there shall be one (1) arbitrator appointed according to the Swiss Rules of International Arbitration. The place of the arbitration shall be Zurich/Switzerland, the languages used in the arbitral proceedings shall be German and/or English. The competence of the Arbitral Tribunal excludes especially every statutory competence of state courts, which is provided by reason of a personal or substantive relation. If this arbitration clause is ineffective or ceases to be effective, the non-exclusive local and international jurisdiction of the courts which have jurisdiction for 32676 Lügde/Germany is agreed for any dispute instead. If the place of business of the customer is within the European Economic Area (EWR) or Switzerland, irrespective of any ineffectiveness of the arbitration clause and instead of bringing an action before the Arbitral Tribunal, SHWire is also entitled to bring an action before the State Court which has jurisdiction for 32676 Lügde/Germany or the State Court of the customer's place of business, or any national court with jurisdiction according to domestic or foreign law.

4. If provisions of these International Conditions of Sale should be or become partly or wholly ineffective, the remaining arrangements will continue to apply. The parties are bound to replace the ineffective provision with a legally valid provision as close as possible to the commercial meaning and purpose of the ineffective provision.

## **XII. "No Russia Clause"**

1. The customer shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any goods supplied under or in connection with an Agreement that fall

under the scope of Article 12g of Council Regulation (EU) No 833/2014.

2. The customer shall undertake its best efforts to ensure that the purpose of paragraph 1. is not frustrated by any third parties further down the commercial chain, including by possible resellers.

3. The customer shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of paragraph 1.

4. Any violation of paragraphs 1., 2. or 3. shall constitute a material breach of an essential element of this Agreement, and the SHWire shall be entitled to seek appropriate remedies, including, but not limited to: (1) termination of this Agreement; and (2) a penalty of 20% of the total value of this Agreement or price of the goods exported, whichever is higher.

5. The customer shall immediately inform the SHWire about any problems in applying paragraphs 1., 2. or 3., including any relevant activities by third parties that could frustrate the purpose of paragraph 1. The customer shall make available to the SHWire information concerning compliance with the obligations under paragraph 1., 2. and 3. within two weeks of the simple request of such information.