

General Terms and Conditions of Business

Terms of Sale and Delivery

1. General

- 1.1. The following General Terms and Conditions apply to all our sales, deliveries and services exclusively. General terms and conditions, in particular purchasing conditions of the buyer (purchaser), shall not be legally binding even if they are not explicitly rejected by us, even if the buyer (purchaser) excludes the effectiveness of deviating terms and conditions in their purchasing terms and conditions. The execution of the order furthermore represents acceptance of our General Terms and Conditions of Business, and can therefore under no circumstances be understood by the customer (purchaser) as tacit acceptance of their terms and conditions which may differ from our terms and conditions.
- 1.2. Any subsidiary agreements or assurances and any amendments or supplements to the contract and to our General Terms and Conditions of Business shall only be valid if and when they are confirmed by us in writing. Agreements of the buyer (purchaser) with representatives and agents of the seller shall be binding only after our written confirmation.
- 1.3. Should one or more provisions of these General Terms and Conditions of Business be or become ineffective, our General Terms and Conditions shall remain legally effective and binding in their remaining parts and provisions.

2. Consulting, offer and contract

- 2.1. We reserve our unrestricted proprietary and ownership rights to cost estimates, software, drawings and other documents (hereinafter: documents). The documents may only be made available to third parties with our prior consent. Should we not be awarded the contract, the documents must be returned to us immediately upon request. The before mentioned shall apply accordingly to the documents of the customer (buyer). The documents may be made available to such third parties to whom we have agreed to transfer deliveries.
- 2.2. We provide technical application advice to the best of our knowledge based on our experience and to the exclusion of any liability. All data and information on the suitability and application of our products are non-binding and do not release the customer (purchaser) from the obligation to carry out their own tests and trials.
- 2.3. Offers issued by us are generally subject to change without notice, unless they are explicitly designated as firm offers. The documents belonging to the offer, such as drawings, illustrations, dimensions and weights are, unless otherwise agreed, only approximate. Deviations do not entitle any party to make complaints or to demand price reductions.
- 2.4. Orders are only accepted if they have been formally confirmed by us in writing (letter or fax), by telephone or by e-mail.
- 2.5. We reserve the right to withdraw from the contract without claims of any kind being possible to hold against us, if the customer's ability to pay appears uncertain and the advance payment requested by us is therefore rejected by them.

3. Deliveries

- 3.1. Delivery deadlines begin after final clarification of the placed orders and receipt of all documents required for order processing (drawings, samples, etc.).
- 3.2. The agreed delivery dates will be met if possible. They assume compliance with the contractual obligation on the part of the primary material suppliers. We do not assume any liability for the observance of the delivery dates. Claims for damages by the customer (purchaser) due to late delivery, even after expiry of a period of notice granted to us, are excluded.
- 3.3. Partial deliveries are admitted as far as they are reasonably acceptable to the customer (purchaser).
- 3.4. In the event of force majeure or other extraordinary events for which we are not responsible (shortage of goods, shutdown of our operations or those of our suppliers, strike, lockout, mobilisation, war, riot or similar), which make the delivery impossible or significantly difficult, we shall be entitled to restrict or discontinue delivery or withdraw from the contract for the duration of the impediment and a reasonable restart period, without the customer (purchaser) being entitled to any claims for resulting damages or losses.

4. Packaging, shipping and transfer of risk

- 4.1. Unless otherwise agreed, the choice of packaging, mode of shipment and shipping route shall be made, to the exclusion of any liability, at our reasonable judgment.
- 4.2. Packaging will be charged in proportion and separately and will not be taken back.
- 4.3. Collars and lids will only be refunded if they are returned free of charge and in perfect, recyclable condition. Delivery drums, delivery containers and other transportation for wires, cables and strands will be charged separately and will be refunded if returned free of charge and in undamaged, clean condition. The amount of the calculation and compensation shall be governed by our respective current price lists.
- 4.4. The risk shall pass to the customer (purchaser) - even in the case of freight-free delivery - upon leaving our warehouse or the delivery plant to the customer (purchaser). At the written request and expense of the customer (purchaser), the goods shall be insured against damage caused in storage, by breaking, during transport and by fire.

5. Prices and payment, offsetting

- 5.1. Our prices are always quoted ex our warehouse or delivery plant excluding freight and packaging costs plus value added tax (VAT) at the respective statutory rate.
- 5.2. Copper prices: In the case of full-price transactions, the copper value SK copper basis UB according to the Südkupfer publication from the day before (date of stock exchange quotation) is added to the hollow price of the order confirmation plus 2% procurement costs as well as processing surcharge of 6.5% will be added to the hollow price. Furthermore, the respectively applicable value added tax (VAT) will be added. The SK copper base UB value (as before) or the procurement price shall be decisive if a cover is to be purchased at the above value is not possible. Reworking transactions require that the copper is released for our disposal at least 6 weeks before the desired delivery date or at the time of the order, at one of the magnet wire manufacturers named by us. If no copper is available on the delivery date, delivery will be made under the terms of the full-price transaction. For the calculation of the copper the date of the delivery note shall then be binding.
- 5.3. If a copper account has been set up for the customer with us, the customer shall constantly ensure that it is balanced. Should the copper account not be balanced at our expense, the customer shall be in default with regards to the copper values not balanced in accordance with clause 5.2. If the copper account is not balanced at our expense on the day of delivery, delivery shall be made at the conditions of the full-price transaction (clause 5.2). In addition, we explicitly reserve the right to suspension of delivery.
- 5.4. Unless otherwise expressly agreed, payment must be made without any deduction within 30 days of the invoice date. If payment is made within 14 days of the invoice date, a 2% discount is granted on the discountable amount shown separately in our invoices. Granting a discount requires the settlement of all previously due invoices. No discount shall be granted for any payments by bills of exchange.
- 5.5. Acceptance of discountable bills of exchange on account of payment shall be subject to our prior consent; they will be deemed to be payment only after they have been cashed. All costs associated with the acceptance and redemption of bills of exchange shall be borne by the customer (purchaser) and shall be payable immediately and net only.

- 5.6. Non-compliance with the terms of payment or circumstances which give rise to serious doubts about the creditworthiness of the customer (purchaser) shall result in the immediate maturity of all our claims. Furthermore, we shall be entitled to demand advance payments or securities for pending deliveries, to withdraw from the contract after a reasonable period of grace or to demand damages for non-performance; in addition, we shall be entitled to prohibit the resale of the goods and to retrieve goods that have not yet been paid for. The associated costs shall be borne by the customer (purchaser). Our claim for damages due to non-performance shall also include claims for reimbursement of futile expenses.

- 5.7. Payments may only be made to employees or representatives if they present a legally valid power of collection authorization.

- 5.8. If the customer (purchaser) is in default, he shall pay a rate of 10% p.a. interest for damage caused by default, unless we (seller) can prove a higher damage.

- 5.9. Our claims may only be offset against claims that are undisputed or have been legally recognised. Moreover, offsetting against our claims is excluded.

- 5.10. The customer (purchaser), if he/she is a registered merchant or trader, may not exercise a right of retention or the objection of a non-fulfilled or incorrectly fulfilled contract. A customer (purchaser) who is not a merchant may only exercise a right of retention if it is based on the same contract.

6. Retention of ownership

- 6.1. The goods (goods subject to retention of title) shall be delivered subject to retention of title and shall remain our property until full payment of all our claims arising from the business relationship.

- 6.2. The customer (buyer) may process and (or) sell the goods in the orderly course of business. However, they shall not be entitled to pledge the goods or to assign the goods as a security. Resale shall only be permitted on condition that the purchaser (reseller) receives payment from their customer or makes the provision towards their customer that ownership shall not pass to the customer until the customer has fulfilled their payment obligation.

- 6.3. The retention of title shall remain in full force and effect even if or when the goods are combined or mixed with other goods not originating from our supplies; retention of title shall then extend proportionally to the new product created by the processing or mixing.

- 6.4. In the event of resale, the purchaser (reseller) is obliged to reserve our ownership. He hereby assigns to us in advance his claims arising from any contract of sale until all claims against him to which we may be entitled have been settled. The purchaser (reseller) is authorised to collect the claims mentioned in this paragraph despite the above agreed assignment. Our authority to collect shall remain unaffected by the authorisation of the customer (reseller) to collect. We shall not collect the claims as long as the customer (purchaser) meets his payment obligations. At our request, the customer (purchaser) shall provide us with all information required for assertion of the rights and hand over the necessary documents

- 6.5. The purchaser (reseller) shall notify us immediately of any pledges, confiscations or other access by third parties. Furthermore, they are obliged to disclose our claims to third parties and to support us in every way in the exercise of our rights.

7. Warranty in case of defects/liability

- 7.1. If the delivered goods have a defect for which we or our suppliers are responsible, we shall, at our choice of options, repair the defective goods or make a corresponding replacement delivery. Further claims of the customer (purchaser) against us and our suppliers, in particular compensation claims for damage that did not occur to the delivered goods themselves are excluded.

- 7.2. Complaints about quality, type or quantity of the goods must be notified to us in writing without delay. The notification period for obvious defects is 8 days after receipt of the goods, for hidden defects at the latest one week after their detection. After expiry of these deadlines, any liability for defects, including liability for consequential damages, as well as warranty shall be excluded.

- 7.3. The correction of defects can be refused until the customer (purchaser) has fulfilled their due contractual obligations from other orders as well as that part of his obligations from the current order which corresponds to the value of the delivered defect item.

- 7.4. Complaints will generally not be acknowledged if changes have been made to the delivered goods without our consent or if a defect can be attributed to improper handling or storage.

- 7.5. All statutory and contractual claims of the customer (purchaser) arising from warranty expire 12 months after delivery.

8. Impossibility, default, breach of ancillary contractual obligations

- 8.1. If the impossibility or delay of our performance occurs during the default of acceptance or through the fault of the customer (purchaser), the latter shall remain obliged to compensation.

- 8.2. Compensation for damages due to delay, impossibility for which we are responsible or any other breach of contract (e.g. positive breach of contract, negligence in contracting (culpa in contrahendo)) can only be claimed against us if we, our legal representatives or our vicarious agents are guilty of intent or gross negligence. Also in these cases, compensation for damages due to delay or impossibility can only be claimed from us under the following restrictions:

- 8.2.1. Compensation for remote damages, for damages unforeseeable to us and for such damages which arise because the customer (purchaser) becomes liable to recourse against his other contractual partners shall be excluded, unless the customer (purchaser) had explicitly named his third contractual partner to us in writing at the time of conclusion of the contract, had described the performance obligations incumbent upon him towards this partner precisely in terms of content and had pointed out precisely the risk of damage based thereon.

- 8.2.2. The amount of compensation shall be limited to 10% of the performance to be rendered by the customer (purchaser).

- 8.3. All claims for damages against us due to negligent violation of the law are excluded, as far as non-contractual claims are concerned (tort liability, strict liability). If we or our legal representatives or those commissioned by us to carry out any activities violate the rights of employees or other contractual partners of the customer (purchaser) during the execution of the order, the purchaser shall be obliged to release us from any claims for damages of these third parties based thereon (e.g. during the assembly, modification or repair of the machines or systems delivered by us, in particular in a plant or factory of the customer (purchaser)).

9. Place of performance, jurisdiction, law

- 9.1. Place of performance for delivery is exclusively Dortmund, for payments of the customer (purchaser) also exclusively Dortmund.

- 9.2. Place of jurisdiction for both parts is exclusively Dortmund.

- 9.3. German law shall apply to the legal relationships in connection with our deliveries and services and our General Terms and Conditions. The United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded and not applicable.

- 9.4. Rights to which we are entitled under the statutory provisions of the Federal Republic of Germany shall not be affected by these General Terms and Conditions.

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