

Essex Furukawa Magnet Wire Germany GmbH ("Seller") General Terms of Sale

1. Conclusion and content of the Contract :

For all contracts, the written order confirmation of the Seller is required in conjunction with these Terms and Conditions of Sale. Offers of the Seller are subject to change without notice.

2. Prices:

Basis for the price calculation is provided by the offers or net price lists of the Seller valid on the day of delivery. The prices are usually "hollow costs", i.e., they do not include the price of metal.

Any agreements deviating from this, in particular for export business, require written confirmation by the Seller.

3. Purchase of copper - Provision of copper:

3.1 The Buyer may request the Seller to purchase copper for the manufacture of the products to be delivered to the Buyer. If the Seller agrees, he shall purchase copper for the Buyer in the agreed quantities for the agreed delivery period. The minimum quantity of copper to be purchased for the Buyer is 5 tons.

3.2 If the Seller purchases copper for the Buyer pursuant to Section 3.1, the Buyer irrevocably undertakes to purchase copper quantities until the end of the agreed delivery period which at least correspond to the quantity of copper purchased for the Buyer. At the latest 3 days before the end of the delivery period, the Buyer may request in writing an extension of the delivery period for the copper quantities not yet purchased by him. If the Seller agrees to the extension of the delivery period, the Buyer shall reimburse the Seller for all expenses incurred in connection with the extension of the delivery period, in particular the Seller's costs, which shall be charged at the 1-month EURIBOR interest rate applicable during the extension period (but at least 0%) plus 3.8% p.a. The interest rate may be adjusted by the Seller to normal market conditions at any time without notice. If the Buyer does not request an extension of the delivery period or does not request it in time or if the Seller refuses an extension of the delivery period, the Buyer shall reimburse the Seller on first demand for the acquisition costs of the quantities of copper purchased for the Buyer but not accepted by the Buyer (based on the contractually agreed copper price) as well as all expenses incurred by the Seller in connection with the acquisition of the copper.

3.3 In the case of futures contracts concluded for a delivery period of more than two months from the date of the futures contract, the following special conditions shall apply to the purchase of copper for the Buyer: If the Euro futures prices on the London Metal Exchange (LME) fall below the contractually agreed Euro LME price during the contractual delivery period and the Seller incurs a loss as a result, the Seller shall be entitled to demand an advance payment or margin compensation from the Buyer in the amount of the estimated loss. The advance payment or margin compensation is due upon receipt of the invoice.

3.4 If the Buyer provides the Seller with copper for processing (tolling), the Buyer shall make the copper available in the form of cathodes to the Cathode Recipient named by the Seller at the agreed time. The Seller shall deliver the processed product to the Buyer within a period of 6 weeks. The delivery period begins as soon as the Cathode Recipient has confirmed to the Seller that the copper to be provided has been received. The Buyer has no claim that the processed product is manufactured from the material provided by him. The Seller will only accept electrolytic copper cathodes grade A for copper supplies which are registered on the London Metal Exchange (LME) and are of European origin. In addition, the conditions of the Cathode Recipient apply. Copper accounts are continuously monitored by the Seller to ensure that the aforementioned conditions are met. The Buyer will be regularly informed by the Seller about the account balance. For quantities provided of less than 5 t, the Seller may demand EUR 2.50 per 100 kg of copper from the Buyer to cover its costs (account management and administration costs). In addition, the Seller reserves the right to refuse supplies of less than 5 t. If there is insufficient copper credit on the day of delivery, the Seller will charge the missing quantity at full price conditions (LME Copper Cash Settlement plus Aurubis premium, 2% procurement costs and 6.5% processing costs). In the event of a delay in the delivery of the copper cathodes, the Buyer shall reimburse the Seller for the costs incurred by the Seller due to the delay and the Seller shall be entitled to charge the Buyer interest, which shall be calculated in accordance with Section 3.2.

4. Pricing:

Unless otherwise agreed, the prices are EX Works.

Express freight charges shall in any case be borne by the Buyer.

5. Terms of payment:

The terms of payment can be taken from our offers or order confirmations. If no special conditions are agreed between the contracting parties, the invoice amount is to be paid immediately net cash.

Cheques and bills of exchange will only be accepted by prior agreement and only on account of payment. Discount charges and interest are to be reimbursed to the Seller. For payments of all kinds, the day of payment

is the day on which the Seller can dispose of the amount. In the event of non-compliance with the agreed terms of payment, all claims of the Seller shall become due immediately, irrespective of any bills of exchange or cheques received. The invoice is issued from the day of delivery or the day the goods are made available. At the beginning of the first day from the due date, customary commercial interest will be charged (due date interest), subject to the assertion of other rights.

6. Packaging and Spools:

Spools, containers and other packaging materials shall be provided by the Seller against payment. If returnable packaging is sent back to our address freight paid and in perfect condition within six months, a credit note will be issued in accordance with the agreement. For details, please refer to our enameled copper wire price list or the offers.

7. Delivery Date:

The delivery date agreed in the order confirmation requires a clarified order. The delivery date is subject to all reservations that may arise from unforeseen obstacles, both in the Seller's company and in those of his suppliers. The acceptance and execution of the orders are subject to the availability of the necessary raw materials.

8. Scope of Delivery:

We reserve the right to deliver more or less than the ordered quantity in the frame of plus/minus 10 % or filling weight of a delivery spool.

9. Transfer of Risk:

All risk shall pass to the Buyer when the consignment (goods and packaging) leaves the factory or is reported ready for dispatch or collection, even if the place of dispatch is not the place of performance. If goods are taken back for reasons for which the Seller is not responsible, the Buyer shall bear all risk until receipt by the Seller.

In the case of reworking material, the Buyer shall bear the risk until receipt at the Seller's works or the other storage location in the Federal Republic of Germany to be determined by the Seller.

10. Warranty and Liability of the Seller: Unless otherwise provided for in these General Terms and Conditions of Sale, the claims and other rights of the Buyer with respect to defects of quality, other breaches of duty and tortious acts on the part of the Seller shall be governed by the "General Terms and Conditions for the Supply of Products and Services of the Electrical Industry" ("Green Terms") as amended from time to time, and, subordinately, by the statutory provisions.

11. Force Majeure

11.1 The Seller shall not be in default and shall not be liable for damages or in any other way in cases of breaches of duty due to force majeure, i.e. strike, lockout or other operational disruptions (at the Seller's works, by the Seller's suppliers or the carriers or haulers of the Seller), fire, explosions, floods or other natural disasters, civil commotion, riots or armed conflicts (whether declared or not), terrorism, pandemics, epidemics, quarantines or other public health emergencies of similar nature, quota restrictions, shortages, rationing or allocation of supply or labor resources, materials, transportation, energy or infrastructure, accidents, default of subcontractors or suppliers, voluntary or involuntary compliance with legislative or executive acts (whether effective or not), embargoes or other reasons beyond the control of the Seller.

11.2 In the event of a delay in performance caused by force majeure, the delivery period shall be extended by the period necessary to overcome the effects of the delay in performance.

11.3 If, due to force majeure, delivery or performance is impossible or made so difficult that it cannot reasonably be expected of the Seller, the Seller shall be entitled to reduce the quantity of the products sold, to postpone dispatch or to cancel the contract with effect for the future, without the Buyer being entitled to any claims for damages or other compensation and without prejudice to the Seller's right to payment for any deliveries or services already provided.

12. Credit Basis:

Prerequisite for the obligation to deliver is the creditworthiness of the Buyer. If, after conclusion of the contract, the Seller receives information which makes the granting of a credit in the amount resulting from the order appear to be not unobjectionable, or if facts arise which give rise to doubts in this respect, in particular a considerable deterioration in the financial situation (execution, suspension of payments, settlement, insolvency, liquidation, transfer of business, pledging or assignment as security of goods, inventories or receivables, etc.) or if the Buyer does not pay due invoices despite reminders, the Seller shall be entitled to demand advance payment or security or cash payment without regard to conflicting earlier agreements or to withdraw from the contract or to claim damages for non-performance.

Under the same conditions, the Seller shall be entitled at any time to demand the return of the goods subject to retention of title against offsetting of the amount realized. The Buyer may be prohibited from reselling the goods subject to retention of title.

13. Retention of Title:

The Seller shall retain the title to the goods delivered by him until all his claims arising from the business relationship with the Buyer have been satisfied. Any processing or treatment shall be carried out by the Buyer on behalf of the Seller, without any obligations arising for the Seller. If the Buyer processes reserved goods with other goods, the Seller shall be entitled to co-ownership of the new products in the ratio of the value of the processed reserved goods to the other goods at the time of processing or treatment. The Buyer hereby assigns to the Seller any co-ownership rights that may arise from the combination, blending or mixing of the delivered goods with other goods. The Buyer shall hold the products as a custodian for the Seller with commercial care. Upon request, the Buyer shall provide the Seller at any time with information on the stock and condition of the Seller's goods in his possession. The Buyer may only sell the delivered goods and the products resulting from their treatment or processing, their combination, blending and mixing in the ordinary course of business. Transfer by way of security, pledging and other disposals endangering the rights of the Seller are not permitted. The new object created by combining, mixing or blending serves as security for the Seller only to the amount of the sales price of the delivered reserved goods. The new item shall be deemed to be reserved goods within the meaning of this provision. The Buyer hereby assigns to the Seller as security the claims to which the Buyer is entitled from the resale or on any other legal grounds concerning the reserved goods to the value of the reserved goods resold. At the request of the Seller, the Buyer shall be obliged to notify his buyers of the assignment and to provide the Seller with the information and documents required to assert his rights. As long as the Buyer meets his obligations, he is authorized to collect the assigned claims. If he is in default, he shall pay the amounts received for the assigned claims to the Seller immediately. The other claims of the Seller arising from the default of the Buyer shall not be affected by this.

If the value of the securities exceeds the claims of the Seller by more than 20 %, the Buyer shall be entitled to demand the release of the securities to this extent.

The Buyer shall notify the Seller immediately of any access by third parties to the reserved goods or the assigned claims, handing over the documents necessary for intervention. The Buyer shall bear the costs of the intervention.

14. Industrial Property Rights of Third Parties:

If industrial property rights of third parties are infringed upon by deliveries according to drawings or other information provided by the Buyer, the Buyer shall indemnify us against all claims.

15. Return Shipments:

Goods will be taken back after prior written agreement.

16. Governing Law, Place of Performance and Jurisdiction:

These Terms and Conditions of Sale shall be governed by the laws of Germany excluding the UN Convention on Contracts for the International Sale of Goods (CISG).

Place of performance: Bad Arolsen

Place of jurisdiction: Korbach

17. Applicability:

Unless otherwise provided for in these General Terms and Conditions of Sale, the Green Terms shall apply as amended from time to time, and, subordinately, the statutory provisions.

These General Conditions of Sale shall apply exclusively. Any deviating, conflicting or supplementary general terms and conditions of the Buyer shall only become part of the contract if the Seller has expressly agreed to their validity in writing. This shall also apply if the Seller delivers to the Buyer without reservation in the knowledge of the Buyer's general terms and conditions.

Should any provision of these General Terms and Conditions of Sale be invalid, the validity of the remaining provisions of these General Terms and Conditions of Sale shall remain unaffected. In such a case, the Buyer shall be obliged to reach an individual written agreement with the Seller regarding the invalid provision which comes closest to the economic purpose of the invalid provision.

These General Terms of Sale may be written in both a German and an English version. In case of contradictions between the German and the English version of these General Terms of Sale, the German version shall prevail.