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International Purchasing Conditions for Suppliers not Resident in Germany

I. Application of these International Purchasing Conditions

1. These International Purchasing Conditions apply to all suppliers to Schwering & Hasse Elektrodraht GmbH - hereinafter referred to as SHWire - whose place of business is not in Germany. For suppliers, whose place of business is in Germany, SHWire's General Purchasing Conditions (Allgemeine Einkaufsbedingungen) apply, which will be forwarded on request.

2. These International Purchasing Conditions apply to all contracts which are concluded as of July 1st, 2022 and whose preponderant object is the delivery of goods and/or software, hereinafter collectively referred to as the Goods, to SHWire. Additional obligations assumed by the supplier do not affect the application of these International Purchasing Conditions.

3. Conflicting or differing terms of business of the supplier do not bind SHWire, even if SHWire does not object specifically or unconditionally renders performance or accepts the supplier's performance. Equally, SHWire is neither bound, insofar as the terms of business of the supplier, irrespective of the contents of these International Purchasing Conditions, deviate from statutory provisions.

II. Formation of the Contract

1. The supplier is under an obligation to give written notice to SHWire prior to the formation of the contract if the goods to be delivered are not fit without restrictions for the purpose made known to the supplier or for the purpose provided in the contract, if particular safety regulations are to be observed when handling the goods to be delivered, or if a risk to health, safety or the environment or a risk of atypical damages or unusual amounts of loss might be associated with the goods to be delivered of which the supplier is or ought to have been aware. Furthermore, the supplier is under an obligation to give written notice to SHWire prior to the formation of the contract if statements regarding the goods to be delivered made by the supplier or by third parties in adverts, prospectuses or other public announcements whether in or outside Germany of which the supplier is or ought to have been aware, cannot in each and every respect be complied with.

2. Offers of the supplier have to be set out in writing. If the supplier's offer deviates from the inquiry or order submitted by SHWire, the supplier will emphasize the



deviations as such. Illustrations and drawings accompanying the inquiry or order as well as details of amounts, size and weight are binding.

3. All orders, in particular also those placed by employees of SHWire, will become binding exclusively through SHWire's written order confirmation. The actual taking delivery of the goods, the payment for such goods or any other conduct of SHWire or silence does not allow the supplier to assume the formation of the contract. SHWire can dispatch such written order confirmation up to and including fourteen (14) calendar days after the supplier's offer has been received by SHWire. Until this time, the supplier's offer is irrevocable.

4. SHWire's written order confirmation becomes effective as soon as it is received by the supplier. In any case, the supplier shall inform SHWire without delay, if the written order confirmation is not received by him within fourteen (14) calendar days of its date of issue. If, however, SHWire requires the supplier to sign SHWire's order confirmation, the contract becomes effective only if a copy of the written order confirmation validly signed by the supplier is received by SHWire within a period of fourteen (14) calendar days from the date of issue of the written order confirmation.

5. SHWire's written order confirmation sets out all the terms of the contract and brings the contract into effect even if - apart from the description of goods, purchase price and quantity to be delivered - it deviates from the declarations of the supplier in any other respects, especially with reference to the exclusive application of these International Purchasing Conditions. The contract will only fail to come into existence if the supplier objects in writing that SHWire's order confirmation is not completely consistent with the declarations of the supplier, specifies the inconsistencies in writing and the objection is received by SHWire within a short time, at the latest seven (7) calendar days, after receipt of the written order confirmation by the supplier.

6. Any restriction of SHWire's legal rights or of the rights granted by these International Purchasing Conditions, namely any limitation to or any exclusion of statutory remedies, guarantees, warranties or assurances by the supplier in relation to the goods or the execution of the contract as well as method and extent of examinations and acceptance tests to be conducted by SHWire, require in each individual case the express and written agreement of the parties.

7. Order confirmations or standard terms and conditions sent by the supplier after SHWire's written order confirmation remain without effect without any objection by SHWire being necessary. In particular, neither the actual taking delivery of the goods, their payment or other conduct of SHWire or silence shall justify the supplier's reliance on the relevance of its order confirmation or standard terms and conditions.

8. SHWire's employees or agents are not authorized to dispense with the requirement of SHWire's written order confirmation or to make promises which differ from its content. If and to what extent such persons are authorized to make or receive declarations with effect for or against SHWire, is to be determined exclusively according to German law.

9. Against reimbursement of the supplier's proven and reasonable expenses caused thereby, SHWire after formation of the contract is entitled to change the order for the goods to be delivered or to cancel part of the contract already made. In the case of a partial cancellation the supplier is also to be reimbursed for that part of its profit proven and lost by the cancellation.

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

III. Obligations of the Supplier

1. The supplier shall fulfil all obligations incumbent on him on the basis of SHWire's written order confirmation and these International Purchasing Conditions and, in addition, the obligations incumbent on him on the basis of statutory provisions and the rules of the ICC relating to the DPU Incoterms® 2020 clause, in particular to deliver the goods listed in SHWire's written order confirmation in the agreed type and quantity for free disposal by SHWire. The supplier must fulfil any guarantees and other promises made by him, without these having to be confirmed in writing.

2. Subject to further commitments by the supplier or further specifications in SHWire's written order confirmation, the supplier is obliged to hand over goods to SHWire in the quality and packaging and with the markings and labels that comply with the latest developments of science and engineering and with the regulations, standards and product law requirements that apply to making the goods available on the market in Germany, namely also with regard to product safety, accident prevention, health protection



and safety at work, non-use of prohibited substances, compliance with limit values, etc.. The supplier shall also permanently mark the goods as its products. The name of the manufacturer and the date of manufacture shall be placed on the goods and remain permanently recognizable. The supplier guarantees without limitation that the goods do not have any deviations which could result in impairments of the customary use or economic value in Germany or of the intended purpose made known to the supplier. The agreement of other clauses of the Incoterms or other delivery clauses is a deviating regulation of the transport and the transport costs and does not change the regulations made in this paragraph.

3. The supplier guarantees that at the time of delivery the goods are free from rights or claims of third parties, in particular those arising from ownership or from industrial or other intellectual property, which may affect the unrestricted usability of the goods by SHWire in the European Union.

4. Without explicit written consent by SHWire in each case the supplier is not allowed to entrust subsuppliers the performance of its obligations owed to SHWire if such sub-contracting can result in legal consequences regarding the contractual relationship with SHWire.

5. Irrespective of other information duties, the supplier must give SHWire reasonable advance notice in writing of the delivery, examine the goods as close in time as possible prior to handing them over to SHWire to the same extent as SHWire is obliged to examine incoming goods and record the result of the examination in writing.

6. The transport and the custody of the goods until they are taken over by SHWire is the sole responsibility of the supplier. In particular the supplier is responsible to SHWire for ensuring that the goods are packed appropriately for transport, loaded safely, and transported on means of transport suitable for their carriage. The agreement of other clauses of the Incoterms or other delivery clauses is a deviating regulation of the transport and the transport costs and does not change the regulations made in this paragraph.

7. Notwithstanding the provision in IV.-3. and notwithstanding the customs declaration by SHWire, the supplier is responsible for the Entry Summary Declaration and the Customs Arrival Declaration and Presentation of the goods, warrants compliance with customs, import and security regulations applying to the goods in Germany at the time of delivery and guarantees SHWire that the goods meet all requirements for importation into Germany. The supplier confirms above all that the goods are not subject to any foreign trade restrictions and will obtain the data and documents required for the customs declaration and hand them over to SHWire in 32676 Lügde /Germany with reasonable lead time. The supplier confirms furthermore that he is not affected by governmental sanctions in foreign trade law, that he is not listed for violating foreign trade law provisions and that he will refrain from doing anything that could result in sanctions under foreign trade law. The supplier shall also obtain all licences, permits, certificates of origin, movement and preference certificates, certificates and other documents required for obtaining tax concessions in the European Union and hand them over to SHWire in 32676 Lügde/Germany. Suppliers from the European Union must also submit a longterm supplier's declaration. The agreement of other clauses of the Incoterms or other delivery clauses is a deviating regulation of the transport and the transport costs and does not change the regulations made in this paragraph.

8. The supplier shall hand over the goods to SHWire unloaded at the place of delivery indicated in the written order confirmation or - if a place of delivery is not indicated - at the premises in 32676 Lügde/Germany. Only the employees of the warehouse and of the shipping department of SHWire are entitled to receive the goods. The supplier must ensure that at least one full working day is available for unloading an FCL container. In the case of drop shipment deliveries, the supplier is additionally obliged to notify SHWire in writing of the delivery made to the consignee. The agreement of other clauses of the Incoterms or other delivery clauses is a deviating regulation of the transport and the transport costs and does not change the regulations made in this paragraph.

9. Every delivery must be accompanied by a delivery note in which the order number of SHWire's order confirmation and for each type of goods the applicable customs tariff number are clearly highlighted. Invoices, delivery notes and transportation documents must correspond to the details in SHWire's order confirmation, comply with all legal requirements and first copies are to be forwarded to SHWire separately by post and additionally by electronic means. Invoices must clearly state the order number and the date of SHWire's order confirmation as well as the supplier's tax number and VAT identification number. Partial deliveries agreed upon or final instalment deliveries



are to be identified as such in the delivery note and in the invoice.

10. The supplier shall fulfil all obligations incumbent upon him in good time. Strict compliance with agreed dates or periods for delivery shall be a fundamental obligation of the supplier. SHWire is entitled to select the date of delivery within an agreed period. The supplier is not entitled to make part deliveries or to invoice them separately. Notwithstanding any other claims of SHWire, possible delays in delivery must be communicated to SHWire in writing immediately after facts that might lead to a delay become known, stating the new delivery date. The supplier is entitled to perform its obligations outside the agreed dates or periods only insofar as SHWire has agreed thereto in writing in each individual case.

11. The supplier is obliged to use exclusively environmentally friendly packaging material and to collect packaging material and delivered goods, insofar as these are to be disposed of and disposal is not otherwise ensured, at its own expense from the place of delivery indicated in the written order confirmation or - if a place of delivery is not indicated at the premises in 32676 Lügde/Germany or to take them back from third parties. Irrespective of any statutory provisions, the supplier shall at its own expense take care of or in any other way ensure renewed utilization, material recycling or otherwise prescribed waste-disposal of the goods delivered and of the packaging material and at the request of SHWire provide relevant evidence.

12. Agreed penalties or liquidated damages or both shall be paid in addition to the agreed services, do not exclude the claim for further damages and are not affected by an unconditional taking of the delivery.

13. Statutory rights of the supplier to exercise a lien or to suspend performance and to raise defences or counterclaims are excluded, except where the corresponding claim of the supplier is due and undisputed or has been finally adjudicated upon or where despite written warning SHWire has committed a fundamental breach of its obligations due and arising out of the same contractual relationship and has not offered any adequate assurance.

14. The supplier assures to fulfil all requirements prescribed for the making available of the goods on the market in Germany, namely notification, communication and registration obligations and to communicate issued registration numbers as well as other proofs to SHWire in writing without being asked.

15. The supplier undertakes to ensure that the legal provisions and internationally recognised standards for the protection of the environment and respect for human rights, in particular prohibitions of child and forced labour and discrimination, regulations on minimum wages and occupational health and safety and fundamental workers' rights are complied with throughout the entire supply chain of the goods to be delivered to SHWire. At SHWire's request, the supplier shall provide evidence of compliance with these obligations by procuring and transmitting suitable documents.

IV. Obligations of SHWire

1. SHWire is obliged to pay the agreed purchase price. Payment shall be made on the due date, subject to subsequent check the invoice, by transfer to a banking institution with which the supplier maintains business relations. There are no obligations on the part of SHWire to secure or to enable payment.

2. The supplier's claim to payment of the purchase price is dependent on the goods and documents being handed over to SHWire beforehand in full and in accordance with the contract. Without prejudice to the compliance with more far-reaching legal requirements, the payment is due within fourteen (14) days with an application of a discount of 3% or within thirty (30) days net. The payment period does not start before SHWire has received a due and proper invoice.

3. The price shall cover all of the supplier's services including any ancillary costs, in particular customs duties, taxes and charges for export and transit as well as bank charges accruing outside of Germany. SHWire shall pay the import turnover tax (Einfuhrumsatzsteuer) accruing in Germany as well as other duties to be paid upon import clearance. Any increase in the price agreed at formation of the contract - irrespective of the legal ground - is excluded.

4. Third parties not involved in the conclusion of the contract are not entitled to request payment. The supplier's entitlement to receive payment shall also remain if he assigns claims arising from the contract to third parties.

5. Statutory rights of SHWire to reduce the price or to exercise a set-off against the price or to suspend the performance of its obligations and/or to raise defences or counterclaims are not restricted by the provisions



laid down in these International Purchasing Conditions and SHWire shall be entitled to these rights even if cash-payment terms are agreed or the claims result from different contracts. Without any previous notice to the supplier being necessary, SHWire is entitled to suspend the performance owed by SHWire, so long as in SHWire's view there is a concern that the supplier will not fulfil its obligations resulting from the present or any other contract concluded with SHWire and not yet completely fulfilled, in whole or in part, in accordance with the contract. SHWire is also entitled to exercise a set-off against the price or to suspend the performance of its obligations or to raise defences or counterclaims when the claim against the supplier is contested by the supplier, has been acquired by SHWire by assignment or SHWire is entitled to request payment for any other reason or when the claim exists but has not yet fallen due or is in another currency or is subject to the exclusive jurisdiction of a court or an arbitral tribunal different to that provided for the claim of the supplier. SHWire is also entitled to set off claims against the supplier which SHWire has against other companies belonging to the same group of companies as the supplier.

6. SHWire is not obliged to perform any obligations which are not laid down in SHWire's written order confirmation or in these International Purchasing Conditions.

7. The taking delivery of the goods by SHWire is subject to the proviso that the goods are in every respect in conformity with the terms of the contract, these Inter-national Purchasing Conditions and the applicable statutory provisions and free from rights or claims of third parties.

V. Non-conforming Goods

1. Further to statutory non-conformities, goods do not conform with the contract if they do not conform with the requirements set out in sections III.-1., III.-2., III.-3. and III.-7. or with assertions in adverts or with declarations made by the supplier to SHWire or with other legal provisions applicable within the European Union, if claims in favour of a third party based on product liability law or similar provisions occur due to the goods or if rights or claims of third parties, in particular those based on title, industrial property or other intellectual property are claimed. any Notwithstanding sentence 1, the goods are not nonconforming if a different term is set out in SHWire's written order confirmation or the supplier proves that SHWire was well aware of the non-conformity when

the contract was concluded and agreed accept the goods despite the non-conformities.

2. Likewise, the confirmation to SHWire by the supplier as to the quality or suitability requested of the goods constitutes an unconditional and unrestricted guarantee of the supplier unless the supplier has advised SHWire in writing that he cannot give such a guarantee. The same applies to all references made by the supplier to generally accepted standards or quality marks or to similar declarations by the supplier indicating that the goods have certain qualities and/or are suitable for a particular purpose. In the case of subsequent transactions concerning the same type of goods the confirmations, references or other declarations of the supplier shall continue to apply without requiring any special mention.

3. With the exception of very obvious nonconformities, the duty to examine the goods arises when the goods are processed or used by SHWire, however at the latest half a year after their handingover to SHWire. The duty to examine exists only in respect of typical deviations of a factual kind in type, quantity, quality and packaging of the goods delivered and is sufficiently fulfilled by applying SHWire's usual methods of examination and limiting it to spot checks. In the case of delivery in instalments or of part deliveries, the examination of only individual deliveries shall suffice. The consulting of experts, damage assessors, inspection offices or other external third parties is not required. SHWire has no obligation to examine the goods in respect of compliance with legal rules or whether they are free from rights or claims of third parties. If the supplier delivers late, the duty to examine is waived insofar as an adequate time for examination is no longer available in consequence of the late delivery. If the supplier remedies a nonconformity, the duty to examine is suspended until SHWire has received a written notice of the supplier stating that the remedial measure has been completed. With the exception of very obvious nonconformities, there is no obligation to examine where goods are sold on unchanged.

4. SHWire shall give notice of very obvious nonconformities within five (5) working days after the handing-over of the goods to SHWire and of nonconformities discovered pursuant to the examination, within ten (10) working days after the completion of the examination of the goods. Notice of nonconformities not discovered by the examination shall be given within fifteen (15) working days after the nonconformity and the supplier's responsibility therefor are finally determined and at the latest until the



expiration of the limitation period. There is no obligation of SHWire to give notice if the supplier knew or could not have been unaware of the lack of conformity. Apart from that, the notice shall be given to the supplier or to its agents. The notice shall describe the non-conformity in general terms; greater details as to the type of non-conformity or the extent of the goods affected are not required. If necessary, the supplier is obliged to request further details in writing from SHWire on the type of non-conformity or the extent of the goods affected. Rights or claims of third parties regarding the goods can be given notice of at any time without complying with any time limit.

5. Without prejudice to its continuing contractual or statutory rights, SHWire is according to these International Purchasing Conditions entitled to rely on the remedies provided in section V.-6. if the goods do not conform with the contract under the terms of these International Purchasing Conditions at the time the notice periods stipulated in section V.-4. commence, unless the supplier sets forth that the non-conformity with the contract was caused after the taking over of the goods and is attributable to SHWire's sphere of responsibility.

6. Irrespective of any fortuitous damage to the goods after risk has passed, SHWire is entitled in the case of delivery of non-conforming goods to rely on the remedies provided by law and/or to advance extracontractual claims. Delivery of substitute goods and avoidance of the contract are not conditional on a fundamental breach of contract or the intact restitution of the non-conforming goods, can be claimed beyond the extent of the non-conforming goods for the whole contract and shall be declared at the latest four (4) months after the notice of the non-conformity. If reduced quantities are delivered SHWire is entitled to reduce the purchase price without further ado. Excess quantities delivered may be rejected totally or partly by SHWire without a notice of non-conformity being necessary. Moreover, the stipulations in VI.-2. on the avoidance of the contract and in section VII.-2. on damages apply to the delivery of non-conforming goods as well. Until the complaint has been settled completely, SHWire is in addition entitled to retain from the purchase price up to 3 times the costs of repair. SHWire is also entitled to demand reimbursement of pro rata overheads and expenses incurred by SHWire, irrespective of other claims. This also applies to services provided by SHWire to its customers or other third parties insofar as they are the result of non-conformities attributable to the supplier according to these International Purchasing Conditions and the underlying obligations were not

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entered into by SHWire after the non-conformity had been discovered. The supplier is further obliged to pay a processing fee of Euro 150,00 to SHWire for each non-conformity.

7. The limitation period for remedies begins with the contractual taking over of the goods by SHWire and after complete performance of all of the supplier's primary obligations. In no case shall the limitation period expire before the expiration of six (6) months from the giving of notice of the non-conformity if the notice was given before the limitation period elapsed. Art. 39 para. 2 CISG is excluded. The limitation period for remedies of SHWire against the supplier in respect of violation of third parties' rights or claims is ten (10) years.

VI. Avoidance of the Contract

1. Complying with the legal requirements the supplier is entitled to declare the contract avoided after he has threatened SHWire with avoidance of the contract in writing and a reasonable additional period of time for performance given in writing has expired to no avail. The notice of avoidance of the contract is to be given to SHWire directly within a reasonable time and in writing.

2. Without prejudicing its other legal rights, SHWire is entitled to avoid the contract in whole or in part if the implementation and/or performance of the contract is or becomes prohibited by law, if the supplier or its direct or indirect suppliers violate provisions for the protection of the environment or respect for human rights, if the supplier objects to the application of these International Purchasing Conditions, if on grounds for which SHWire is not responsible the written order confirmation by SHWire is received by the supplier more than fourteen (14) calendar days after its date of issue, if insolvency proceedings are applied for or commenced relating to the assets of the supplier, if SHWire will be obliged to pay additional import dues like punitive tariff duties, which were not imposed when the contract was concluded, if the supplier without providing a reason justifiable in law does not meet fundamental obligations due towards SHWire or towards third parties, if according to these International Purchasing Conditions and due to the delivery of non-conforming goods SHWire is entitled to remedies, if the supplier has violated other obligations despite expiry of a grace period set by SHWire, or if SHWire cannot be expected to fulfil its obligations by means, which taking into consideration its own interests and that of the supplier 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.

VII. Damages

1. The supplier is entitled to claim damages from SHWire in case of unjustified late payment. Damages amount to a flat interest rate of 2% per annum above the base interest rate of the German Federal Bank (Deutsche Bundesbank) or if the payment is not to be made in Euro, above the official rate of discount of the currency in which payment is due applicable during the unjustified retention of payment. With the exception of blameworthy injury of life, body or health, of damages due to intentional harm or gross negligence by the organs or executive employees of SHWire and of obligatory product liability, any claim by the supplier on any other ground to damages, to further interest or to an indemnity against any other kind of damages is excluded.

2. Without prejudice to other claims inclusive claims of an extra-contractual nature and without any restriction, SHWire is entitled to claim damages from the supplier instead of or in addition to any other remedy for every kind of breach of contract. The taking of delivery of the goods or the paying of the purchase price without any reservation shall not result in a waiver of the right to damages. Without prejudice to any further reaching legal rights, the damages to be compensated shall comprise all direct and indirect expenses, losses and inconveniences caused to SHWire by the breach of contract, unless the supplier proves that the extent of the damages was foreseeable neither at the time of formation of the contract nor during its performance. Without prejudice to the supplier proving that damage was either not caused or was caused in a significantly smaller amount, and without prejudice to SHWire claiming further damages, in each case of late delivery or non-delivery by the supplier SHWire is entitled to claim liquidated damages of 0.5 % of the value of the respective goods for each week of delay commenced, up to a maximum of 10 %, without any evidence being necessary.

VIII. Other Provisions

1. On delivery the goods as well as all related papers and documents become the unrestricted property of SHWire. If a reservation of title in favour of the supplier has been agreed, this has only the effect of a simple reservation of title; in addition, SHWire is entitled, regardless of the reservation of title, to utilise the goods at any time without any restrictions, namely by processing the goods and/or selling them, as well as by transferring property in the goods to third parties even when such utilisation has the consequence of destroying the reservation of title.

2. Without prejudice to continuing claims, the supplier will furnish the due particulars and technical documentation regarding the goods in writing to SHWire and give SHWire unlimited security or compensation on first demand and waiving all further conditions or other defences, in particular waiving the observing of all duties of examination, notifying, control or recall or the prior taking of administrative or legal proceedings as well as waiving the defence of limitation if in consequence of an administrative order SHWire is threatened with detriment or if SHWire is subject to administrative fines or if SHWire suffers of other detriment and the administrative order is based on provisions of product law, the observance of which is according to these International Purchasing Conditions within the supplier's sphere of obligation. The same applies if SHWire is obliged on the basis of applicable statutory provisions to recall goods, which have been delivered by the supplier or which contain parts delivered by the supplier as far as their causation for the recall of the goods cannot be excluded.

3. The place of delivery results from section III.-8. of these International Purchasing Conditions and applies also to the delivery of substitute goods or repair. The place of payment and performance for all the rest of obligations arising from the legal relationship between SHWire and the supplier is 32676 Lügde/Germany. This provision also applies if the supplier renders performance for SHWire somewhere else or payment is to be made against the handing over of the goods or documents or in the case of restitution of performance already rendered. The agreement of other clauses of the Incoterms or other delivery clauses is a deviating regulation of the transport and the transport costs and does not change the regulations made in this paragraph.

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

5. Subject to written objection by the supplier, personal data, which SHWire receives from the



supplier in the execution of activities covered by these International Purchasing Conditions, are processed by SHWire and service providers located in Germany or abroad or both.

6. The transmission of electronic documents (EDI) requires special agreements.

7. The limitation period for claims of SHWire against the supplier due to incorrect information regarding the obligations incumbent on the supplier according to section III.-7. or section III.-14. shall be ten (10) years.

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. General Basis of Contracts

1. The United Nations Conventions of 11 April 1980 on Contracts for the International Sale of Goods (UN Sales Convention / CISG) and on the Limitation Period in the International Sale of Goods, both in the English version govern the legal relationship with the supplier. The UN-Conventions apply above and beyond their own area of application and regardless of reservations adopted by any state, to all contracts to which these International Purchasing Conditions are to be applied according to the provisions of section I.-1. and I.-2. 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 Purchasing Conditions.

2. The formation of contract, including but not limited to agreements as to the jurisdiction of courts or arbitral tribunals, 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 precontractual and collateral obligations as well as the limitation of actions and the interpretation are exclusively governed by the UN-Conventions specified in section IX.-1. together with these International Purchasing Conditions. Subject to differing provisions in these International Purchasing Conditions, the rest of the legal relationship between the parties is by the Swiss law governed 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 Purchasing Conditions apply, including but not limited to their validity, invalidity, or cancellation as well as other disputes arising out of the business relationship with the supplier 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 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 \in 250.000, there shall be one (1) arbitrator appointed according to the Swiss Rules of International Arbitration. The place of the arbitration shall be Zürich/Switzerland, the languages used in the arbitral proceedings shall be German or English or both. 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 supplier 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 supplier's place of business, or any national court with jurisdiction according to domestic or foreign law.

4. If provisions of these International Purchasing Conditions 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.