

Sales conditions for cables/lines and accessories relating to the German companies within the Prysmian Group

In addition to the terms and conditions published by ZVEI (see point 14), the following terms and conditions form part of the quotations and order confirmations of the Prysmian Group. This group of companies includes Prysmian Kabel und Systeme GmbH, Draka Cable Wuppertal GmbH, Draka Kabeltechnik GmbH, Draka Comteq Germany GmbH & Co. KG, Draka Comteq Berlin GmbH GmbH & Co. KG und Draka Service GmbH (hereinafter referred to as the 'supplier').

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1. Quotation, order confirmation

a) The quotation is subject to change. The prices are based on the base metal stated in the quotation. The purchaser shall agree with this course of action and view it as being standard within the trade.

b) A contract will only be concluded when the order has been confirmed by us. The order confirmation shall be based on the metal listing of the day when the clarified order is received by the supplier (raw material reference date). If the metal quotation is omitted on the raw material reference date, then the following listing will be used as a basis. If it is not possible to supply metal in accordance with the aforementioned conditions, the effective purchase prices shall apply.

Any applicable conditions that vary from this can be found in the concluded contracts.

2. Prices

a) The net hollow prices and net base prices we use at the time the order is confirmed form the basis of the price calculation.

- b) Non-ferrous metals are not included in the net hollow prices.
- c) All of the quoted prices exclude VAT which is added at the applicable rate.

3. Price setting, transfer of risk

- a) The prices apply to deliveries within Germany (excluding packaging) in the case of the following:
 - shipment by goods wagon, free of charge at the receiving station
 - shipment by truck, free of charge at the receiving site (municipality tariff area)
 - shipment as DB cargo, free of charge at the general cargo site, excluding receipt of surface freight
 - shipment by ship on interior waterways, free of charge at the ship discharging berth (at the destination)
 - in the case of export, the prices apply as free of charge at the German border.
- b) The purchaser shall pay additional costs that arise as a result of special shipping instructions that it has initiated.
- c) The costs of passing the material on to the end recipient (e.g. carriage) shall be borne by the purchaser.
- d) Unloading and/or reloading is to be carried out by the purchaser at its own expense.
- e) If, at the request of the customer, delivery takes place in customised partial quantities, any additional expenses for cable spools that are caused by this (e.g. rental price, cutting and shipment) will be additionally charged by the supplier.
- f) In the case of a delivery period lasting over 4 months, we reserve the right to increase the prices to reflect the cost increases that are incurred as a result of increased staffing costs, increased equipment costs or increased material prices. If the increase is more than 4.5% of the agreed price, the purchaser has a right of withdrawal if he is not a merchant. This must be exercised in writing within one week following receipt of the letter notifying the increase.
- g) The withholding of payments owing to counter-claims of the purchaser that are not recognised or legally established by us is not permitted, nor is possibility of the offsetting with such.
- h) If partial deliveries take place, then a related invoice will be issued for each partial delivery.
- i) All claims against the purchaser shall become due immediately if the purchaser defaults with the payment of one or more debt, negligently fails to comply with other essential obligations from the contract or if circumstances become known to us that effectively reduce the creditworthiness of the purchaser (including, in particular, the stopping of payments, the pendency of composition proceedings or bankruptcy). In these cases, we are entitled to withhold any outstanding deliveries or only deliver against advance payments or a security.
- j) Regardless of the price setting, all risks relating to the accidental destruction of the ordered goods pass to the purchaser at the moment when the goods are loaded onto the truck (pass the truck sill) at the factory (transfer of risk is ex works).

4. Metal values, metal prices

- a) In calculating the price of metal goods, the following indices shall be decisive:

Copper:

DEL listing (German electrolyte copper listing for conductive material) plus 1% delivery costs.

Aluminium:

Listings for aluminium in cables.

Lead: The listing for lead shall be in accordance with DIN 17640.

b) The metal prices are calculated from the metal indices which are set out by the supplier multiplied by the metal prices, plus delivery costs.

The listings used to make quotations are not binding. The decisive factor for the contract is the listing of the day following the receipt of the clarified order. An order is considered clarified if we are in the position to confirm it as binding in terms of quantity, type, delivery period etc. If the price is calculated on the basis of a hollow price or other fictitious price and differs from the daily listing on that basis, then the prices shall change for each 1000 m by the amount that is calculated as a multiplier of the metal index (Cu, Al, Pb) with the metal price difference. All metal surcharges or discounts are always expressed as purely net amounts.

5. Small orders

For orders under EUR 750.00, the purchaser will also be billed for the freight charges. Furthermore, in this case, an additional administrative fee of EUR 50.00 will be charged.

6. Payment

a) If no down payments and/or special payment terms have been agreed, all invoices are due as net amounts, within 30 days of billing and transfer of risk.

b) For metal supply, the value of goods is to be paid (without a discount) plus VAT when the invoice is issued.

c) Violating the agreed payment terms can lead to delays in the delivery of goods.

7. The loaning of cable spools, packaging

The Prysmian Group is obliged to follow the regulations in accordance with the Packaging Ordinance for the free return of packaging that is placed on the market in the territory of the Federal Republic of Germany and to ensure its reuse or disposal.

Among other things, the Prysmian Group supplies its products on cable and rope spools. In order to protect natural resources and the environment, these deliveries are made on reusable spools within the Federal Republic of Germany (unless the purchaser does not specifically ask for other packaging). These have been provided by Kabeltrommel GmbH & Co. KG, based in Troisdorf (hereinafter also referred to as '**KTG**'). They shall be made available in accordance with KTG's 'Terms and conditions for the loaning of cable and rope spools'. KTG's spools can be identified by the KTG emblem which is attached to them. In addition, the supplying of KTG spools is indicated in the order confirmation and delivery note. KTG's 'Terms and conditions for the loaning of cable and rope spools' are available on the seller's premises for inspection and will be forwarded by the seller or KTG (Camp-Spich-Straße 55/59, 53842 Troisdorf) upon request. We expressly point out that the KTG spools are owned by KTG and that the Prysmian Group supplies these KTG spools in the name of, and on behalf of KTG. KTG will charge a rental fee (spool rent) for the relevant KTG spools that have not been returned on time. The purchaser (receiver of the KTG spools) has to bear this cost.

The buyer shall make a commitment to Prysmian Group (as well as through a contract, in favour of third parties including KTG) to only loan KTG spools to third parties in accordance with KTG's 'Terms and conditions for the loaning of cable and rope spools' (a version that has not been modified or limited in any way).

Spools that come from deliveries made by foreign companies and special spools (e.g. multi-chamber systems, special designs or sizes) which the Prysmian Group has brought onto the market in the Federal Republic of Germany will only be taken by the Prysmian Group in accordance with legal obligations and will be passed on for disposal or recycling.

For further clarification of the issues surrounding the returning of these spools, the purchaser should contact:

Prysmian Kabel und Systeme GmbH
Werk Schwerin
Siemensplatz 1
19057 Schwerin
Telephone (030) 3675 – 4422
Altverpackung.de@prysmiangroup.com

The supplier will then nominate a company for the purchaser who will accept the spools free of charge. The purchaser must make suitable resources available for the loading of the spools.

The Prysmian Group has concluded a contract with the certified waste disposal company INTERSEROH SE Stollwerckstraße 9a, 51149 Cologne, for the national (Germany) withdrawal of all other packages (e.g. non-returnable pallets, packaging film) via Interseroh©. The contract excludes reusable packaging (e.g. lattice box pallets, Euro flat pallets). These are traded with on an exchange basis.

8. The supplying of metal

a) The purchaser's supply must be available in the factory at least 6 weeks before the agreed delivery period. The following metals are accepted:

Copper: E-Cu cathodes, LME registered brands, Grade A;

Aluminium: Pure aluminium for electronics (E-Al) liquid, material EN AW1350[E-Al 99.5] in accordance with EN 573-3 und EN 573-4

b) As part of the placing of the order, the metal processing works and the supply conditions are to be agreed upon through coordination with the supplier.

c) If the supplied quantity is insufficient to carry out the order, the remaining order quantity will be transacted at the full price.

d) We accept no liability for the suitability and quality of the supplied metals or materials. These are not examined by us in terms of their usability and freedom from defects.

9. Specification of measurements, characteristics and weights

a) All information provided by the supplier concerning the diameter and weight of the cables is approximate.

b) The supplier reserves the right to make manufacturing-related or raw material-related deviations to the cable structure, provided that the quality and the goods/services are not compromised.

c) Fitting lengths, i.e. where the purchaser requires an exact length are to be labelled as such in the order. For the rest, deviations from the ordered quantity are permissible with a tolerance of $\pm 5\%$ (and a tolerance of $\pm 10\%$ for the automobile industry). Accordingly, the invoice is issued in accordance with the lengths that are actually supplied.

10. Order quantities

Not all types and designs included in the price list are available as standard stock. For some types there are minimum order quantities and purchase quantities.

11. Approval of the cable

If agreement has been reached that the delivery has to be specifically checked in the presence of, and as specified by the purchaser, the purchaser must bear the additional costs that arise.

12. Notification of defects

Shortages and complaints concerning defects should be made in writing, stating the order number and the number of the delivery note.

13. Returns

Returns require the written consent of the supplier. In the case of an unauthorised return, the supplier has the right to refuse acceptance. In this case, risks are only borne by the customer.

14. General terms and conditions

Our quotations, order conformations and deliveries are based on the following terms and conditions:

- these sales conditions
- the 'General Conditions for the Supply of Products and Services of the Electrical and Electronics Industry' ("Grüne Lieferbedingungen" - GL) (ZVEI)

In the case of disputes, the sequence stated above shall prevail, i.e. these terms and conditions (of the Prysmian Group) shall have priority over all other conditions.

These conditions serve as the basis for the entire contractual agreement. The customer's terms and conditions shall not apply. They are expressly rejected. If reference is made to the customer's terms and conditions during the settlement of the current contract, then this reference shall have no legal effect, even if we do not explicitly object to the reference. The conditions stated will be sent upon request and can be accessed at www.prysmiangroup.com.

15. Warranty, liability

We make express reference to the provisions of Art. VIII, IX and XII of the ZVEI General delivery conditions which form an integral part of these sales conditions.

16. Export rules

The quotation and/or fulfillment of the contract is subject to the necessary export permits being issued and/or the condition that there are no other obstacles arising from German export regulations or other export regulations that have to be followed.

The exportation of the subject matter of the contract and documents may - for example, by their very nature or intended use - be subject to authorisation.

17. Retention of title

- a) The delivered goods (reserved goods) shall remain the property of the supplier until all claims against the purchaser that arise out of the business relationship are met. As far as the value of the security interests (which belongs to the supplier) exceed the value of all secured claims by over 10%, the supplier shall release a corresponding part of the security interests at the purchaser's request; when security interests are released, the supplier shall have the option of being able to choose between the different security interests.
- b) Whilst the title is retained, the purchaser is prohibited from pledging collateral or offering assignment as security. He is only allowed to resell to resellers in the ordinary course of business and only on the condition that the reseller receives payment from his customer or imposes the condition that the property is only passed to the customer when he has met his payment obligations.
- c) The purchaser shall notify the supplier immediately in the case of seizure or any other intervention by third parties.
- d) If the purchaser breaches his obligations, especially in the case of late payment, the supplier is entitled to rescind from the contract as well as to carry out redemption of goods following the expiry of a reasonable deadline to be set for the purchaser; the statutory provisions concerning the dispensability of a deadline remain unaffected. The purchaser is obliged to surrender goods. In the redemption of goods, the exercising of the retention of title or the seizure of the reserved goods by the supplier, there shall be no withdrawal from the contract unless this is expressly declared by the supplier.

18. Delivery obligation

If the purchaser has exceeded his specific credit limit there shall be no obligation on the part of the Prysmian Group to make a delivery, even in the case of an order confirmation.

19. Other provisions

The entire contractual relationship shall be subject to German law. The UN convention on contracts for the international sale of goods (UNCITRAL) and the conflict of laws shall not apply.

Only written agreements (including e-mail) shall be binding. This requirement may only be waived in writing (including e-mail).

Should these sales conditions be wholly or partially void, the remaining parts of the contract shall, nevertheless retain their effectiveness. The void provision shall be wholly or partially replaced by the parties with a provision that comes as close as possible to the intended economic outcome of the wholly or partially ineffective provision.