

EXPORT COMPLIANCE STATEMENT

Each Customer of Magnetic Group acquiring products from Magnetic Group entities ("Magnetic Group") must understand that such products (including services) may be subject to trade sanctions and export control laws and regulations or other restrictions under the laws of the country of manufacture / country of origin, the country of the supplier, the country of the Customer, the country of end user / end use. Therefore, the Customer, on behalf of itself, its subsidiaries and affiliates, warrants and agrees to abide by all applicable laws and regulations relating to such products and the direct products thereof.

With this Statement the Customer certifies and declares the following:

End Use / End User compliance declaration:

- The products acquired from Magnetic Group will not be directly or indirectly used, sold, exported or re-exported or incorporated into products used directly or indirectly, in the design, development, production, stockpiling, or use of chemical or biological weapons, nuclear programs (including activities related to nuclear explosive devices, nuclear reactors, and nuclear fuel-cycle activities), missile (including cruise and ballistic missile systems, space launch vehicles, sounding rockets, target drones, remotely piloted vehicles, and reconnaissance drones), and maritime nuclear propulsion projects except as authorized under applicable laws and regulations;
- The products acquired from Magnetic Group will not be directly or indirectly used, sold, exported or re-exported or incorporated into products for the use in countries or of persons and / or organisations (including, but not limited to persons or organizations designated as terrorists, drug traffickers or weapons proliferators) subject to applicable international sanctions or embargoes, or to support regional instability and terrorism activities;
- The products acquired from Magnetic Group will not be directly or indirectly used, sold, exported or re-exported to any country, company or individual that is either (i) required by any export regulations to hold a licence to receive the goods (and does not hold the required licence) or (ii) is prohibited from receiving exports by export regulations, as amended from time to time and as applicable, including, but not limited to any natural or legal person, entity or body in (or for use in) Iran, Cuba, Syria, North Korea, Sudan, Russia and Crimea;
- US origin products will not be directly or indirectly used, sold, exported or re-exported for military end-use or to military end-users in China (including Hong Kong and Macau), Myanmar/Burma, Russia, Belarus, Cambodia, or Venezuela unless otherwise authorized by the U.S. Government;
- The products acquired from Magnetic Group will be directly or indirectly used, sold, exported or re-exported or incorporated into products solely for civil / commercial end use;
- The Customer shall be the end user of such products; otherwise it shall confirm the end user(s) of all products acquired from Magnetic Group to ensure compliance with trade sanctions and export control laws and regulations and shall inform subsequent acquirers of the products acquired from Magnetic Group (including the end user(s)), in writing, of all the trade compliance requirements in this Statement.

Customer's compliance declaration:

- The Customer complies with trade sanctions and export control laws and regulations and follows these laws and regulations as well as restrictions specified in this Statement via compliance control mechanism in place.
- The Customer, its subsidiaries and their beneficial owners and executives are not subject to any sanctions administered or enforced by the EU, USA governments and their allies, the United Nations Security Council, or other relevant authority.
- The Customer certifies that is not an operating division, a branch, a shell company, or an agent facilitating transactions or conducting any other activity for or on behalf of any entity designated on or subject to any trade sanctions and export control laws and regulations; and does not participate in activities the object or effect of which is to circumvent prohibitions in trade sanctions and export control laws and regulations.

Undertakings by the Customer:

- The Customer shall immediately notify Magnetic Group, in writing, of any material changes to the above statements and declarations;
- The Customer shall not act in any transaction with Magnetic Group in any manner that would place Magnetic Group in violation of trade sanctions and export control laws and regulations;
- Should the Customer become aware of any violation or suspected violation of the terms of this Statement, it will immediately notify Magnetic Group of the facts and circumstances and will fully cooperate with any investigation of same;
- This Statement shall survive the completion, early termination, cancellation or expiration of any purchase order, agreement or contract with Magnetic Group.

The Customer, on behalf of itself, its subsidiaries and affiliates, confirms its knowledge and understanding of all trade sanctions and export control laws and regulations, assumes all responsibilities for export and trade sanctions compliance and warrants and agrees to indemnify and hold Magnetic Group harmless against any losses, damages, fees, monetary sanctions or criminal punishment imposed as a result of failure to comply with any applicable trade sanctions and export control laws and regulations or other restrictions, as well as any declarations or undertakings stated herein above.