

## **General Terms & Conditions of Scheppach GmbH**

Edition 12.09.2022

1) The following General Terms and Conditions of Business shall apply to contracts that you conclude with us as the supplier (Scheppach GmbH).

2.1) All quotations are subject to change and are non-binding. The presentation and promotion of goods in our on-line shop does not constitute a binding offer to conclude a purchase contract. The ordering of goods by the buyer is considered a binding offer of contract. An order is deemed to be accepted if confirmed by us in writing. The order confirmation contains the binding delivery details for the performance of the order.

2.2) Agreements with our representatives are only considered binding if confirmed by us in writing.

3) With respect to contractors, our delivery or service specifications (e.g. weights, dimensions, consumption levels, stress levels, tolerances and technical data) including our representations thereof (e.g. drawings and illustrations) are only approximate unless their suitability for the use set out in the contract requires an exact match. They are not guaranteed or agreed features or attributes but are descriptions or drawings of the goods or service. Standard commercial deviations and deviations resulting from legislation or technical improvement, as well as the replacement of components by similar parts, shall be permissible to the extent that they do not detract from the suitability for the purpose stipulated in the contract or for the use normally intended.

4.1) Delivery times and schedules proposed by the seller for goods and services shall only be considered approximate unless a fixed deadline or period has been expressly promised or agreed. If shipping has been agreed, the delivery times and schedules shall refer to the time of delivery to the forwarding agent, shipping company or anyone else responsible for the shipment.

4.2) The seller accepts no liability for inability to deliver or delivery delays insofar as these are attributable to acts of God or other events unforeseeable when the contract was signed (e.g. any kind of operational breakdown, problems in materials or energy procurement, shipping delays, strikes, lockouts, lack of manpower, unavailability of raw materials or energy, inability to obtain the necessary statutory authorisations, actions taken by authorities or third party failure to supply goods and services or supply incorrectly or late) for which the seller is not responsible. Where such events make it difficult or impossible for the seller to deliver or perform services and the hindrance is not of a temporary nature, the seller shall be entitled to rescind the contract. For hindrances of a temporary nature the delivery terms of the goods and services shall be extended – or the deadlines postponed – by a period of time appropriate to the nature of the hindrance. Insofar as the buyer cannot be expected to accept the delivery or service as a result of the delay, he can rescind the contract by immediate written notice to the seller.

5.1) Unless otherwise specified the place of performance for all contractual obligations is Ichenhausen, Germany.

5.2) In relation to commercial customers, the risk shall pass to the customer at the latest with the transfer of the delivery object (where the start of loading is binding) to the forwarding agent, shipping company or anyone else responsible for the shipment. This shall also apply in the event of partial deliveries or if the seller has undertaken other services (e.g. shipping or installation). If the dispatch or transfer are delayed as a result of circumstances attributable to the buyer, the risk shall pass to the buyer on the day on which the seller is ready to deliver and has notified the buyer.

6) Prices are in EUROS ex works Ichenhausen. Prices are based on the price list valid on the day of shipping. Spare parts prices are exclusive of packaging.

7) The current price list replaces all previous price lists which thereby lose their validity. It shall remain valid until replaced by a new price list. Sudden price changes are permissible in particular as a result of major changes in raw material world market prices.

8.1) The contractor reserves the right to invoice the agreed service by letter post or electronically by e-mail.

8.2) Invoices shall be paid within 30 days of the invoice date without discount. If payment by note has been agreed, the buyer shall be liable for bank and discount charges.

8.3) The purchaser may only offset his own claims against our claims or withhold services owed by him if his counterclaims are undisputed or have been legally established or are based on the same contractual relationship.

9) We are entitled to cede receivables from goods and services for financing purposes.

10) The seller shall be entitled to offer outstanding goods or services only in return for prepayment or security if, after the signing the contract, the seller becomes aware of circumstances which suggest the credit worthiness of the buyer has diminished considerably and which endanger the payment of outstanding receivables from the contractual relationship (including other orders governed by the same skeleton agreement).

11.1) Ownership of the sold goods remains with us until all our current and future receivables from the purchase agreement and an ongoing commercial relationship (secured receivables) are paid in full.

11.2) Goods under retention of title (all monies) may not be pledged to third parties or transferred to security until the secured receivables are paid in full. The buyer shall inform us immediately in writing concerning third party access to goods belonging to us.

11.3) Should the buyer infringe the contract, in particular fail to pay the due purchase price, we shall be entitled to rescind the contract in accordance with statutory legislation and/or request the return of the goods under retention of title. The return request does not necessarily constitute a declaration of withdrawal, we are entitled solely to request the return of goods and reserve the right to withdraw. Should the buyer fail to pay the purchase price, we shall only apply these rights if we have previously set the buyer an appropriate payment time without success or if such a deadline is superfluous under law.

11.4) The buyer is authorised to sell and/or process goods under retention of title in the ordinary course of business. In this case the following terms shall also apply.

11.4.1) Retention of title (all monies) extends to products arising from the processing, mixing or combining of our goods to their full value, whereby we are considered to be the manufacturer. In the event of processing, mixing or combining with third party goods whose ownership right remains, we shall acquire co-ownership in proportion to the invoice values of the processed, mixed or combined goods. Otherwise the same conditions apply to the resulting product as for the goods delivered under retention of title.

11.4.2) The buyer shall assign to us now all claims, or to the extent of any co-ownership share in accordance with the preceding paragraph, against third parties arising from the resale of the goods or of the product. We accept the assignment. The buyer's obligations specified in paragraph 11.2 apply also in view of the assigned claims.

11.4.3) The buyer is authorized to collect the claims together with ourselves. We are committed to not collecting the claim provided the buyer fulfils his payment obligations towards us, is not in arrears with payment, no application for insolvency proceedings has been made and there is no other lack of performance. However if this is the case, we may require that the buyer

notifies us of the assigned claims and their debtors, provides us with all necessary information and documents for the collection and notifies the debtors (third parties) of the assignment.

11.4.4) If the realisable value of the securities exceeds our claims by more than 10%, we shall release securities at the request of the buyer at our discretion.

12.1) Unless otherwise determined hereinafter, the statutory provisions (particularly §§ 434 ff. of the German Civil Code) apply to the rights of the buyer for material or legal defects (including wrong and insufficient delivery and improper installation or improper assembly instructions) provided that the buyer is a contractor. The special statutory provisions in the event of final delivery of the goods to a consumer remain unaffected in all cases (supplier recourse in accordance with §§ 478 and 479 of the German Civil Code). Any guarantees given by us for specific items take apply alongside statutory claims for material defects or defects of title within the meaning of Clause 12.1, sentence 1. Details of the extent of such guarantees arise from the guarantee conditions which accompany the goods.

12.2) Our liability is in particular with regard to the agreement on the quality of the goods. All product descriptions contained in the individual contract are considered to be the agreed quality of the goods; it is irrelevant whether the product description originates from the buyer, the manufacturer or us.

12.3) If the nature of the goods has not been agreed, statutory provisions (in particular in accordance with § 434 of the German Civil Code) shall be applied to assess whether a defect is present or not. However we accept no liability for public statements of third parties (e.g. advertising).

12.4) Buyer defect claims assume that the buyer has complied with his legal inspection and notification obligations (§§ 377, 381 German Commercial Code). If a defect arises during the investigation or subsequently, notice thereof must be given immediately in writing. Notice is considered to be immediate if made within two weeks, whereby the timely issue of the notice is sufficient for the deadline. Irrespective of this inspection and notification obligation, the buyer must put in writing obvious defects (including incorrect and insufficient delivery) within two weeks after delivery, where here too the timely issue of the notice is sufficient for the deadline. Should the buyer fail to carry out proper investigation and/or notify of defects, we shall not be liable for defects that have not been notified.

12.5) If the delivered goods are defective, we can first decide whether we shall rectify the matter by removing the defect (subsequent improvement) or by delivering goods free of defect (replacement). Our right to refuse the chosen type of rectification under statutory conditions remains unaffected.

12.6) We are entitled to make the due rectification dependent on the buyer paying the purchase price. The buyer shall however be entitled to withhold a portion of the purchase price in proportion to the defect.

12.7) The buyer shall allow us the necessary time and opportunity for rectification; in particular he shall provide the rejected goods for testing purposes. In the event of a replacement delivery, the purchaser must return the defective item in accordance with the provisions of law.

12.8) If rectification fails or a reasonable time limit to be set for rectification by the buyer expires without success or is not required by law, the buyer may rescind the purchase agreement or reduce the purchase price. Insignificant defects however do not constitute a right to rescind.

13) Any product returns must be agreed with us in advance. All returns must be packed safely and appropriately for transport and in such a way to avoid damage. If pallets are to be used for returns, products must be effectively secured to avoid any damage. It is the responsibility of the customer to ensure adequate and satisfactory packaging. Any damage incurred due to inadequate or unsatisfactory packaging will be at the customers cost.

14) If the buyer is a contractor, Ichenhausen shall be - including internationally – the place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship. We are however entitled to bring an action at the general place of jurisdiction of the buyer.

15.1) The language of the contract shall be German.

15.2) The complete wording of the contract will not be stored by us. Prior to sending the order, the contract data can be printed out or electronically saved using the print function of the browser. After receipt of the order by us, the order data, the legally required information for distance contracts and the General Terms and Conditions of Business will be sent to you again by e-mail.

16) The present terms and conditions and the entire legal relationship between seller and buyer shall be governed the law of the Federal Republic of Germany under exclusion of all international and supranational (contract) legal systems, in particular UN commercial law. Conditions and effects of title retention as per paragraph 11 are however subject to the law of the respective location of the goods, insofar as thereafter the choice of law in favour of German law made is illegal or ineffective.