

General Terms and Conditions of Sale of Scholz Recycling GmbH towards entrepreneurs

§ 1 Validity of the Terms and Conditions of Sale

(1) The following Terms and Conditions of Sale shall apply exclusively to all business relationships between us and customers who are entrepreneurs within the meaning of Section 14 of the German Civil Code (BGB), a legal entity under public law or a special fund under public law.

(2) Any conflicting, deviating or supplementary terms and conditions of the customer are hereby rejected and shall not become part of the contract unless we expressly agree to their validity in writing. The unconditional acceptance of goods or the acceptance of services or payments shall not constitute any acknowledgement on our part of deviating provisions. Our terms and conditions of sale shall also apply if we carry out the delivery or service to the customer without reservation in the knowledge that the customer's terms and conditions conflict with or deviate from our terms and conditions of sale.

(3) The written form within the meaning of these Terms and Conditions of Sale shall also be fax or simple e-mail, in each case also without signature (text form).

(4) Unless otherwise agreed, these Terms and Conditions of Sale in the version valid at the time of the customer's order or in any case in the version last communicated to the customer in text form shall also apply as a framework agreement (Section 305 (3) BGB) for future contracts for the sale and/or delivery of movable goods with the same customer, without us having to refer to our Terms and Conditions of Sale again.

§ 2 Offers and conclusion of contract

(1) Our offers are always subject to change and non-binding, unless they are expressly labelled as binding or state a specific acceptance period. The customer's order constitutes an offer to conclude a contract. A contract is only concluded when we accept the customer's order by issuing a written order confirmation within 14 calendar days.

(2) Amendments and supplements to a contract or these Terms and Conditions of Sale shall only become effective upon receipt of our written confirmation. Declarations and notifications by the customer after conclusion of the contract are only effective if they are made in writing. Individual - including verbal - contractual agreements shall always take precedence over these Terms and Conditions of Sale (§ 305b BGB). Subject to proof to the contrary, any written agreement or, if no such agreement exists, our written confirmation shall be decisive for the proof of its content.

(3) If, after receipt of our declaration of acceptance, we become aware of facts which give rise to justified doubts as to the customer's ability to pay, we shall be entitled to demand full payment or the provision of appropriate security before delivery or performance or, after setting a deadline to no avail, to withdraw from the contract - with all rights reserved such as compensation for damages. In addition to a delay in payment that has already occurred, evidence of a significant deterioration in the customer's financial situation shall include, in particular, a reduction in the customer's credit limit with our trade credit insurer or information provided by a bank, credit agency or a company that has a business relationship with the customer, taking into account the due care of a prudent businessman. If the delivery or service has already taken place, the invoice amounts in question shall be due for payment immediately, regardless of the agreed terms of payment, step by step against the return of securities, acceptances, etc.

(4) All performance data, in particular drawings, illustrations, dimensions, weights or similar, are only binding if they are expressly labelled as binding.

§ 3 Prices

(1) The prices quoted by us are EXW (Incoterms 2020) net without VAT. If carriage paid delivery (CPT Incoterms 2020) has been agreed, the agreed price shall only apply if normal transport is unhindered.

(2) We reserve the right to change the prices accordingly if, after conclusion of the contract, cost reductions or cost increases occur, in particular due to wage agreements, changes in material and energy prices or changes in transport costs, provided that the delivery or service is not to take place within two months of conclusion of the contract. Cost increases shall be proven to the customer upon request.

§ 4 Delivery/service

(1) Delivery and performance dates and delivery and performance deadlines are only binding if we have expressly confirmed them in writing.

(2) We are entitled to make partial deliveries and render partial services if this is reasonable for the customer. This is the case in particular if the partial delivery or partial service can be used by the customer within the scope of the contractual purpose, the provision of the remaining delivery or service is ensured and the customer does not incur any significant additional expenses as a result of the partial delivery or partial service or we declare our willingness to bear such expenses.

(3) The occurrence of default in delivery or performance shall be determined in accordance with the statutory provisions. In any case, however, a reminder by the customer is required. In the event of default, the customer may, in addition to the delivery or service, demand compensation for any damage caused by the delay in accordance with the statutory provisions. However, this claim is limited to 0.5 % of the value of the delivery or service concerned per week of delay, up to a maximum of 5 % of the value of the delivery or service concerned, unless we are guilty of intent or gross negligence. The customer's right to withdraw from the contract after the expiry of a reasonable grace period and/or to claim damages for non-performance in accordance with § 10 shall remain unaffected. In all other respects, the statutory provisions shall apply.

(4) We shall not be liable for delays in delivery and performance due to force majeure and due to events which, through no fault of our own or attributable to us, make delivery or performance significantly more difficult or impossible, such as subsequent difficulties in procuring materials, transport disruptions, labour disputes, unrest, operational disruptions, strikes, lockouts, epidemics, pandemics, war, embargoes, official orders, etc., and other unforeseeable events that cannot be averted by reasonably expected

care. They authorise us to postpone the delivery or service for the duration of the hindrance plus a reasonable start-up time.

(5) If an impediment within the meaning of paragraph 4 lasts longer than three months, or if it is foreseeable that it will last longer than three months, we and the customer shall be entitled to withdraw from the contract with regard to the part not yet fulfilled. In addition, the customer may withdraw from the entire contract if the partial delivery or partial performance already rendered is unreasonable for him.

(6) Compliance with the delivery and performance dates and delivery and performance periods is subject to the proviso that we are supplied correctly and on time by our own suppliers, provided that we have duly ordered the goods on our part (congruent covering transaction) and are not responsible for the delays in delivery and performance on the part of our own suppliers. We shall notify the customer as soon as possible of any impending delays.

§ 5 Transfer of risk, dispatch

(1) Unless otherwise stated in the order confirmation, delivery "ex works" (EXW Incoterms 2020) is agreed, i.e. unless otherwise agreed, the risk shall pass to the customer upon provision of the goods and notification of readiness for dispatch as soon as we have delivered the goods to the forwarding agent, carrier or other person or institution designated to carry out the shipment.

(2) We will take back transport packaging and all other packaging in accordance with the German Packaging Act, sorted and clean, at our delivery warehouse and at the customer's expense.

(3) Unless delivery "ex works" (EXW Incoterms 2020) has been agreed, the means of transport and type of dispatch shall be chosen by us.

§ 6 Determination of weights and quantities

The weights and quantities determined by us shall be decisive for the determination of weights and quantities. The customer is at liberty to determine the weights and quantities himself at his own expense.

§ 7 Obligations to inspect and give notice of defects, claims for defects

(1) Scrap is a secondary raw material. The purity in terms of quality and material is limited to the possibility of material sorting according to appearance and origin, which is carried out with customary professional care. We assume no warranty for the grade or alloy purity. Further quality claims are excluded unless expressly agreed otherwise.

(2) The customer must inspect the goods immediately after delivery, insofar as this is feasible in the ordinary course of business, and notify us in writing of any defects immediately, but at the latest within one week of delivery. Hidden defects must be reported to us in writing immediately, but at the latest within two working days of their discovery. If the customer fails to fulfil his obligations to inspect and give notice of defects, the legal consequences pursuant to § 377 HGB (German Commercial Code) shall apply.

(3) If the goods are defective, the customer shall - at our discretion - be entitled to a replacement delivery or rectification of the defect (subsequent fulfilment). If subsequent fulfilment is refused by us in accordance with Section 439 (4) BGB, fails or is unreasonable for the customer or a reasonable deadline to be set by the customer for subsequent fulfilment has expired without success or is dispensable in accordance with the statutory provisions, the customer may, at his discretion, withdraw from the contract or reduce the purchase price. In the case of an insignificant defect, however, there is no right of cancellation. The assertion of claims for damages is governed by § 10.

(4) The limitation period for claims for defects shall be one year from the date of transfer of risk. This shall not affect claims for damages pursuant to § 10, which shall become statute-barred in accordance with the statutory provisions.

§ 8 Retention of title, transfer by way of security and assignment by way of security

(1) Until the fulfilment of all claims to which we are entitled against the customer now or in the future for any legal reason, we shall be granted the securities regulated in the following paragraphs, which we shall release on request insofar as their realisable value exceeds the value of our claims by more than 10% in total; we shall be responsible for selecting the securities to be released.

(2) The goods shall remain our property. Processing or remodelling shall always be carried out for us as the manufacturer, but without any obligation for us. If the goods are processed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of the goods (final invoice amount, including VAT) to the other processed items at the time of processing. In all other respects, the same shall apply to the item created by processing as to the goods delivered under reservation of title. Goods to which we are entitled to (co-)ownership are hereinafter referred to as reserved goods.

(3) If the reserved goods are inseparably mixed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of the reserved goods (final invoice amount, including VAT) to the other mixed items at the time of mixing. If the mixing takes place in such a way that the customer's item is to be regarded as the main item, it is agreed that the customer shall transfer co-ownership to us on a pro rata basis. The customer shall keep the resulting sole ownership or co-ownership for us.

(4) The customer shall also assign to us the claims against a third party arising from the combination of the reserved goods with a property to secure our claims against the customer.

(5) The customer is obliged to treat the reserved goods with care; in particular, he is obliged to insure them adequately against fire, water damage and theft at his own

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expense. If maintenance and inspection work is required, the customer must carry this out in good time at his own expense.

(6) The customer is authorised to process the goods subject to retention of title in the ordinary course of business and to resell them subject to retention of title as long as he is not in default. Pledges or transfers by way of security are not permitted. The customer hereby assigns to us in full by way of security any claims arising from the resale or any other legal grounds (e.g. insurance, unauthorised action) in respect of the reserved goods. We hereby accept this assignment. In the event of resale, the customer is obliged to provide us with the name and address of its buyers for justified reasons and at our request. We revocably authorise the customer to collect the claims assigned to us for our account in his own name. This direct debit authorisation can only be revoked if the customer does not properly meet his payment obligations.

(7) In the event of access by third parties to the goods subject to retention of title, the customer shall draw attention to our ownership or co-ownership and inform us immediately so that we can bring third-party proceedings in accordance with Section 771 of the German Code of Civil Procedure (ZPO) and take other measures to protect the ownership of the goods subject to retention of title. The customer must support us in securing and enforcing our property rights. If the third party is not in a position to reimburse the judicial or extrajudicial costs incurred by us in an action pursuant to Section 771 ZPO, the customer shall be liable for the loss incurred by us.

(8) In the event of a breach of contract by the customer - in particular default of payment - we shall be entitled to take back the goods subject to retention of title and, if necessary, to demand assignment of the customer's claims for restitution against third parties to us. If we take back the reserved goods, this shall not constitute a cancellation of the contract. After taking back the goods subject to retention of title, we shall be authorised to sell them; the proceeds from the sale shall be offset against the customer's liabilities - less reasonable selling costs.

(9) The retention of title in accordance with the above provisions shall also remain in force if our individual claims are included in a current invoice.

(10) Payments by bill of exchange or cheque shall only be accepted on account of fulfillment; the agreed retention of title shall remain unaffected by this. In cheque/bill of exchange transactions, the retention of title shall remain in force until the last bill of exchange has been honoured.

§ 9 Payments

(1) Unless otherwise agreed, our payment claims shall be due immediately after the agreed delivery or service has been provided and the invoice has been received without deduction. If partial deliveries or partial services are provided, we shall also be entitled to invoice the customer for these partial deliveries or partial services.

(2) If a term of payment is agreed, the day of delivery or performance shall be deemed the reference date for its calculation, as well as for any interest calculations. Each order shall be deemed a separate transaction with regard to payment.

(3) If the customer makes no provision, we shall be entitled to offset payments in accordance with § 366 para. 2 BGB. If costs or interest are to be paid by the customer in addition to the main service, we shall be entitled to offset the customer's payments that are not sufficient to repay the entire debt first against the costs, then against the interest and finally against the main service (Section 367 (1) BGB).

(4) A payment shall only be deemed to have been made when we can dispose of the amount. In the case of cheques, payment shall only be deemed to have been made when the cheque has been unconditionally and finally cashed.

(5) Payments by bill of exchange require our express prior consent. All bill charges shall be borne by the customer. The acceptance of bills of exchange shall not constitute a deferral of the underlying claim.

(6) Cash payments shall only have a discharging effect vis-à-vis us if they are made to persons who are authorised to collect payments in writing.

(7) If the customer is in default, we shall be entitled to demand interest in the amount of 9 percentage points above the respective base interest rate from the date on which the conditions of default are met. We reserve the right to claim further damages.

(8) If the customer fails to meet his payment obligations, in particular if a cheque cannot be honoured, if he suspends his payments, if a bill of exchange is protested or if we become aware of other circumstances that call the customer's creditworthiness into question, we shall be entitled to declare the entire remaining debt due and payable, even if we have accepted (further) cheques. In this case, we are also entitled to demand appropriate security (e.g. a bank guarantee) from the customer.

(9) The customer shall only be entitled to offset if the counterclaim is undisputed by us or has been recognised by declaratory judgement or is in a reciprocal relationship (synallagma) to our claim with which the customer is offsetting.

(10) We are authorised to assign the claims arising from the entire business relationship with the customer.

§ 10 Liability

(1) Unless otherwise provided for in these Terms and Conditions of Sale, we shall be liable in the event of a breach of contractual and non-contractual obligations in accordance with the applicable statutory provisions.

(2) We shall be liable to the customer without limitation for our own intent and gross negligence as well as intent and gross negligence on the part of our legal representatives and vicarious agents. Insofar as we, our legal representatives and vicarious agents are

not guilty of intent, liability shall, however, be limited to the foreseeable damage typical of the contract.

(3) We shall be liable to the customer without limitation in the event of culpable injury to life, limb and health by us, our legal representatives or vicarious agents, as well as in the event of fraudulent concealment of a defect or insofar as we have expressly assumed a guarantee for damages.

(4) In addition to the aforementioned cases, we shall be liable for negligent breach of material contractual obligations. In this case, however, our liability shall be limited to the typical damage foreseeable at the time of conclusion of the contract. Material contractual obligations are those obligations that protect the customer's essential contractual positions, which the contract must grant him according to its content and purpose; material contractual obligations are also those contractual obligations whose fulfillment is essential for the proper execution of the contract and on whose compliance the customer regularly relies and may rely.

(5) Any mandatory statutory liability, in particular under the Product Liability Act as amended, shall remain unaffected.

(6) In all other respects, our liability - irrespective of the legal grounds - is excluded, unless otherwise stipulated in these Terms and Conditions of Sale.

(7) The provisions in this § 10 do not lead to a reversal of the burden of proof.

(8) Insofar as our liability is excluded or limited in accordance with the above provisions, this shall also apply to the personal liability of our executive bodies, our legal representatives, employees, staff and vicarious agents.

§ 11 Place of jurisdiction and applicable law

(1) The non-harmonised law of the Federal Republic of Germany shall apply. The provisions of the Vienna UN Convention of 11 April 1980 on Contracts for the International Sale of Goods (UN Sales Convention/CISG) and the provisions of private international law (IPR) shall not apply.

(2) The place of fulfilment and subsequent performance as well as the exclusive place of jurisdiction for all disputes arising directly or indirectly from these Terms and Conditions of Sale or the contractual relationship between us and the customer or in connection therewith shall be Essingen. (According to the subject matter jurisdiction: Local Court Aalen, District Court Ellwangen).

§ 12 Final provisions

Should a provision in these Terms and Conditions of Sale or within the framework of other agreements be or become invalid, this shall not affect the validity of all other provisions or agreements. Ineffective provisions shall be replaced by provisions that come closest to the intended economic purpose.

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