

Neunkirchen, March 2020

Effect of the current Corona epidemic on our delivery capability and our business relations.

Dear customers and business partners,

Some of you have informed us in the last few days that you expect negative effects on your business operations due to the current Corona pandemic.

Many of you are of the opinion that this situation entitles you to make unilateral adjustments to binding orders and delivery contracts. We have also occasionally been informed that the acceptance of legally binding orders of good has been refused.

In our view, there is no legal basis for such behaviour. As long as delivery of goods ordered by us has not been prohibited by state authorities, we believe that you are also legally obliged to comply with the contract and accept the ordered goods. Ultimately, we must also meet the demands you place on us.

In particular, we are of the opinion that "force majeure" does not currently apply until such time as official delivery bans for our goods have been ordered by the authorities, or deliveries are rendered impossible as a direct result of other officially imposed measures, such as factory or production plant closures. Therefore, there is no case of legal or factual impossibility. Nor do we see any conditions for the discontinuation or amendment of the basis for our business transactions.

The business segment concerned here is affected by seasonal fluctuations and, in addition, the products we deliver are not the type which are only used once, but those which have a long utilization cycle.

You will continue to use the products we manufacture in the future, too, which is why the need for them has not been eradicated by the current situation.

We must therefore unequivocally state that we expect contractual obligations to be observed, whether they have their basis in individual orders or supply contracts.

Irrespective of this, we are prepared, as we are in normal, non-crisis times, to come to some arrangement with you regarding the time frame for dealing with orders on a case-by-case basis, within the scope of what is possible and acceptable for us. To do so, however, we ask you to contact the sales representative responsible for you in our company as soon as possible.

We wish you all the very best in these difficult times and above all, stay healthy!

With kind regards

SCHÄFER Werke GmbH



Rainer Bröcher
Management