

General Conditions of Sale of SCHOTT

Legal Entities with Registered Seat in China

1. General

- 1.1 These General Conditions of Sale are only applicable if and to the extent not expressly agreed otherwise.
- 1.2 Customer's general terms and conditions which contradict our own are only applicable to the extent that we have explicitly agreed to them in writing. This also applies if we perform delivery without reservation, even if we are aware of Customer's general terms and conditions.

2. Prices, Delivery, Deadlines, Cancellation of Contract

- 2.1 All prices are net prices and do not include sales taxes, which the Customer is to pay, additionally, at the respective statutory rate.
- 2.2 Deliveries are carried out EXW manufacturing plant in accordance with Incoterms® in force at the date of conclusion of the contract.
- 2.3 Delivery dates and periods for delivery are non-binding. Periods for delivery are calculated from the date of our order confirmation. If no delivery dates and periods for delivery are agreed, the Customer may set us a reasonable grace period of no less than two weeks for delivery. We can be in default only after this deadline has expired.
- 2.4 Our contractual obligations are subject to punctual delivery to us by our suppliers.
- 2.5 We reserve the right to fulfill our delivery obligations in full or in part through a company directly or indirectly controlled by SCHOTT AG.
- 2.6 We have the right to partial deliveries or performance of services if this is not unreasonable for the Customer. To the extent they are customary in the business, excess and short deliveries are permitted and do not give a right of complaint.

3. Payment

- 3.1 Payment is to be made after delivery within 30 calendar days of the invoice date. Timeliness of payment is determined by receipt of payment.
- 3.2 The Customer has rights of retention and set-off only to the extent its claim has been finally determined by a court or is undisputed.
- 3.3 If there are reasonable doubts as to the Customer's ability to pay, especially in case of delay or general payment stoppages, all our claims become due immediately. In these cases, we also reserve the right to withhold outstanding deliveries against advance payment or collaterals.

4. Reservation of Proprietary Rights

- 4.1 We reserve ownership of the delivered goods ("reserved goods") until complete payment of all current and future claims resulting from the delivery relationship with the Customer.
- 4.2 In case of an imminent risk of insolvency of the Customer, we are entitled to demand return of the reserved goods without cancellation of the contract and without setting a grace period.
- 4.3 The Customer is entitled to process the reserved goods, combine or mix them with other goods or sell them, provided, however that such use may only be made in the context of the ordinary course of business.

5. Customer's Drawings and Specifications

The Customer is responsible for ensuring that the drawings and specifications it provides are correct in terms of content and technical details and that they are free from third party rights.

6. Product Quality; Customer's rights regarding defective products

- 6.1 The agreed quality of the products is exclusively determined by the specifications or technical delivery conditions which are given to the Customer before placement of the order or were included in the contract in a comparable way as these General Conditions of Sale. Insofar as no limits for deviations were explicitly agreed, deviations which are customary in the business are permitted in any case.

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- 6.2 Published data regarding the supplied products, in particular the pictures and data given in our product descriptions as well as the properties of specimens and samples are binding only insofar as they have been explicitly agreed to define the quality of the products.
- 6.3 Information and advice which we render in connection with our performances without having any obligation to do so shall not relieve the Customer from carrying out its own tests.
- 6.4 If the products are defective and provided we are given written notification of the defect without delay, we will, at our discretion, either remedy the defect or deliver a non-defective replacement and bear all mandatory statutory costs for the purpose of remedying the defect to the extent that these are not increased by the fact that the products have been taken to a location other than the place of delivery.
- 6.5 If subsequent performance is unsuccessful, the Customer may cancel the contract or reduce the remuneration. Before a possible return of the products to us, our consent must be obtained.
- 6.6 Claims based on defects expire twelve months after delivery.
- 6.7 Regarding claims for damages and reimbursement of expenses, the provisions of Section 7 apply.

7. Liability

- 7.1 Subject to further contractual or statutory liability requirements, our liability under or in connection with orders shall be limited to cases of willful conduct or gross negligence by us; Our liability shall be limited to direct damages and to the net value of the corresponding delivery. We shall not be liable for any consequential or non-foreseeable damages, including but not limited to losses due to production stoppage, compensation payments to third party, penalty imposed by administrative or judiciary authority, loss of profit, loss of business opportunity or damage on trade name.
- 7.2 The limitation restrictions according to Section 6.6. also apply for the Customer's claims for damages or reimbursement of expenses which are based on defective products.

8. Industrial Proprietary Rights

- 8.1 We warrant that the products are free from third party industrial proprietary rights and copyrights in the country in which they were manufactured ("proprietary rights").
- 8.2 Should a third party file justified claims against the Customer due to an infringement of proprietary rights through these of the products in accordance with the contract, we are liable within the period of time set forth in Section 6.6 as follows: We will at our discretion either secure a license for the rights concerned or modify the products in a way acceptable to the Customer and in which the proprietary rights are no longer infringed. In the event that this is not possible under commercially reasonable conditions or within a reasonable period of time, the Customer is entitled to its statutory rights of rescission and reduction of the purchase price.
- 8.3 The Customer undertakes to inform us immediately of any claims from third parties concerning infringement of proprietary rights, not to admit to such an infringement and to support us to an appropriate extent in fending off such claims.
- 8.4 Claims on the part of the Customer are excluded if the Customer is responsible for the infringement of these proprietary rights or this was caused by specific requirements of the Customer.
- 8.5 Regarding claims for damages and reimbursement for expenses, the provisions of Section 7 apply.

9. Confidentiality, Data protection, Force Majeure

- 9.1 Documents provided to the Customer may not be made accessible to third parties, duplicated or used for any other purposes than those that have been agreed to.
- 9.2 Information provided to us in connection with orders is not to be considered confidential unless the confidentiality is obvious or has been expressly stated by the Customer.
- 9.3 We hereby point out that we store personal data and share it with companies affiliated with us to the extent that this is necessary in order to establish, implement or terminate our contractual agreements with the Customer.
- 9.4 Neither Party shall be liable for partial or total failure to perform obligations arising out of or in connection with orders if performance is prevented by an event not foreseeable at the time of conclusion of this General Conditions, the occurrence or consequences of which the Parties can neither avoid nor overcome by reasonable means ("event of Force Majeure"). The Party affected by event of Force Majeure shall give written notice to the other Party without delay. The affected Party is entitled to

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postpone its performance for the length of the obstruction plus an appropriate start-up time or shall be entitled to terminate this Contract if the suspension of contract performance accumulatively reaches ninety days due to Force Majeure.

10. Miscellaneous

- 10.1** The Customer is liable for compliance with all applicable laws and ordinances of export control laws of the People's Republic of China or other countries, in particular for having the permits needed in order to export or import the products. Furthermore, the Customer ensures that the products will not be supplied either directly or indirectly to countries that prohibit or limit the import of these products.
- 10.2** The contractual relationship shall be governed by laws of the People's Republic of China, excluding the rules of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 10.3** All disputes in connection with this General Conditions or the execution thereof shall be settled friendly through negotiations. In case no settlement can be reached within two months, the case shall then be submitted for arbitration to the China International Economic and Trade Arbitration Commission, headquartered in Beijing. The arbitration hearing shall take place in Shanghai and the decision of the arbitration shall be final and binding upon both Parties.