

General Conditions of Sale of SCHOTT (Shanghai) Precision Materials & Equipment International Trading Co., Ltd

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.
- 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. This does not apply insofar as the law pursuant to Article 158 (3) of the Contract Law of the People's Republic of China stipulates exceptions.
- 6.7 Regarding claims for damages and reimbursement of expenses, the provisions of Section 7 apply.

7. Liability

- 7.1 We are liable for damages in accordance with statutory law, to the extent there are not deviating terms in these General Conditions of Sale. In the event of simple negligence, we are only liable for damages resulting from death, bodily injury, or harm to health as well as from the breach of a material contractual obligation (i.e. an obligation whose fulfillment is essential to the due and proper implementation of the contract and on whose fulfillment the Customer regularly should be able to rely), in the latter case, however, our liability is limited to damages foreseeable and typical for this type of contract.
- 7.2 The exclusions and limitations of liability set forth in Section 7.1. do not apply to the extent we have intentionally concealed a defect or issued a quality guarantee or in the case of mandatory liability according to the Product Quality Law of the People's Republic of China.
- 7.3 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 the use 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

- 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; we do so in compliance with the requirements of laws regarding data protection.

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 Any dispute cannot be settled through consultations shall be settled solely by arbitration (in exclusion of the competent jurisdiction) at the China International Economic Trade Arbitration Commission headquartered in Beijing. The arbitration shall take place in Shanghai by an arbitral tribunal consisting of three (3) arbitrators in accordance with its Rules of Arbitration as then in force. The arbitral award shall be final and binding on the Party concerned.
- 10.3 The contractual relationship shall be governed by laws of the People's Republic of China, excluding the rules of conflict of laws and the United Nations Convention on Contracts for the International Sale of Goods (CISG).

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