

## **General purchasing terms and conditions of SCHOTT AG and its associated companies with registered seat in Germany**

The following terms and conditions govern orders and any other contracts relating to the delivery of goods and/or the performance of services between the supplier of goods or the service provider (hereafter "Supplier") and SCHOTT AG or one of its associated companies based in Germany (hereafter "SCHOTT"). These terms are not applicable for construction, construction services or employment contracts.

### **1. Applicability**

Unless otherwise individually agreed, the legal relationship with respect to the aforementioned transactions between SCHOTT and the Supplier, if the Supplier is an entrepreneur (§ 14 BGB) ("BGB"=Bürgerliches Gesetzbuch=German Civil Code) or a corporate body under public law, will be based exclusively on the following terms and conditions. The general terms of business of the Supplier do not apply unless SCHOTT has agreed to them in writing with explicit reference to the terms of business of the Supplier. This also applies if SCHOTT unquestioningly accepts ordered goods or services knowing the general terms of business of the Supplier.

### **2. Quotes and orders**

2.1 Quotes and cost estimates of the Supplier are free of charge and do not imply any obligation for SCHOTT.

2.2 Should the offer or cost estimate of the Supplier deviate from the inquiry of SCHOTT, the Supplier must expressly refer to this.

2.3 The order for deliveries and services to be carried out, which may include the agreements and any arrangements that deviate from these terms and conditions, is issued to the Supplier by SCHOTT. Insofar as the parties have not individually agreed to anything else before the placing of an order, only orders issued in writing are binding for SCHOTT and verbal agreements, including side agreements, changes or amendments to the order require a written confirmation from SCHOTT to be valid. Electronically generated orders or orders that are sent by SCHOTT to the Supplier by means of fax, email or in any other such way, and which do not exceed an order value of 50,000 Euro, are valid even without a personal signature provided that there is no legal requirement for this.

2.4 If the electronically facilitated order process has been agreed between the Supplier and SCHOTT via the SCHOTT Procurement Office ("SPO"), the SPO-conditions shall apply to the technical order process, in all other aspects, the present terms and conditions shall apply.

2.5 SCHOTT shall be entitled to revoke an order free of charge if the Supplier does not confirm unaltered the order in text form (§ 126 b BGB) within a period of two weeks from receipt.

2.6 Unless expressly stated otherwise, the order of priority of the terms and conditions that apply to the deliveries and services commissioned through the orders is as follows:

1. SCHOTT order letter
2. Product or service specification, respectively requirement documents
3. These present general purchasing terms and conditions with the respective references.
4. Offer of the Supplier.

2.7 The standards and guidelines included by SCHOTT in the order and in these general purchasing terms

and conditions always apply in its latest revision at the time of the order. These must be requested by the Supplier in due time if they have not already been made available. Should the Supplier discover that the SCHOTT standards and guidelines deviate from or contradict statutory provisions, it will make SCHOTT aware of these deviations or contradictions immediately and free of charge.

### **3. Delivery period and delay of delivery**

3.1 The delivery period begins on the date of the order. Should a delay be likely to occur, the Supplier must, irrespective of the rights derived from this delay by SCHOTT, inform SCHOTT immediately, stating any reasons for and the anticipated length of the delay. If the Supplier fails to provide this notification, it may not subsequently invoke the impediment to SCHOTT. Early deliveries or services, or part deliveries or part services, require the prior consent of SCHOTT.

3.2 Without prejudice to the legal rights, SCHOTT shall be entitled, in the case of a delay by the Supplier, to charge a contractual penalty equivalent to 0.2 % of the price for the part of the order affected by the delay for every commenced working day of the order delay in addition to the claim to performance up to a maximum amount, however, of 5% of the price. SCHOTT can assert the contractual penalty - by way of derogation from § 341 (3) BGB - until final payment has been made and claim damages. The contractual penalty payments are credited to any potential compensation claims.

3.3 Should the Supplier also not fulfil the delivery or service within a period of grace determined by SCHOTT, SCHOTT shall be entitled to commission the contractual performance to a third party and to demand compensation from the Supplier for any necessary expenditures and additional charges once this period of grace has elapsed. SCHOTT also has the right to demand compensatory damages in lieu of specific performance. The right to withdraw from the contract will remain unaffected. The Supplier's right to cure and SCHOTT's obligation to accept such performance will lapse as soon as SCHOTT - after the expiry of the period of grace - procures substitute performance on its own in lieu of specific performance, or if SCHOTT demands compensatory damages in lieu of specific performance.

3.4 For the purpose of establishing the timeliness of delivery or rectification of delivery of goods, the relevant point in time is the date of receipt at the place of receipt designated by SCHOTT (hereafter "place of delivery"). Should a delivery including installation or assembly have been agreed between the Supplier and SCHOTT, the appropriate completion of the installation or assembly is essential for the timeliness of the delivery. Insofar as the acceptance of a performance is provided for by statute or contractually agreed, the time of the successful completion of the agreed acceptance date is decisive for the evaluation of the timeliness of the delivery or the respective service. Apart from that, timeliness of services is determined by the date on which the services are rendered completely as agreed upon.

### **4. Order completion**

4.1 The Supplier must indicate the SCHOTT purchasing department, order number, order date and the letter symbol and name of the SCHOTT purchaser in all documentation.

4.2 Upon request of SCHOTT the Supplier must immediately inform SCHOTT about the schedule and the status of the completion. Any documentation which may be necessary for a discussion about the delivery or service with SCHOTT must be presented to SCHOTT in due time. Such

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a discussion or any other contact with SCHOTT does not exonerate the Supplier from its contractual obligations and is solely within the scope of its responsibilities.

4.3 Any delivery call-offs concerning the type and quantity of the requested goods and the delivery date are binding.

4.4 Subcontracts may only be awarded to third parties by the Supplier with the prior written consent of SCHOTT, provided that it is not merely a case of supply of marketable components. If the Supplier intends to involve third parties for the contractual performance from the outset, it should inform SCHOTT of this in its offer. If SCHOTT grants its approval to this, the responsibility for the contractual performance and the liability for any neglect of duty of the third party remain to the Supplier in accordance with § 278 BGB. In any case the Supplier is obliged to ensure that in the event that a third party is subcontracted, it is able to perform the subcontracted services competently and reliably and that it meets its legal obligations with regard to the payment of taxes and social security contributions, in addition to meeting the requirements for its activities as mandated by trade law. The Supplier is obliged to place its subcontracted parties under the same obligations it bears under the contract with SCHOTT for the assigned duties, in particular with regard to the confidentiality obligation, data protection and proof of an adequate factory and product liability insurance.

Subcontracted parties that prove to be unqualified or unreliable must be replaced immediately by the Supplier with suitable subcontracted parties. If the Supplier fails to replace such a subcontracted party with a subcontracted party attested to be suitable despite being requested to do so and upon expiration of an appropriate period of grace, SCHOTT shall be entitled to revoke its consent to the subcontracting.

4.5 The Supplier is obliged to perform the delivery and service on its own responsibility in accordance with the current state of the art and with the aid of qualified personnel or skilled employees properly and according to the specifications, and to comply with the applicable legal and administrative provisions and any other regulations. This obligation remains unaffected from the approval of documentation and other information by SCHOTT.

In addition, the Supplier is obliged to observe the statutory regulations to combat illegal employment, in particular the Employee Assignment Law, the Law on Temporary Employment and the provisions of the Social Security Law, in particular relating to the payment of contributions.

Furthermore, the Supplier must meet the SCHOTT "Occupational Safety Conditions of the Company Grounds of the SCHOTT AG and its Associated Companies Based in Germany" („BzA“) whenever it is on SCHOTT company grounds, as well as the "Electrical Safety Quality Standards for the Performance or Electro technical services" („QzE“) in the event of electro technical services. The BzA can be downloaded from <http://www.schott.com/safety-work-requirements-SCHOTT-Germany> and the QzE from <http://www.schott.com/Elektrosicherheit-SCHOTT-Deutschland>. The QzE are only available in German due to the fact that the therewith related statutory provisions and the generally recognized rules of engineering are only available in German language. Therefore Supplier must ensure that the content of the aforementioned regulations is understood completely and that its employees which render the services have a sufficient command of the German language, spoken and written.

4.6 Should any examinations or tests be scheduled for the delivery or service, the Supplier bears the material and its own personnel costs.

The Supplier must inform SCHOTT of readiness for testing at least one week in advance and schedule an appointment.

If the delivery item is not presented at the time of this appointment, SCHOTT's costs will be borne by the Supplier. If a repeat examination or testing should be required as a result of established defects, all related material and personnel costs are borne by the Supplier.

4.7 The Supplier must support and advise SCHOTT, as well as procuring any necessary documentation in due time, during the performance of any required approval procedures and testing.

4.8 The Supplier is not allowed to change, remove or operate SCHOTT factory equipment without prior consent. SCHOTT is not liable for any property brought onto SCHOTT's premises by the Supplier.

4.9 Goods must be delivered in accordance with the Incoterms® provision specified in the order and in the version currently issued by the ICC at the time of conclusion of the individual contract, unless otherwise agreed. According to the Incoterms® provision, the Supplier must choose transport facilities and transport insurance in agreement with SCHOTT. Every delivery must include a delivery note indicating the SCHOTT order number, symbol, date, department/processor and SCHOTT item number, as well as a description of the contents according to type and quantity, a packing slip and, if required, test certificates in accordance with the agreed specifications and any other required documentation.

4.10 In the case of software products, the delivery obligation is only fulfilled once all the (system specific and user) documentation is provided. For any application developed specifically for SCHOTT, the source code of the application with its appropriate documentation must also be delivered additionally.

4.11 For devices, machines or equipment, a technical description and an operating manual in accordance with the statutory provisions must also be provided free of charge. Furthermore, devices, machines or equipment must meet the requirements of the applicable safety regulations in force at the time of delivery and must have a CE marking. For machine and equipment deliveries, the Supplier must provide the required or agreed documentation, in particular relating to approval, assembly, equipment, operation, maintenance and repair. Any deliveries of electrical or electronic devices or components must comply with the requirements of the European RoHS directive 2011/65/EU - the abbreviation RoHS stands for "Restriction of the use of certain Hazardous Substances".

4.12 The goods must be packaged with appropriate, environmentally sustainable materials that can be recycled. Apart from that the German Packaging Ordinance also applies. The packaging costs should be indicated separately at cost price in the offer and the invoice. Supplier performs any unpacking or unloading operations on SCHOTT's premises at its own responsibility and takes on the responsibilities of the packager and loading agent as the case may be in accordance with the Ordinance on the Carriage of Dangerous Goods (GGVSEB). Tools and equipment should not be loaded together with delivery items according to this.

In addition, the Supplier has the obligation to avoid creating waste and to dispose of any waste that does arise properly whenever working on the SCHOTT premises. The Supplier warrants to be knowledgeable and well-informed with regard to the disposal of accumulated waste and to observe the disposal obligations in accordance with the applicable waste regulations.

4.13 Dangerous goods must be packaged, labelled and transported or dispatched in accordance with the applicable national and international provisions. With regard to deliveries to the territory of the EU, Supplier must in

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particular observe all the Supplier's obligations according to the European Chemical Substances Regulation for the Registration, Evaluation, Authorisation and Restriction of Chemicals - EU Regulation 1907/2006/EG - (hereafter „REACH-VO“) with respect to the delivery of the goods. Furthermore, the Supplier will provide SCHOTT with a safety data sheet according to Article 31 REACH-VO in the language of the recipient country in all cases stipulated in Article 31 item 1 to 3 REACH-VO and warrants to meet its obligations under REACH-VO, such as the preregistration or registration of materials contained in the goods or approval in accordance with REACH-VO and information obligations. In particular the Supplier is obliged to inform SCHOTT immediately, if one component of a good contains a substance within a concentration of more than 0.1 weight by weight (W/W), which meets the criteria of Article 57 and Article 59 of REACH-VO (so-called "substances of very high concern"). This is also applicable for any packaging material.

4.14 The Supplier must meet all the requirements of the applicable national and international customs and foreign trade legislation. It is liable to SCHOTT for ensuring the correct labelling of all deliveries subject to a requirement to label and that the customs tariff number and the number from the German export list in particular are indicated. Order acknowledgements and all shipping documents must also be labelled. The Supplier must in particular alert to any potential authorization requirements for (re-) exports in the above mentioned documents or invoices according to the respective national export and tariff regulations as well as the export and tariff regulations of the country of origin of the goods and services - in particular items under the US Re-export Controls - and must inform SCHOTT detailed and in writing along with the corresponding export list and customs code number.

4.15 Goods delivered must meet the source requirements under the preferential trade arrangements of the EU, unless the order expressly stipulates otherwise. These can be viewed on the official website of the European Commission. The respective internet link, which was available at the time this document was being drawn up, is: [https://ec.europa.eu/taxation\\_customs/sites/taxation/files/resources/documents/customs/policy\\_issues/customs\\_security/aeo\\_guidelines\\_en.pdf](https://ec.europa.eu/taxation_customs/sites/taxation/files/resources/documents/customs/policy_issues/customs_security/aeo_guidelines_en.pdf)

In all other respects, the Supplier shall note the non-preferential country of origin on the commercial documents and, at SCHOTT's request, shall provide a certificate / authentication of origin for the product's country of origin.

4.16 The Supplier is liable for any damages and bears all costs arising in particular from the non-observance of the provisions in items 4.11 to 4.15. All deliveries and/or services that are not accepted as a result of the non-observance of these provisions are at the expense and the risk of the Supplier.

## 5. Prices

5.1 The prices agreed are fixed prices. Insofar as nothing else has been agreed in any particular case, the indicated prices comprise a full and final payment for all commissioned deliveries and services and include all expenditures relating to the deliveries and services to be performed by the Supplier, in particular also the costs for potential testing, approval, documentation, compilation of technical documentation and items, packaging, transport, customs duties and border clearance fees.

5.2 For billing based on work and equipment use, the total working hours as well as the material used must be stated in written form on a respective performance template. The performance template must be presented to SCHOTT for signing on a daily basis. The performance certificate will

serve as a basis for calculation pending the final acknowledgement during the auditing of accounts. The name of the employees must be recorded in the performance certificate.

5.3 In the event that the Supplier reduces his prices in the period of time between the order and the delivery and improves his terms, such prices and terms valid on the day of delivery will apply.

## 6. Invoices, payments

6.1 Invoices must be submitted separately from the delivery to the invoicing address indicated in the order; they must correspond verbatim with the order descriptions of SCHOTT, including goods' description, price, quantity, order of the items and item numbers, as well as containing the SCHOTT order number. Any additions or short falls to services must be cited separately in the invoice. Performance certificates and other verification documentation must be enclosed with the invoice. A precise description of the contracting department and the date of the order must be cited. Invoices that fail to include this information will be sent back, will have to be considered as not received and shall therefore not be deemed due for payment.

6.2 In the event that a credit note procedure has been agreed, the Supplier must provide SCHOTT with all the information that is necessary to meet the legal requirements of the applicable sales tax law.

6.3 For invoicing, the payment term begins upon complete receipt of goods or full completion of services and receipt of a correct and proper invoice at the invoicing address indicated in the order. For credit note procedures the payment term begins upon issuance of the credit note, which must be issued upon complete receipt of goods or full completion of services. Complete receipt of goods and full completion of services assume receipt of the agreed test reports, quality documents or other documents in all cases.

6.4 A SCHOTT payment shall be deemed overdue only, if SCHOTT fails to pay in response to a payment demand note received after payment becomes due.

6.5 Any payments made will not constitute recognition that terms and prices as well as a delivery or service are contractually conforming and is subject to the reservation of all rights. In the event any good or service is non-conforming or incomplete, SCHOTT is entitled – without prejudicing its other rights – to withhold any payment for any and all claims arising from the business relationship with the Supplier in a reasonable scope without compensation obligation for SCHOTT until the proper supplementary performance has been completed by Supplier, without losing any rebates, cash discounts, or similar payment benefits.

6.6 The Supplier is only entitled to a right of charge or retention arising from legally determined or undisputed claims.

6.7 Unless otherwise agreed explicitly, payment of the price is due within a period of 30 days upon commencement of the payment term according to item 6.3. If payment by SCHOTT occurs within 14 days, the Supplier will calculate a 3% cash discount onto the net value of the invoice.

In the case of a bank transfer, payment will be deemed to have been made on time if the remittance order has been received by the bank in such a timely fashion that under normal circumstances a timely receipt of payment would be expected; bank delays which occur during the payment process shall not be attributed to SCHOTT.

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## **7. Code of conduct, counterterrorism and data protection**

7.1 Basic company values of SCHOTT include integrity, reliability and compliance with statutory and ethical guidelines as set out more specific in SCHOTT's Code of Conduct.

Suppliers are expected by SCHOTT to share the aforementioned principles. It is for this reason that SCHOTT has compiled a corresponding Code of Conduct for Suppliers. It defines the minimum requirements that a Supplier must meet in order to comply with this responsibility. The Supplier is thus obliged to observe the Code of Conduct for Suppliers (available at <http://www.schott.com/CoC-Supplier>).

7.2 The Supplier confirms that it is well aware of the provisions of the EU-Regulations for the fight against terrorism and that it will comply at all times with the EU-Council Regulation No. 881/2002 of 27 May and EU-Council Regulation No. 2580/2201 of 27 December 2001 in its respective current consolidated version. In particular Supplier hereby confirms in respect of the above, that it does not have any business relationship to persons, which are listed in such Regulations. The security relevant aspects, as listed in the European Commission Guidelines for Authorized Economic Operators (AEO)-(TAXUD/2006/1450), (EU-Regulation No 648/2005 and EU-Regulation No 1875/2006) will be met at all times by implementation of appropriate security and safety standards. The Guidelines can be found under the official website of the European Commission. The respective internet link, which was available at the time this document was being drawn up, is: [http://ec.europa.eu/taxation\\_customs/customs/policy\\_issue/s/customs\\_security/aeo/index\\_en.htm#guidelines](http://ec.europa.eu/taxation_customs/customs/policy_issue/s/customs_security/aeo/index_en.htm#guidelines).

7.3 The Supplier will follow in particular the regulations of the European General Data Protection Regulation (GDPR), the German federal data protection act (BDSG) and the other regulations to the data protection if it receives personal data from SCHOTT or the area from SCHOTT or gains insight into those. The Supplier may only process such data insofar as this is permitted to him by SCHOTT's order or as it is necessary for the performance of the ordered service. Any further processing of the data, in particular such for the benefit of the Supplier or a third party is not permitted; this also applies to the processing of personal data at a location outside the scope of the European General Data Protection Regulation .

## **8. Transfer of risk, acceptance, retention of title**

8.1 Without prejudice to the stipulation in item 8.2, the risk of loss and damage passes to SCHOTT upon delivery of goods as contractually agreed at the place of delivery indicated by SCHOTT in its order in the event that an assembly or installation is not required.

If an assembly or installation have been agreed for a delivery, the risk of loss and damage shall pass upon proper completion of the assembly or installation.

8.2 If an acceptance has been contractually agreed or is provided for by statute, the risk of loss and damage shall only pass to SCHOTT upon signing of the acceptance protocol by SCHOTT. SCHOTT and the Supplier shall agree to an acceptance date for this purpose. SCHOTT's mere operational start-up or use shall in no way constitute a formal acceptance.

8.3 With respect to the delivery of goods subject to retention of title, SCHOTT may resell and reprocess such goods in the ordinary course of business.

## **9. Defects, claims, rights on account of defects, liability for defects**

9.1 The Supplier warrants that deliveries and services are free from defects as to quality or of title, are as agreed and/or guaranteed, were performed expertly and appropriately without compromise to quality, meet the agreed product or service specifications, are appropriate for the expected use as per the order and comply with the stipulations specified in these terms and conditions as well as any other agreed or statutory provisions. Should the delivery or service deviate from the aforementioned requirements, it shall be considered defective.

9.2 SCHOTT shall promptly notify the Supplier regarding any obvious defects that become manifest during the incoming goods inspection by external appraisal including the delivery notes, as well as during the quality control by way of a random sample test procedure, (e.g. obvious damage in transit, obvious mis-deliveries or short deliveries) as soon as such defects are identified in the ordinary course of business. Apart from that, it depends to what extent an inspection - taking into account the circumstances of the individual case - is feasible according to the proper course of business. The obligation to give notice of defects for defects discovered later, in particular in the case of defects that can only be detected during processing or usage (hereafter "hidden defects"), remains unaffected.

Insofar as nothing else has been agreed, a defect claim by SCHOTT by means of a notice of defects shall be considered prompt and on time whenever it is made within ten (10) working days from receipt of the goods or from detection in the case of hidden defects. The Supplier shall not object on the grounds of delayed notification to this extent.

SCHOTT shall have no other obligations toward the Supplier than the ones mentioned above.

Should an acceptance have been agreed, SCHOTT shall not have the duty of the incoming inspection and defect notification.

9.3 If an accepted quality standard (e.g. Agreed Quality Level, „AQL value“, Parts Per Million, „PPM value“) was agreed with the Supplier for the delivery, SCHOTT shall be entitled to reject the delivery completely or test it 100 % at the expense of the Supplier. If SCHOTT accepts the goods on the grounds of meeting the accepted quality standard, claims for defects discovered at a later stage remain unaffected.

9.4 In the event of defective deliveries or services, SCHOTT shall be entitled to demand rectification of the defect or performance of a delivery or service free from defects, withdraw from the contract, reduce the agreed prices accordingly or claim damages or replacement, at its discretion in accordance with the statutory regulations .

The supplementary performance shall ensue promptly at the place of delivery of goods or location where the service was rendered or at the place where the goods can be found upon discovery of the defect at SCHOTT's discretion.

It shall be considered a fail (§§ 440, 636 BGB) if the defect has not been remedied even after the second supplementary performance.

Should the supplementary performance fail or be unreasonable for SCHOTT (e.g. as a result of exceptional urgency, endangerment to operational safety or the threat of disproportionate damage; to prevent delay in own delivery), SCHOTT shall be entitled to remedy the defect and any damage caused by it at the expense of the Supplier or have it remedied by a third party and demand reimbursement from the Supplier for the necessary expenses without further setting of a period of grace.

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In the same manner is SCHOTT entitled to do so, in case that the Supplier is in default with the supplementary performance.

In particular SCHOTT will inform the Supplier about the substitute performance immediately, if possible in advance, in case a supplementary performance by Supplier shall be deemed unreasonable.

9.5 In the case of any defects occurring in development or in engineering work, supplementary performance by Supplier shall be deemed unreasonable (§440 BGB) and SCHOTT reserves the right to either promptly withdraw from the contract or reduce the agreed price (price reduction). Apart from these options, SCHOTT shall also reserve the right to claim damages.

9.6 If the object of delivery or service for the supplementary performance is in the custody of the Supplier or a third party, legitimately commissioned by the Supplier or by SCHOTT with the supplementary performance, the Supplier bears the risk of damage to or loss of the object of the supplementary performance.

9.7 Unless agreed otherwise individually, any claims for defects expire after 24 months from transfer of risk according to item 8.1, unless a longer statutory period exists. If an acceptance has been agreed, the limitation period of claims begins upon unconditional acceptance. The period mentioned in sentence 1 shall suspend for the period of the rectification of defects, which starts with the notice of defects and ends with the successful executed rectification of defects.

9.8 In the event of a defective delivery or service, the Supplier is obliged to pay SCHOTT a processing fee equivalent to 5 % of the price of the defective delivery or service, irrespective of the amount of the expenditures arising from it. The fee is limited to a maximum of € 550 plus any statutory turnover tax. SCHOTT explicitly reserves the right to claim for higher expenditures.

## **10. Product liability**

10.1 If the Supplier is responsible for a product damage, then it agrees, upon first demand made, to indemnify SCHOTT with respect to any third party compensatory damage claims, to the extent that the cause of the damage was within its sphere of organisation and control and it itself is liable to third parties.

10.2 In the scope of its liability within the meaning of item 10.1, the Supplier will also be obligated to reimburse any expenses which arise from or are connected with a recall campaign carried out by SCHOTT in accordance with §§ 683, 670 BGB or in accordance with §§ 830, 840, 426 BGB. SCHOTT shall inform the Supplier about the content and scope of any such implemented recall campaign – to the extent feasible and reasonable – and will provide it with the opportunity to present its opinion.

10.3 SCHOTT reserves any statutory claims or rights, which it may have as a customer.

## **11. Third party rights**

If the Supplier is liable for the infringement of third party intellectual property rights according to the statutory provisions, it will hold harmless SCHOTT of all such claims by third parties at first written request.

## **12. Insurance obligation**

The Supplier will obtain and maintain an adequate factory and product liability insurance with a lump-sum coverage of at least 5 million Euro for each personal or material damage and, if assembly services have been performed, an

assembly insurance, for all potential liability claims directly or indirectly related to the services incumbent on him toward SCHOTT at its own expense, and will provide SCHOTT with appropriate evidence upon request.

## **13. Technical documents, manufacturing resources**

13.1 Technical documents, specifications, tools, models, manufacturing resources, drawings, work standard sheets, calculations, analyses, methods of analysis, formulas, guidelines, etc. (hereafter called "Technical Documents and Materials") provided to the Supplier by SCHOTT in connection with a bid solicitation or order may only be (i) used by the Supplier to carry out the order and for no other purpose and (ii) must not be disclosed, given or made available to unauthorized third parties. Any copying or reproducing of aforementioned Technical Documents and Materials is only permitted to the extent that this is absolutely necessary for the completion of the order commissioned by SCHOTT. They must be returned to SCHOTT along with any potential copies or duplicates immediately upon request, but at latest immediately upon completion of the order; in this regard the Supplier is not entitled to claim a right of retention toward SCHOTT. Technical Documents and Materials compiled by SCHOTT remain the property of SCHOTT. SCHOTT reserves all rights in this regard, including intellectual property rights and any other industrial property rights.

13.2 If the Supplier compiles Technical Documents and Materials for the completion of the order at the request of and in accordance with the requirements of SCHOTT, SCHOTT shall obtain all property rights of such Technical Documents and Materials. Furthermore, the Supplier shall transfer all transferable rights to SCHOTT, including the intellectual property rights and any other industrial property rights associated with such Technical documents and Materials and/or the contents therein. The price includes an adequate and final fee for the compilation of all Technical Documents and Materials and for the transfer of the aforementioned rights. This also applies when they remain in possession of the Supplier. Until such time as they are requested, the Supplier will keep these safe free of charge.

## **14. Materials set aside**

14.1 SCHOTT shall retain ownership in any materials it has set aside, and the Supplier shall gratuitously store and hold such materials in accordance with the standard of care exercised by reasonable business persons and must segregate such materials from the Supplier's own property and identify them as SCHOTT's property. Such materials may be used only for the purpose of carrying out the order issued by SCHOTT.

14.2 In the event the Supplier processes or restructures the material set aside, any such action shall be deemed to have been made exclusively for SCHOTT. SCHOTT will become the direct owner of any new or transformed item of property created there from. If the material set aside is processed with other materials that do not belong to SCHOTT, SCHOTT shall obtain joint ownership of the new item of property proportional to the value of the material set aside (purchase price plus turnover tax) and the other processed materials at the time of the processing. The Supplier shall hold the new or processed good at no extra cost for SCHOTT with the standard of care exercised by reasonable business persons by marking it with an appropriate identification.

14.3 Items 14.1 and 14.2 apply by analogy for material which the Supplier has sourced from any third party for the contractual performance and which has been invoiced to SCHOTT accordingly.

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14.4 Furthermore, in the event that the materials set aside are tools, the Supplier is obliged to insure them at their replacement value against damage by fire, water and theft at its own costs. At the same time, the Supplier shall cede to SCHOTT as of now all rights to claim compensation from this insurance. SCHOTT hereby accepts the transfer of these rights. The Supplier is obliged to carry out any required servicing or inspection operations in due time, as well as all maintenance and corrective maintenance operations, of the SCHOTT tools at its own costs and to inform SCHOTT immediately of any potential incidents. The Supplier is not entitled to copy or duplicate any tools of SCHOTT which has been set aside by SCHOTT.

14.5 The Supplier is obliged to send back any materials not yet used and tools set aside by SCHOTT including all possibly created copies and duplicates immediately upon request, but at latest immediately after completion of the order; insofar the Supplier is not entitled to assert a right of retention against SCHOTT.

## **15. Confidentiality**

15.1 The Supplier is obliged to treat the contractual relationship and its completion as such, as well as any information it receives in the course of the contract, as confidential, unless the Supplier can prove to SCHOTT that it was already aware of this information or that it was made available to him later without a confidentiality obligation by a third party authorized to do so, or that they were or later became generally accessible to the public without the Supplier being at fault for this.

15.2 Any disclosure with respect to deliveries or services which contain confidential information in accordance with item 15.1 requires the express prior written consent of SCHOTT.

15.3 The confidentiality obligation continues to be valid even after completion of the order.

## **16. Conveyance**

16.1 The Supplier shall only transfer the rights and obligations from the order to third parties with the prior written consent of SCHOTT.

16.2 SCHOTT may transfer the rights and obligations from the order to SCHOTT AG or one of its associated companies within the meaning of §§ 15 AktG ff. at any time without the prior consent of the Supplier.

## **17. Severability**

If any provisions of these terms and conditions are or become invalid, either in whole or in part, then the validity of the remaining provisions will not be affected thereby.

## **18. Place of performance, venue, governing law**

18.1 Place of performance is the place of delivery indicated in the order.

18.2 If the Supplier is a merchant, then at SCHOTT's option the venue will be the competent court in Frankfurt/Main. In addition, SCHOTT is also entitled to institute legal action at the venue of the Supplier.

18.3 The substantive law of the Federal Republic of Germany shall govern the contractual relationship, except for the reference rules under its provisions relating to private international law.

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