

Standard Terms and Conditions of Purchase of Veritas Aktiengesellschaft

as of January 2002

- 1.1. These Standard Terms and Conditions of Purchase shall apply exclusively unless they are amended pursuant to an express written agreement between the parties. Any terms and conditions of the Supplier which are opposed to our Standard Terms and Conditions or deviate from them shall not be recognized. This shall also apply in the event that we have not expressly objected to such terms and conditions. Unconditional payments and the acceptance of services and/or work by us shall not be deemed to constitute a recognition of any standard terms and conditions of sale of the Supplier.
- 1.2. Orders and agreements between us and the Supplier shall not be binding unless they have been placed or confirmed in writing by our purchasing department.
- 1.3. These Standard Terms and Conditions of Purchase shall also apply to all future transactions with the Supplier, even if they have not been once more expressly agreed upon.
- 1.4. Our Standard Terms and Conditions of Purchase shall only apply vis-à-vis merchants within the meaning of § 310 para 1 BGB (German Civil Code).
- 2.1. If the Supplier fails to accept the order within five working days, we are no longer bound by the order.
- 2.2. The price shown in our order shall be binding. In default of any deviating written agreements the price shall be deemed to be „free delivery“ including packaging.
- 2.3. Value-added tax at the statutory rate shall not be deemed to be included in the price.
- 2.4. Invoices must be issued in duplicate stating the order number (in the event of delivery on call, also the call number) and the supplier number. If the goods are received after the invoice or if the invoice is incomplete, the date of receipt of the goods or the date of receipt of the correct invoice shall be relevant for the discount period.
- 2.5. Unless otherwise agreed upon, payments shall be made within 14 days, calculated from the date of receipt of delivery and invoice, with a discount of 3 %, after 30 days with a discount of 2 % or after 60 days without any deduction. The relevant date for the invoice shall be the date on which the invoice is received.
- 2.6. Without our prior written consent, which may not be unreasonably withheld, the supplier shall not be entitled to assign his accounts receivable against us or have them collected by third parties. In the event of an extended reservation of title consent shall be deemed to be granted. If the Supplier assigns his accounts receivable against us without our consent to a third party the assignment shall all the same be valid. However, we can then pay with a discharging effect to either the Supplier or the third party.
- 3.1. The delivery period specified in the order and/or the dates and deadlines agreed upon shall be binding. The Supplier shall be obliged to inform us immediately of any late deliveries discernible for him.
- 3.2. In the event of late delivery we shall be entitled to the statutory claims. We shall, in particular but not limited to, have the right to claim compensation for the damage caused by such late delivery.
- 4.1. If manner and extent, means and methods of the quality control as well as the retention period of the quality records have not already been agreed upon between the Supplier and us for example in a quality assurance agreement- we shall be entitled to inspect materials, manufacturing processes and other work serving for the provision of the contractual services at the Supplier during manufacturing and until the delivery of ordered goods. If such inspection is not permitted without any good and sufficient grounds, we shall be entitled to rescind the agreement. This shall also apply if defects or deviations from the contractual agreements become already apparent during the inspection and if their remedying is not possible until the delivery date agreed upon. We shall also be entitled to request at any time a report on the goods ordered by us and, in particular but not limited to, on the manufacturing status. The Supplier shall not be entitled to hold out to us that we did not exercise our rights within the meaning of this clause.
- 4.2. The Supplier shall keep the quality records for his goods for a duration of two years unless statutory provisions require a longer record retention period. If necessary, the quality records must be submitted to us.
5. The delivery item must correspond to the material specifications laid down by us, the statutory and official provisions including those in respect of accident prevention as well as DIN-VDE and similar provisions. Dangerous substances must be labelled accordingly.
6. Any work performed in our company shall be governed by our internal rules and procedures, the relevant accident prevention rules and the fire protection guidelines.
7. In the event of raw material deliveries, a certificate of analysis shall accompany each shipment. Moreover, the batch number must be stated on all delivery documents.
8. The Supplier warrants that the goods delivered by him have the agreed quality and/or are appropriate for the contractually agreed use and meet our requirements. He warrants that his deliveries do not violate any rights in particular but not limited to with regard to compliance with laws, regulations or any other provisions of public authorities. He further warrants that his deliveries do not conflict with any rights of third parties (e.g. liens or creditor positions under assignments of receivables or other loan collaterals etc.).
- 9.1. Unless otherwise agreed upon in a quality assurance agreement between us and the Supplier we shall check the goods within an appropriate period of time for possible deviations in terms of quality and quantity. Notifications of defects shall be deemed to have been made in due time if they are received by the Supplier within a period of five working days, calculated from receipt of the goods or in case of hidden defects from their discovery.
- 9.2. The statutory warranty claims, in particular but not limited to the claim to removal of the defect or delivery of goods free from defects (subsequent performance), at our option, shall be available to us without any limitations; the Supplier shall bear the necessary expenses incurred in connection with subsequent performance. If the fault lies with the Supplier, the right to claim damages and, more particularly, the right to claim damages in lieu of performance shall be expressly reserved.
- 9.3. With the acknowledgement of receipt of deliveries and with the acceptance and approval of drawings submitted, we shall not waive any warranty claims or other rights.
- 9.4. The warranty period shall be 24 months from the passing of the risk.
- 10.1. Liability shall be governed by the statutory provisions unless otherwise agreed upon or regulated in these Standard Terms and Conditions.
- 10.2. Insofar as the Supplier is responsible for a damage to a product, he shall be obliged to indemnify us, on first demand, against damage claims of third parties to the extent that the cause comes within his sphere of control and organization and he is liable in relation to third parties.
- 10.3. Within the scope of his liability for damage within the meaning of the foregoing clause the Supplier shall also be obliged to refund any expenses in accordance with §§ 683, 670 BGB (German Civil Code) as well as in accordance with §§ 830, 840, 426 BGB which result from a recall to be carried out by us. We shall inform the Supplier about the content and scope of the recall measures to be taken - insofar as this is feasible and reasonable - and give him an opportunity to comment. Any other statutory claims shall remain unaffected.
- 10.4. In the event of recourse against us in accordance with §§ 478, 479, 434 BGB and if the reason for the defectiveness comes within the sphere of influence of the Supplier, he shall be obliged to indemnify us against claims to recourse of third parties on first demand.
11. Without our prior consent the Supplier shall not be entitled to have the deliveries made as a whole or in part by other companies. The consent may not be unreasonably withheld.
- 12.1. Our orders and all commercial and technical details which come to the knowledge of the Supplier in connection with the business relationship, shall be kept secret by the latter, unless they concern knowledge which is in the public domain.
- 12.2. Drawings, models, templates, samples and the similar may not be transferred to unauthorized third parties or otherwise made available to them. The duplication of such items shall only be admissible within the framework of operational requirements.
- 12.3. The Supplier may not refer to the business relationship with us unless with our prior written consent.
- 13.1. The place of performance for the moulds and services shall be the agreed place of delivery. For all other obligations or if no place of delivery has been agreed upon, the place of performance shall be Gelnhausen.
- 13.2. The shipment of deliveries - also to places other than the place of performance - shall be at the risk of the Supplier.
- 13.3. Insofar as the Supplier is a merchant, Gelnhausen shall be the exclusive place of jurisdiction for all disputes arising directly or indirectly out of the contractual relationship. We shall, however, be entitled to sue the Supplier also at his place of domicile and business or to have recourse to the courts before which third parties may assert claims against us in respect of circumstances which are causally linked to the delivery, work/services or other obligations of the Supplier.
- 13.4. These Standard Terms and Conditions of Purchase shall be governed exclusively by the law of the Federal Republic of Germany. The Application of the United Nations Convention of 11 April 1980 on contracts for the international sale of goods shall be excluded.