

1. Order and Order Confirmation

- (1) The following purchasing conditions shall apply to our orders. Any general terms and conditions imposed by the contractor shall be binding on us only insofar as they are compatible with our terms and conditions or in case we have expressly indicated our agreement in writing.
- (2) Acceptance of the contract shall be confirmed immediately - no later than 14 days after receipt of our order - by returning the copy of our order form duly signed.
- (3) We may revoke the order if we have not received confirmation within the specified period.
- (4) If the conditions set out in the contract confirmation form differ from our order, we shall be bound by the revised conditions only if we have indicated our agreement to the change(s) in writing. Acceptance of supplies or services or payment for such supplies or services does not constitute agreement.
- (5) The contractor is obliged to provide proof of origin, as defined by EG preferential agreements in the form of supplier declarations in accordance with EC Regulation 1207/2001 or in the form of movement certificates. If the goods do not have a certified origin, the words "Not original goods" must be included on the contract confirmation form and on the invoice. In this case, we have the right to revoke the order.
- (6) Amendments and additions to the order must be made in writing.
- (7) In case of orders for materials or preparations covered by a material safety data sheet, the supplier shall automatically provide this data sheet in accordance with EC Regulation 91/155 free of charge. The supplier shall send a copy to the OSRAM purchasing department.

2. Prices

- (1) The prices quoted in our order and confirmed by the contractor shall be considered as fixed prices.
- (2) Any increase or decrease of the price as a result of changes affecting the execution of the work must be notified to us immediately and require our written agreement before the goods are shipped.

3. Payment

- (1) On receipt of all goods or on provision of all services we shall settle the invoice on which our order number shall be quoted, on the 1st working day of the month following the agreed Payment Term. Payment Term is 60 days net.
- (2) Payment on our part does not indicate our acceptance that supplies or services have been made according to the contract.
- (3) We shall make payments only to the contractor. Assignment of a claim requires our prior written approval.
- (4) We shall not pay in cases where payment is in conflict with national or international foreign trade legislation, embargoes or other sanctions.

4. Date of Delivery

- (1) The goods must have been supplied to our designated reception point by the specified deadline. This shall apply analogously to services rendered.
- (2) Requests on the part of the contractor to extend the agreed deadlines must be made as soon as possible so that we can decide whether or not to hold up the original order.
- (3) Supplies over or above the contracted quantity or (part) supplies in advance of agreed deadlines require our prior approval. Any additional costs incurred shall be borne by the contractor.

5. Packaging

Unless otherwise indicated in the order, the costs of packaging shall be included in the prices. In the case of agreements with separate enforcement, packaging shall be invoiced at cost.

6. Shipment

- (1) Shipment to our designated reception point is at the contractor's own risk.
- (2) Unless otherwise agreed, the contractor shall bear all shipment costs so that the agreed prices are free delivered.
- (3) If the prices are ex works or ex contractor's warehouse, or if we are paying freight charges, the shipments shall be made at the lowest possible cost. If we have expressly specified a particular method of shipment, a particular freight forwarder and/or a

particular route, the contractor shall be responsible for ensuring that the specified shipment incurs the lowest possible costs.

- (4) If we are paying freight charges, the freight forwarder must be notified according to 21.2 ADSp 2003 (General German Freight Forwarders Terms and Conditions) that no insurance of the goods may be concluded.
- (5) Postal packages and parcels must be submitted free of charges to us. For ex works prices the postage shall be charged to the goods.

7. Warranty

- (1) The contractor shall warrant his supplies and services according to the applicable laws and within the statutory warranty periods. The warranty period for defects in title shall be 8 years.
- (2) Defects which lead to the rejection of the goods/services and all defects detected at the passing of the risk or during the warranty period shall be eliminated by the contractor at the contractor's cost, or the contractor, at the request of OSRAM Opto Semiconductors GmbH, shall supply new goods/services free from defects.
- (3) If the contractor does not eliminate the defects or supply new goods/services within a reasonable period to be set by OSRAM Opto Semiconductors GmbH, then OSRAM Opto Semiconductors GmbH is entitled to

- withdraw entirely or in part from the contract with impunity,
- demand a price reduction,
- eliminate the defects itself, have them eliminated or arrange for new supplies, the costs to be borne in each case by the contractor, or
- claim damages for non-fulfilment of contractual obligations.

The same applies if the contractor declares himself unable to eliminate the defects or provide new goods/services within the specified period.

- (4) Complaints in respect of defects are considered to be made in good time if they are lodged within one month of the supply of the goods/services or, if the defects are such that they do not appear until the goods are further processed or used, within one month of their appearance.
- (5) Claims of OSRAM Opto Semiconductors GmbH under statutory provisions remain unaffected by the above remedies.
- (6) The contractor shall bear the costs and risks relating to the return of defective goods.
- (7) If a claim is filed against OSRAM Opto Semiconductors GmbH based on statutory law in connection with supplied defective products, the supplier shall indemnify OSRAM if the damage is attributable to him.

8. Accident Prevention/ Environmental Protection Regulations

- (1.) The supplied goods and services and also the production processes of the supplied goods must comply with statutory requirements, particularly with the German law governing technical equipment (equipment safety law), the German law on dangerous chemicals, other relevant standards and other recognized practices and procedures. The requirements of the OSRAM Index List Environment have to be fulfilled. The regulations of any international associations specified in the order must also be observed. The same applies to environmental protection regulations.
- (2) Any necessary protective equipment shall be provided by the contractor and shall be included in the price.
- (3) Regulations governing the transport of dangerous goods must be observed. If the order indicates that the goods are to be forwarded by sea or air, the supplier shall also comply with all the regulations connected with these types of transport in respect of packaging and labelling.

9. Drawings, Samples and Tools

Drawings, models, samples or tools made available to the contractor by us remain our property and shall be returned on request at any time, but no later than the completion date for the order. They shall be labelled as our property and may be used only for the completion of our order. The contractor shall preserve their secrecy and must not allow them to be copied. Their loss must be reported to us immediately. We reserve the right to claim for damages.

10. Provided Material

- (1) All materials provided by us remain our property and we are considered as manufacturers. As manufacturers we retain or automatically acquire property rights on the objects produced through the processing of these materials. The materials and

objects shall be specially labelled, stored for us in a safe place and insured against risks such as fire and theft.

- (2) Pallets and other transport materials supplied by us remain our property and must be returned to us. We reserve the right to claim compensation for any unreturned items.

11. Industrial Property Rights

- (1) The contractor shall testify that the objects he supplies do not violate any domestic or foreign industrial property rights and shall warrant us full freedom and copyright permission to use and transact with these objects at home and abroad.

12. Secrecy/ Data Protection

- (1) The order and any commercial or technical information supplied by us to the contractor in connection with the order are confidential. We reserve the right to claim for damages if confidentiality is violated.
- (2) If the contractor handles or processes any personal data in connection with his contractual obligations, he must ensure that all employees involved are bound in writing to the data secrecy in accordance with § 5 of the Bundesdatenschutzgesetz (Federal Data Protection Act).

13. Advertising

No reference may be made to commercial links with us for the purpose of advertising unless we have given our written approval.

14. Withdrawal/Termination

We may withdraw from the contract, respectively terminate the relationship, if the contractor stops payment, applies for insolvency proceedings (or any similar foreign procedure) or does not fulfil his obligations according to clause 15 of these Purchasing Conditions.

15. Compliance

The contractor shall fulfil all relevant statutory requirements and international standards of ethical behaviour. We especially point out the need to comply with antitrust laws and regulations to hinder corruption. Offering gifts to employees shall be considered a breach of contractual or pre-contractual obligations. Within his own organization the contractor is obliged to respect the basic rights of his employees and to procure a safe work environment. The contractor shall observe the prohibition of child labour according to the Declaration of the International Labour Organization on basic labour principles.

16. ROHS and WEEE

The contractor shall fulfil all legal requirements, particularly those arising from directives ROHS 2002/95/EG and WEEE 2002/96/EG, as well as the resulting national regulations.

17. Construction Works

Construction works and ancillary services shall be subject to the contracting rules for the award of construction works contracts (VOB) Parts B and C. Contrary to this, the warranty periods according to § 634a BGB (German Civil Code) apply for defects of quality, the warranty period for defects in title shall be 8 years.

18. Applicable Law/Place of Performance/ Jurisdiction

- (1) The governing law shall be German law.
- (2) The place of performance is the reception point specified by us.
- (3) Venue shall be Regensburg.
- (4) Application of the Convention Relating to a Uniform Law on the International Sale of Goods of 17.7.1973 and the UN Agreement on the International Sale of Goods of 11.4.1980 are precluded.