

AMO PURCHASE ORDER TERMS AND CONDITIONS

1. **Definitions.** "AMO" means AMO Germany GmbH;

"Purchase Order" means the document agreed between AMO and the Vendor, containing details of the goods or services to be delivered which details shall be read together with these terms and conditions and the Specification (if any) to constitute the terms and conditions of the parties' agreement.

"Specification" means any document issued or communicated to the Vendor prior to the supply of the goods or performance of the services identified in the Purchase Order and which identifies or specifies the quantities, type, performance criteria, standards or other quantitative or qualitative requirement of such goods or services.

"Vendor" shall mean the vendor of the goods or services identified in the Purchase Order.

2. **Acceptance.** Notwithstanding any other statement, notice or agreement to the contrary, any written acknowledgement of the Purchase Order, the shipment of any goods pursuant to the Purchase Order or the commencement of performance of any services to be provided pursuant to the Purchase Order shall constitute acceptance by Vendor of each and all of the terms and conditions stated in the Purchase Order. If any of the terms and conditions contained in the Purchase Order are not acceptable, THE VENDOR SHALL ADVISE AMO IN WRITING upon receipt of the Purchase Order and shall withhold delivery of the goods or performance of the services until the matter is settled by written agreement between the parties.

3. **Entire Agreement.** The Purchase Order shall constitute the entire agreement between the Vendor and AMO. The Purchase Order and any Specification may not be altered without the prior written agreement of AMO. AMO's prior written agreement is required for any substitution, variation, or partial delivery or performance of goods or services under the Purchase Order. Terms and Conditions of the Vendor or any third Party shall not be applicable and are hereby rejected even if such rejection has not been explicitly declared by AMO.

4. **Representations.** Vendor represents that (a) the goods and/or services described herein shall be supplied in accordance with all applicable domestic regulatory requirements and in accordance with the Purchase Order and any applicable Specification; (b) any goods supplied shall be new, of satisfactory quality and shall be free from all defects in design and workmanship; and (c) any services shall be performed with all due skill, care and diligence and in accordance with reasonable instructions from AMO.

5. **Defective Goods.** All deliveries of goods shall be accompanied by a delivery note referencing the Purchase Order number, items and quantities delivered. Where goods are received in bulk, the package or container shall show the net and gross weights. All goods are subject to inspection and may be rejected according to the statutory provisions if (a) not in compliance with the Purchase Order and/or the Specification (if any); (b) not delivered on time; or (c) delivered in insufficient quantity. Goods may be rejected notwithstanding prior payment. Rejected goods will be returned at Vendor's expense for transportation both ways and all related labour and packaging costs shall be borne by the Vendor. Without prejudice to any other rights it may have, if goods are rejected, AMO may, in its sole discretion, request delivery of replacement goods or cancel the order in whole or part without liability to the Vendor. No goods returned as defective

shall be replaced without the written permission of AMO. The incidental destruction of initially rejected defective goods shall be at the Vendor's risk as soon as rejection is notified to Vendor notwithstanding the same are in AMO's possession. AMO shall not be liable for payment in relation to rejected goods and, if payment was made in advance, the Vendor shall reimburse AMO in full (including VAT, where applicable) immediately upon request.

The warranty period shall be 24 months starting with AMO's receipt of the goods. In deviation from Section 377 of the German Commercial Code ("Handelsgesetzbuch - HGB") AMO shall only be obliged to perform a contemporary incoming goods inspection regarding obvious defects and obvious deviations in terms of identity or quantity of the delivered goods. AMO shall notify Vendor of such defects or deviations within a reasonable period of at least ten (10) working days after receipt of the goods. Other defects shall be claimed within a reasonable period after they become apparent during ordinary course of business. After Vendor's receipt of any notification about defects the statute of limitation shall be inhibited. In case AMO, when exercising its warranty rights, claims subsequent delivery ("Nachlieferung") or rectification of a defect ("Mängelbeseitigung") the warranty period for subsequently delivered or rectified goods or parts thereof shall be presumed to restart, unless it is obvious that the Vendor did not assume responsibility for the defect and acted on a basis of goodwill only.

6. Defective Services. In the event that any services regarding provision of works are subject of the Purchase Order and if such services have been performed otherwise than in accordance with the Purchase Order and with all due skill, care and diligence, AMO may at its sole discretion either (i) direct the immediate re-performance of the defective services or (ii) repair of the work at the Vendor's cost or (iii) after expiry of a reasonable grace period (if required by statutory law) cancel the order in whole or part without liability to the Vendor. In the event of such cancellation AMO shall not be liable for payment in relation to rejected goods and, if payment was made in advance, the Vendor shall reimburse AMO in full (including VAT, where applicable) immediately upon request. In case of doubt, the statutory provisions regarding contracts for performance of works ("Werkvertragsrecht") shall apply.

7. Vendor's Staff. The Vendor shall ensure that all staff engaged to carry out any work associated with the provision of the goods or performance of the services to be provided hereunder shall be appropriately qualified and experienced. Where the Vendor's staff are required to enter on to any site controlled by AMO pursuant to the Purchase Order, such staff shall comply (i) with any reasonable rules or requirements established by AMO in respect of safety or otherwise for the site. The Vendor shall remove or exclude any of its staff from such site at AMO's reasonable well-founded direction and thereafter shall procure replacement staff at its own cost.

8. Indemnity. Vendor hereby agrees to indemnify and keep fully indemnified and hold harmless AMO from all direct and indirect (i) losses; (ii) liabilities; (iii) damages; (iv) costs; (v) expenses; and/or (v) third party claims which may be sustained by or claimed against AMO: (a) arising out of the use of defective goods or works (in case the good(s)/work(s) are integrated in AMO's product(s) this shall only apply to the extent the defective good(s)/work(s) actually caused the AMO's product(s) to be defective and causing the damage claimed) or as a result of defective services supplied under the Purchase Order (provided that to the extent such claims are subject to a warranty period such claims have been raised before termination of the warranty period

applicable under this Agreement); (b) arising out of or in connection with any culpable breach by the Vendor of its obligations under the Purchase Order; or (c) arising from death of, or personal injury to, any Vendor staff while in the course of providing services or goods to AMO. The Vendor shall, at the request of AMO, take over the defence of any claim covered by this indemnity provided always that nothing in this clause 8 shall permit the Vendor to make any admission on behalf of or to settle any litigation or claim without the prior written consent of AMO.

9. Payment and Price. AMO shall pay the Vendor the price stated in the Purchase Order in accordance with the terms also therein stated. If no price is so stated, the goods or services shall be billed at the price last quoted (or billed) by the Vendor to AMO for the same or similar goods or services or at the prevailing market price whichever is lower and shall include all costs, charges and expenses incurred until goods are in the possession of AMO.

10. Invoices. AMO shall not be liable to make payment in respect of invoices issued other than against its official order in accordance with the terms and conditions of the Purchase Order. Unless otherwise stated in the Purchase Order, invoices shall be payable thirty (30) days following the later of (i) the AMO's receipt of the invoice; and (ii) delivery of all goods to the location specified in the Purchase Order and/or complete performance of all services. In case of queries regarding proper invoicing, AMO shall be entitled to withhold payment of the relevant amount pending resolution of the query, during which time the invoiced amount shall not be subject to any increase or interest charge. Where goods are delivered in instalments or services delivered in stages, the Vendor may invoice each installment or stage separately. The Vendor may not submit supplementary invoices in respect of tax or duty or similar charges.

11. Title to Goods. Title to all goods under the Purchase Order shall pass to AMO, at the latest, when AMO receives possession of same.

12. Risk. Goods shall be at the Vendor's risk until AMO signs for receipt of the same (regardless that title may have passed at an earlier time). Section 447 para 1, first sentence, of the German Civil Code ("BGB") shall not apply.

13. Compliance with Law. The Vendor guarantees that the goods or services to be provided hereunder shall be provided in compliance with all relevant laws applicable at the place of delivery in relation thereto.

14. Insurance. Vendor shall effect adequate insurance to cover its potential liabilities under the Purchase Order (amount of coverage to be agreed with AMO) and, upon request, shall immediately provide evidence to AMO of such insurance cover. Where the Purchase Order relates to services, the Vendor shall maintain Employer's Liability insurance.

15. Intellectual Property. The Vendor warrants that: (a) the goods sold hereunder and every element thereof, the method of manufacture thereof, and the use of such goods in the customary manner or in a manner suggested or recommended by the Vendor or in a manner intended by AMO which is known to Vendor do not; and (b) in the provision of any services to be provided under the Purchase Order the Vendor will not infringe any patent, trade mark, copyright or other intellectual property right (whether registered or unregistered) and the Vendor agrees to indemnify and keep indemnified and save harmless AMO and its employees against all direct or

indirect: (i) losses; (ii) liabilities; (iii) damages; (iv) costs; (v) expenses and/or (v) claims resulting from any claim or proceeding alleging such infringement, provided the Vendor is responsible for such damage and provided AMO gives the Vendor notice of such claim or proceeding and permits the Vendor, if it so elects, to enter and defend, settle or otherwise terminate such claim or proceeding, provided always that nothing in this clause 15 shall permit the Vendor to make any admission on behalf of or to settle any litigation or claim without the prior written consent of AMO.

16. Confidential Information. The Vendor agrees to hold in confidence all methods, processes, techniques, shop practices, formulae, compounds, compositions, organisms, equipment, research data, marketing and sales information, customer lists, plans and any respective information thereto ("Confidential Information") and all other know-how and trade secrets within the meaning of Section 17 of the German Act against unfair competition ("UWG") ("Trade Secrets") owned by AMO or in AMO's possession and disclosed to Vendor as a result of the Purchase Order. The Vendor shall not use Confidential Information or Trade Secrets for itself or others (except as far as is necessary to perform its obligations under the Purchase Order) or disclose such information to any person without AMO's prior written consent. This obligation of confidentiality shall survive (i) in the case of Trade Secrets, indefinitely; and (ii) in the case of Confidential Information, for ten years from the date of the Purchase Order or until public disclosure of the Confidential Information otherwise than as a result of a breach of the Vendor's obligations of confidentiality under the Purchase Order.

17. Termination for fault. All or any part of the Purchase Order may be cancelled by AMO without liability to the Vendor if shipment or delivery of goods or performance of services is not made by the date specified hereunder or are provided otherwise than in accordance with clause 13 above.

18. Discounts, Other Claims. Cash discounts and credit periods, if any, shall be computed as commencing with receipt by AMO of the invoice or of the goods or performance of the services, whichever is later. In the event that AMO makes any claim in connection with goods or services described herein, AMO shall be entitled to withhold or deduct the amount thereof from any amount then or subsequently to become due and such amount shall not become due until the resolution of such claim.

19. Interest. In no event shall amounts due by AMO bear interest, unless AMO is in default in which case an interest rate of two (2) percentage points above the base rate of the European Central Bank shall apply.

20. Implied Terms. Nothing in the Purchase Order shall be construed as tacitly excluding any condition, warranty or term as to quality, suitability or fitness for purpose of goods or services supplied or rendered pursuant to the Purchase Order.

21. Governing Law. The Purchase Order and any dispute or claim arising out of or in connection with it (including any non-contractual claims or disputes) shall be governed by and construed in accordance with the laws of the Federal Republic of Germany. The Convention of International Sale of Goods (CISG) shall not apply. The courts of Karlsruhe shall have exclusive jurisdiction over any disputes under this Agreement and respective Purchase Orders.

22. **Waiver.** The failure of AMO to enforce any of these terms and conditions shall not be construed as a waiver of its rights hereunder of any of them.

23. **Sub-Contracting.** The Vendor shall not sub-contract the performance of the Purchase Order or any part thereof without the written permission of AMO. Breach of this condition shall entitle AMO to cancel the Purchase Order or at its election any part thereof.