

# Bausch Datacom NV/SA General Sales Conditions

## 1. APPLICABILITY OF THE GENERAL SALES CONDITIONS.

The terms and conditions apply on all present and future transactions by Bausch Datacom N.V. (hereinafter referred to as Bausch DC) and supersede any terms and conditions offered or relied upon by the customer, -even when stated on documents issued by the customer or their and our representatives- that conflict our own, unless exceptions have been explicitly stipulated in writing and autographed by all parties involved. Even then, these terms and conditions remain applicable on all non-stipulated matters.

## 2. QUOTATION AND ORDER CONFIRMATION.

All offers are without obligation and will only become binding upon Bausch DC after written confirmation by Bausch DC, either through fax, order form, letter or e-mail. Orders by third parties for Bausch DC are binding upon these third parties, but are firstly binding upon Bausch DC after the offer has been confirmed to these third parties in writing by Bausch DC management. Possible or alleged inaccuracies have to be expressed in writing, under penalty of cancellation, within 8 days after said confirmation.

## 3. TERMS OF DELIVERY, TRANSPORT, PROVISION OF CERTAINTY AND SUSPENSION OF DELIVERY.

Deliveries will be handled, if possible, from stock. If this is not possible, the parties involved will agree upon a term of delivery. Even though we strive to achieve set terms of delivery, each term of delivery mentioned on confirmations

of order merely remains a guideline. We cannot be compelled to deliver on said mentioned date. Should the set date be exceeded by 3 months, the counterparty may invoke the right of order cancellation, through registered letter, without any compensation or indemnity, failing which the purchase obligation of the counterparty will continue to exist. Should goods become available to Bausch DC on an earlier date than the agreed upon date, parties can decide on earlier delivery. All shipping costs are for the account and at the expense of the customer. This remains the case in the context of warranty or reparations. Any liability on our part, arising from non- or late delivery is expressly and completely excluded. Transport is always at the expense of the customer. Even under clause of a different delivery location, franco or FOB, goods travel at the risk of the customer. Unless a different term has been stipulated in writing, purchased goods have to be collected 14 days after disposition, at the latest. If goods are not collected within this-, or the stipulated term, we are entitled to either invoice the sold goods or consider the sale dissolved by law. We have the right to do so without prior notice of default. In case of the former, the goods will, at the expense and risk of the customer, be stored in our warehouse or at a third party. We shall be entitled to charge all costs arising from this measure to the buyer, in addition to the purchase price. Should the latter be the case, the buyer will owe us a fixed and unconditional compensation equal to 60% of the amount of the sale. Regardless of the agreed conditions of payment, the buyer authorizes us to demand a bank guarantee for the fulfillment of its payment obligations at any time, that is, before delivery or continuation of delivery. As long as this guarantee has not been set, we are

entitled to suspend all further deliveries. The same applies for as long as the buyer has not fulfilled his payment obligations regarding deliveries already made.

#### 4. PAYMENT CONDITIONS, NON-PAYMENT AND TERMINATION.

All payments of any invoiced amount, including VAT, are made at Korbeek-Lo (Leuven), at the latest within 30 days after the invoice date, without costs for Bausch DC and without discount, unless parties have explicitly agreed otherwise in writing. When delivery is executed in two or more parts, each part will be invoiced separately. Payment obligations of the buyer will not be suspended by submitting an apparent well-founded complaint concerning the subject, or other goods. Any amount that has not been paid on the agreed upon date will, by operation of law and without prior warning or notice of default, yield an interest of 1.5% per month. In addition, any overdue amount will be automatically increased by 15% with a minimum of EUR 37.18 and without any prior notice of default, as a lump sum and unconditional compensation, with the exception of the right of Bausch DC to prove higher damages. All costs falling on the collection of any invoice, including both judicial and extrajudicial collection costs, including the costs and fees of our lawyer, will be fully at the expense of the concerned debtor. No setting-off of debts will be permitted under any circumstances. The above stipulation does not constitute a waiver of our right, and should we choose so, to claim the cancellation of the sale with compensation in the event of default. Whenever a sale is terminated, fully or partially, as a result of any error or shortcoming on behalf of the buyer, said buyer will owe us a lump-sum and unconditional compensation of

60% of the amount of the fully or partially terminated sale, due to expelled costs and lost profit. Furthermore, we reserve the right to also demand repayment of the costs we might have to make to return the goods in our possession and to return them to their original state.

#### 5. PRICES.

The applicable prices are the prices stated on the price list, unless parties have explicitly agreed otherwise in writing. If, between the moment of the binding of the offer/order (order confirmation) and the delivery date, price increases occur (even if this time is situated after the expiration of the agreed delivery term, but without this being the result of an error of our company), which are due to increased import duties or taxes, exchange rate rises of foreign currencies, increases in wages or the price of the components or as a result of measures of our own or a foreign government, Bausch DC reserves the right to charge these price differences to the buyer.

#### 6. WARRANTY, COMPLAINTS AND RESALE

The warranty we provide on goods delivered by us, depend on the product code. Any complaints must be made in writing addressed to us. Complaints received at Bausch DC within two days after the expiry of the warranty period, are considered to be still within the warranty period. With existing factor warranty, we will assist our customers in obtaining this

warranty. In the event of resale, the buyer commits himself to express our general and special warranty conditions to his own customer. In any event, the buyer accepts to indemnify us against all consequences, whatever, of claims which may be directed against us by his customer in respect of the purchased goods and which would exceed the limits of the claims that the buyer himself could file against us. Unless a different term has been agreed in writing, all our goods are guaranteed against visible defects for 14 days after delivery. The applicable warranty period runs from the day on which the goods were delivered or should have been collected. In order to be admissible, all complaints within this period must be sent to our office in Korbeek-Lo (Leuven) by registered mail. However, any warranty will be void if the goods have already been processed or tooled, if the indicated instructions have not been followed or if the goods have not been judiciously handled. If the complaint is found to be well-founded, our obligations shall always be expressively limited to the free replacement or repair of the delivered goods or the defective parts thereof, without being liable for any compensation for whatever reason. More extensive claims can only be made against us if it concerns hidden defects and if it has been proven that these were known by the leading bodies of our company. Any claim based on hidden defects must be instituted by the buyer within two months after the discovery of the defect, failing which the claim in application of article 1648 of the Belgian civil code is inadmissible. In addition, this claim must be filed within a year after delivery, under penalty of forfeiture. If there is responsibility on the part of the seller, the buyer will have to prove the damage in concrete terms. If the complaints are found to be admissible and well-founded, the seller's obligation is limited to replacing or repairing the defective or damaged goods and the damage can be at

most equal to the cost price of the sold goods. No other damage from the buyer or from a third party is eligible for reimbursement. Any liability on the part of the seller is in any case excluded if the damage was caused by concurrence of a defect in the product and by the fault or error of the buyer, a third party, the victim or a person for whom the victim is responsible.

## 7. RETENTION OF TITLE

Ownership of the delivered goods shall firstly pass on to the buyer, after he has paid Bausch DC all amounts due (among other things the purchase price), including any costs, interest and non-payment clauses. The buyer can therefore not dispose of goods that have not yet been paid in full. And in particular, he cannot give these goods to third parties as collateral or in the form of transfer ownership. By on the one hand simply signing either the order form of Bausch DC for goods delivered by Bausch DC, or the supplier's own delivery note that also concerns the delivery of goods from Bausch DC, even if the recipient signs on behalf of the addressed customer and even if this would be done 'subject to further inspection of the goods' or a similar clause in this spirit, and/or on the other hand by the simple receipt of the invoice concerning the aforementioned delivery of goods against which written and registered protest only within 14 days of delivery can be expressed in connection with visible defects (see article on warranty and complaints), the addressee of the invoice is automatically considered, whoever has signed the delivery note in his name and with any mention of any clause, to have knowledge of the aforementioned first paragraph within Art. 7 (Content of the retention of title) of the general sales conditions of Bausch DC, in

accordance with article 101 of the Belgian Bankruptcy Act of 8 August 1997.

The seller shall retain ownership and title to the Products delivered to the Purchaser until the Purchaser has made full and final payment of all amounts (including interest, costs and penalties) that it owes to the seller under all Agreements entered into between the seller and the Purchaser, including all joint obligations and all claims by the seller based on default on the part of the Purchaser with regard to these Agreements. Under retention of title, the purchaser is obligated to properly store and identify the sellers goods until all obligations are met. The Purchaser is obligated to cooperate with all reasonable measures that the seller wishes to take to protect its retention of title. In the event of attachment, suspension or bankruptcy, the Purchaser must immediately point out the seller's retention of title to the seizing bailiff, court representative or curator.

#### 8. FORCE MAJEURE

In case of force majeure Bausch DC reserves the right by operation of law to cancel orders not yet delivered. Force majeure includes: war, danger of war, mobilization, strike, delayed supply of raw materials, good or components thereof, or any other circumstance which cannot be reasonably charged to Bausch DC.

#### 9. DISPUTES – APPLICABLE LAW

All disputes –irrespective of any kind- that arise or may arise from the present agreement between Bausch DC and a counterparty, and if these cannot be settled amicably, will be submitted to an authorized judge in Leuven, awaiting his decision. Any other court will be excluded. Belgian law applies.

#### 10. EXCLUSION

In the case of cross-border international transactions, the applicability of the “Uniform Law on the international purchase of movable tangible property” and the “Uniform Law on the conclusion of international purchase agreements relating to movable tangible property” is hereby expressly excluded.

#### 11. COPYRIGHTS

On all catalogs, schemes, designs, publications and other writings of Bausch DC, the latter retains the copyrights. These documents or their content may not be made available to third parties in any form whatsoever without explicit consent of Bausch DC. In the case of delivery of programs and the like, delivery takes place on the express condition that Bausch DC claims the copyright protection for the entire program and/or any part thereof.

Drawn up in Korbeek-Lo, January 2002  
Bausch Datacom N.V.