

GENERAL TERMS AND CONDITIONS OF PURCHASE

A. DESCRIPTION OF GOODS AND SERVICES AND APPLICABILITY

1. These general terms and conditions of purchase, (in later "General terms") shall apply to all goods and services identified in the present order (onward "PO"), unless:

- (a) Both parties have agreed otherwise in writing; or
- (b) Both parties have signed a contract previously before the entry into force of these general terms; or
- (c) There is a specific contract for this transaction which replaces them.

In such circumstances the specific contract between the parties will prevail over these General Terms.

B. CONTRACT FORMALIZATION

2. The PO is the offer to reach an Agreement regardless of whether the order has been facilitated as a response to the offer of a supplier. Purchase of goods or services (onward "The Contract") only will be considered as such when a confirmation of the PO is received in writing by the supplier, or have been delivered the goods or services.

3. If any of the terms contained in the written confirmation of the Supplier's PO are additional or different from the PO in matter, this written confirmation will be considered as a new offer. In this case, the contract will enter into force only after the written confirmation of the buyer.

C. CONDITIONS APPLICABLE TO THE PURCHASE OF GOODS.

4. Quality and Description.

The supplier will guarantee that the goods:

- They are complaint in quantity, quality, and description established in the PO;
- They are in good conditions, good finish and quality;
- They are identical in all aspects to the specifications and samples approved by the parties.
- They are suitable for use and conform to the purpose expressed or implied in the PO.

5. Samples and Supervision in Factory.

At the request of the buyer, the supplier will send samples of the goods for approval before the bulk of the PO is delivered. Such samples will be marked by the supplier for identification and will be retained by the buyer until the goods have been delivered. The buyer reserves the right to appoint a representative to monitor the implementation of the PO in the workplace of the company and its subcontractors.

6. Shipments and Deliveries

-Unless set otherwise in the PO or explicitly agreed in writing between buyer and supplier, all deliveries will be made according to the DDP clause defined in Incoterms © 2010.

All container or box trailer used for the delivery must be invariably clean and free of toxins, plague or pollution.

7. Deadlines and delivery dates.

If the delivery date stipulated in the present Contract/PO is exceed, a 1% penalty will be applied daily to the supplier up to a maximum of 10% on the same of the selling price, and may opt for cancellation of the PO.

8. Prices

Unless otherwise established in the PO, the prices are in the currency agreed in this PO or contract concluded, excluding applicable taxes.

9. Guarantees

a) The Supplier warrants that it has the faculty to celebrate this PO and will comply at its own cost; in addition, the Supplier undertakes to comply with all laws, regulations, rules and other regulations legally binding, particularly with all that are applicable, both at the federal, state and municipal levels, for the protection of free competition. And economic competition, as well as prevent, investigate, pursue effectively, severely punish and eliminate monopolies, monopolistic practices, illicit relations, barriers to free competition and unfair competition; all applicable export and import bans, all tax and customs regulations, as well as all legal regulations for the protection of the environment; and not to offer, promise, or grant any benefits to the employees of Heraeus, as consideration for preferential treatment in the acquisition of goods or services

("bribery"), driving with the strictest standards of legality and ethics meet, the object of these terms, including without limitation to the laws deriving from the National Anti-

corruption System, Federal Law for the Prevention and Identification of Operations with Resources from illicit origin and those of other applicable jurisdictions by any reason; to prohibit forced and child labor, and ensure hours appropriate work, safety at work and a non-discriminatory working environment to its own staff payment of wages in accordance with all applicable labor laws, and, in the case of subcontracting also link to their subcontractors by the above provisions, in accordance with the applicable provisions of the Federal Labor Law, the General Law to prevent, punish and eradicate crime in smuggling and trafficking in persons and protecting and assisting the victims of these crimes, and other applicable regulations.

b) Heraeus could request in writing to the Supplier compliance with obligations previously described, whereupon, the Supplier must demonstrate the necessary evidence, at Heraeus discretion, said compliance.

c) Heraeus could cease this contract/OC without prior notice in the event that the supplier commits a breach of its obligations set forth in the preceding paragraph.

d) The supplier undertakes to pay a contractual penalty in the amount of 10% of the net value of the PO to Heraeus (meaning worth the amount agreed for the purchase of goods or services in the express currency in the present PO) in the case of any breach of the obligations that have been described above "in addition, the supplier shall indemnify and hold to Heraeus from and against claims by third parties that are asserted, or filed against Heraeus due to, or in connection with the violation from the" "Provider of its obligations stipulated in the preceding paragraphs."

e) In addition to any rights recognized by the law in case of defective goods, acquired goods are guaranteed against any defect in construction or materials for one year from the date of receipt of goods by the buyer. This must inform the supplier in writing of any defect as soon as it is discovered and benefit from the rights established in the current legislation.

D. GENERAL CONDITIONS APPLICABLE TO THE PURCHASE OF GOODS AND SERVICES.

10. Drawings, Sketches, models and equipment.

All models, diagrams, sketches, drawings and equipment (onward Material and equipment) facilitated by the purchaser to the supplier, both whether it is material as it is intellectual property, will remain entirely owned by the purchaser. The supplier will check the material and equipment before its concrete implementation. The provider can make use of them for the realization of the PO; you must keep them in good condition, and must return them to the buyer immediately upon request of this.

11. Confidentiality

The provider will not disclose any information which the buyer shares with third parties, except by legal requirement or when it is necessary to link it to the sale of goods or services.

12. Mail and Billing.

a) All documents, it must be noted the order number. The supplier will send invoices according to the instructions in the PO; National purchases the supplier shall undergo Mexican provisions for issuing invoices CFDI.

(b) The supplier will provide to the purchaser as regards the certification of origin of the product who transferred to seller's request.

13. Terms of Payment

Unless specified otherwise in the order, the buyer applies 45 days, Standard payment terms.

14. Intellectual Property Rights

a) The PO does not grant the supplier any authorization to manufacture, sell or advertise products with trademarks that the buyer owns. In addition the supplier shall indemnify the buyer, which shall be free of responsibilities, all das violations against the rights of intellectual property which may be caused in relation to the goods and services sold.

(b) The supplier grants the purchaser all rights and licenses necessary for this (including its affiliates and subsidiaries) to use and sell the products specified in the Po.

15. Applicable Jurisdiction

a) Before any controversy to the interpretation of this agreement or the present general purchase terms and conditions, the parties submit to the courts and tribunals of Saltillo Coahuila Mex, unless indicated expressly existing contract.