

Correspondence Rules

Correspondence with third parties and within the Group

1. Purpose

The following guidelines are intended to summarize the existing rules governing formal aspects of correspondence and communication both with third parties and within the Group, and at the same time bring them up to date.

2. General

2.1. F. Hoffmann-La Roche Ltd / Roche Holding Ltd

As a rule, correspondence and other communications both with third parties and within the Group will bear the company name F. Hoffmann-La Roche Ltd. Use of the company name Roche Holding Ltd shall be restricted to the areas of finance, taxation and law, as well as to shareholder relations; the relevant staff are aware of these exceptions.

2.2. Principle of company correspondence

All correspondence and other communications with third parties and within the Group will as a rule take the form of company correspondence (i.e. using letterhead paper, with the "we" form, adding the company name, "F. Hoffmann-La Roche Ltd" and adding signatures of two duly authorized persons (principle of double signature). Exceptions, i.e. cases in which personal correspondence is admissible, are referred to below in these guidelines.

2.3. Principle of dual signatures

As a basic principle, the company is legally bound by dual signatures. This applies not only to contracts, but equally to correspondence containing statements of a binding or disposing nature (unless otherwise specified in Section 3.1. of the present guidelines). Documents with non-binding or non-disposing contents (see example in the Annex) may be signed by one authorized person only. The names of persons with signing authority and the nature of their signing authority are set out in the list of authorized signatures and in the regulations governing task-related signing authority.

2.4. Internal distribution lists

As a rule, internal distribution lists are not to be included in external mailings.

3. Communication with third parties

3.1. Contracts

Documents with contractual or contract-related contents must always be drawn up under the company's name and bear dual signatures. The transmission of such documents by fax is permissible, although in important cases (e.g. actual contracts) there must also be an exchange of originals.

Communication modes in which no signatures, or only facsimile signatures, are transmitted (telefax, e-mail etc.) must not normally be used for documents of a contractual or contract-related nature. In the case of routine business transactions of a contractual character (orders, offers, commissions, bank transactions etc.) exceptions may be approved by departmental heads where this is normal commercial practice, provided that the security precautions appropriate to such transactions are observed (e.g. use of codes, digital signatures, etc.).

3.2. Correspondence

In the case of correspondence with third parties, the general principles of company correspondence apply and, insofar as such documents are of a binding or disposing nature, must in addition bear dual signatures. An exception may be made for personal correspondence subject to approval by departmental heads and provided that the relevant documents are not of a contractual or disposing nature. In the case of routine procedures, it may even be appropriate to use documents with no signature (forms). Departmental heads are responsible for issuing detailed rules setting out areas of responsibility, initialling regulations, security measures etc.

3.3. Telefax, e-mail

Where telefax or e-mail are used for communications which are not of a contractual, binding or disposing nature, it is normal to append next to the company name the name of at least one person authorized to sign and, if applicable, the name of the department must normally be appended next to the company name. Detailed rules are issued by departmental heads.

4. Communication within the Group

4.1. Contracts

Intra-Group documents of a contractual or contract-related nature are also governed by the principles set out in 3.1. above.

4.2. Correspondence

Other correspondence within the Group is governed by the principles set out in 3.2. above. For departmental correspondence, headed paper for intra-Group use may, in addition, be used. Such correspondence need only bear one signature (which may even be of a non-executive member of staff), provided the principles of company correspondence set out in section 2.2. above are observed. Departmental heads issue the necessary detailed rules.

4.3. Telefax., e-mail

With the exception of contractual or contract-related material, departmental heads are responsible for issuing rules on the use of telefax or e-mail within the Group.

4.4. Personnel matters, investment requests

Special guidelines apply to intra-Group communication relating to personnel questions or investment applications.

4.5. Operating Companies

Correspondence from Basel to Roche companies is always to be addressed to the companies as such or to individual divisions or functions within the individual companies.

In particularly important matters the correspondence may be addressed personally to the company's general manager. Such correspondence should always be co-signed by the relevant divisional or departmental head in Basel.

4.6. Sub-Groups

Communication with the companies of the Sub-Groups normally takes place through the official channels, i.e. via the relevant central company. In exceptional cases where it is necessary to correspond directly, a copy should be sent to the central company.

4.7. Puerto Rico

Correspondence with Roche Puerto Rico or Roche Nutley relating to Roche Puerto Rico must have regard to the special legal relationships obtaining and should always be checked by the legal or tax department. Such correspondence, therefore, should be submitted to the legal department or the tax department before it is dispatched.

5. Examples

5.1 Examples of documents containing neither binding nor disposing statements:

- letters acknowledging receipt
- letters of thanks
- letters sending best wishes and congratulations
- letters arranging appointments
- documents in which there is no more than an exchange of information (non-binding information or information of no special value)
- routine correspondence concerning staff recruitment (except contracts of employment)

etc.

5.2 Examples of documents containing binding or disposing statements:

- contracts or contract-related correspondence (hence also complaints, reminders, notifications of deadlines etc.)
- payment or delivery promises
- orders (except routine procurement)
- assignments or rights and claims
- documents waiving claims or other rights
- documents acknowledging obligations
- transfer of know-how to third parties
- gifts, donations
- formal submission to authorities, lawcourts etc.
- replies to claims, complaints or requests for information from authorities, the media or third parties (including correcting misunderstandings)
- documents making use of services for which a charge will be made (e.g. clinical trials, brokers, consultants etc.)

etc.

In Case of doubt, please contact Corporate Law Legal.

Department heads are responsible for distributing, or communicating these directives in their field of responsibility, and for taking any action that their observance may require. The services (Dienste) and legal departments at Basle are available for help.

Copyright © 1999
F. Hoffmann-La Roche