

## What is the Ariba PunchOut™ System?

The Ariba PunchOut application is a B2B (Business to Business) system that enables customers to purchase IDT's products through a single connection, the Ariba Suppliers Network (Ariba SN). Both Buyers and Suppliers must be registered with the Ariba network to use the system. The goal of the Ariba PunchOut application is to simplify purchasing for both the Buyer and Supplier by streamlining the ordering process and reducing purchase order transaction costs.

## Advantages

### How does Ariba benefit our customers?

The Ariba PunchOut application is set up to provide our existing (and potentially new) customers easy and quick access to our website and products. When a Buyer comes to IDT through the Ariba network, they have the advantage of knowing that we are an approved Supplier of the product they are looking for. Through the Ariba PunchOut system, the Buyer can specifically select the items they want and place their order directly on our website. This direct access gives the Buyer several advantages:

- Online access to our current products and pricing, ensuring order accuracy.
- All order information is collected online so orders are error free from the start with minimal duplication.
- Streamlined ordering through automated confirmation, error messaging and status updates.
- Reduces the time it takes to approve an order by automating the communication between customers and their purchasing departments.

### How does IDT benefit from Ariba PunchOut™?

Ariba PunchOut gives a buying organization access to our website with our products and service content.

- The Buyer's procurement application displays a hyperlink instead of product or pricing details. Users select this hyperlink to directly access specific pages on our website.
- All of our website features, including user authentication and personalization, can be made available to Ariba Buyers.
- When Ariba Buyers finish browsing our website, one button click returns the order information to their procurement applications.
- Order routing methods such as XML, fax, HTML, email or EDI are supported by Ariba.
- Currently, we do not pay any fees or install any software to join Ariba SN.
- As an Ariba Supplier, we can attract additional business from existing and new customers.

## Using Ariba

### How do IDT customers connect with Ariba?

#### **First, assess Ariba's Buyer programs and services**

Initially, a Buyer needs to determine which Ariba programs best suit their company's needs. Ariba offers several programs through the Ariba Spend Management Solution process that can assist the Buyer in streamlining their purchasing process.

#### **Second, join the Ariba Buyer network**

After determining the programs that fit with their company's needs, the Buyer joins the Ariba Buyer network. The Ariba Buyer network is the main connection to Ariba's procurement solution, providing requisition management and online purchasing capabilities for users. The Ariba Buyer program securely automates the full buying cycle. In this process the Buyer and Ariba determine the level of integration needed between the Buyer's internal systems and Ariba's products.

#### **Third, implement and customize Ariba's programs**

Ariba works with the customer to deploy, implement and support the integration of Ariba's standard software with the Buyer's software. If needed, the Buyer's internal data systems department can custom design a program that integrates directly with Ariba products.

#### **Fourth, proceed to Ariba Punchout™**

When the Ariba implementation is complete, the Buyer can access the Ariba PunchOut application and proceed with ordering and purchasing the products they need.

## Using Ariba PunchOut™

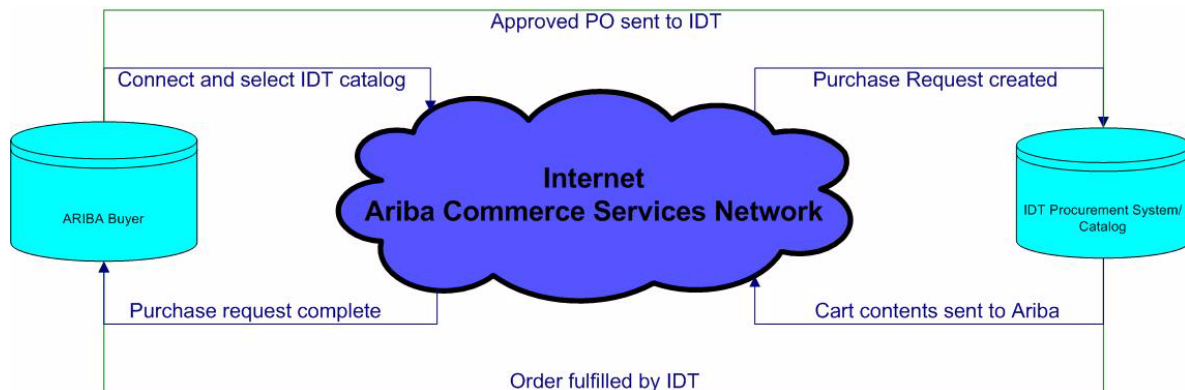
### How do IDT customers use the Ariba PunchOut™ System?

As mentioned before, the IDT customer (the Buyer) must be a member of the Ariba Network. The Buyer logs on to Ariba to initiate the transaction and creates an Ariba Purchase Request. Then the Buyer...

- a Accesses the Ariba network and selects IDT's catalog from the available vendors.
- b Opens IDT's web catalog, selects products and places them in a shopping cart. The shopping cart is transferred back into the Ariba network.
- c Completes the Purchase Request within the Ariba system.

The Purchase Request is then routed to the Buyer's purchasing department for approval. If the Purchase Request is approved, a Purchase Order (PO) is sent to IDT and we review it for validation.

When the Purchase Order is validated, the order is successfully submitted and a confirmation email is sent to the Buyer. If the Purchase Order does not validate, an IDT Customer Service Agent contacts the Buyer to discuss why the order was not accepted. (When the Buyer supplies the missing data, IDT processes the order.) IDT sends the Buyer a confirmation email when the order is successfully completed.



### How do our systems interact with Ariba?

All transactions between the Ariba Buyer and IDT are routed through the Ariba Commerce Services Network (ACSN). The ACSN authenticates the validity of the messages with the Ariba Buyer, then authenticates with IDT using digital certificates. Traffic between IDT and the ACSN uses strong industry standard encryption to protect data.

## Security and Privacy

### Ariba Supplier Network (ASN) Security

The Ariba Supplier Network was designed from the start with security in mind. Some highlights of Ariba's Security include:

- All communication between procurement applications, Ariba SN and Suppliers uses HTTPS (Secure Hypertext Transfer Protocol), the standard for secure Internet communication.
- HTTPS uses SSL (Secure Socket Layer).
- Access to both Buyer and Supplier accounts is password protected.
- Buying organizations and Suppliers can each use digital certificates to authenticate electronic documents routed by Ariba SN.

### Ariba SN's Privacy Policy

By registering with Ariba SN, Suppliers make available their registration and company profile information to Buyers. Existing Ariba Buyers use this data to enable them to conduct transactions with Suppliers through Ariba SN. Prospective Buyers use this information to evaluate whether to initiate new business relationships with Suppliers. Personal account information is kept private and is not shared with anyone. Suppliers do not have access to the company information of other Suppliers.

### IDT's Security Policy

IDT is a research facility in addition to a manufacturing site, so protecting the security and integrity of customer and internal data is of the utmost importance. IDT has taken many steps to ensure that our core systems are safeguarded.

#### External Security

All of IDT's data systems have physical access limited by both electronic and keyed entry, in some cases with triple redundancy. IDT's website uses HTTPS (Secure Hypertext Transfer Protocol). Customer access to sequence information is secured using 128bit Secure Socket Layer (SSL) encryption to our Web services. The collection of web-based systems is monitored 24 hours a day and a number of software developers and engineers are on call to respond to any problems.

#### Internal Security

Internal access to sequence and customer information is limited by a two-level user validation procedure designed using the C2 security model and several authentication systems in our manufacturing facility.

All access to sequence and customer data is logged and any changes to data are carefully controlled. All access to local database servers (both physical and electronic) is closely monitored by our networking and central data management groups.

## IDT's Privacy Policy

At Integrated DNA Technologies, protecting the privacy and confidentiality of customer-supplied information is a top priority.

- IDT maintains a strict policy against providing customer contact information (including email addresses) to third parties.
- When using IDT's website you browse anonymously until you log into the system to place or track an order. When you do register with IDT, you have the confidence that IDT will not use that information for any reason other than to provide you with the oligo you ordered, timely and efficient customer service, an accurate invoice and to provide feedback to IDT about how our site is used.
- Because IDT was founded by researchers, we are particularly sensitive to the concerns regarding confidential sequence and compound information. To address this, IDT operates with one overriding principle in mind: "Treat every sequence and every oligo design as the customer's most valued trade secret." Customers can submit orders with the confidence that IDT will not disclose any sequence information to anyone other than the customer, or to the customer's institution.