

GENERAL TERMS AND CONDITIONS

These terms and conditions concerning the deliveries of goods and services are applied by **Teva Pharmaceuticals CR, s.r.o.**, with registered office at Praha 5, Radlická 3185/1c, 150 00, Company ID 256 29 646, registered in the Commercial Register maintained by the Regional Court in Prague, Section C, File 56235.

Issued on: September 1, 2017

1. Definitions and interpretation

- 1.1. Unless otherwise stipulated herein or unless otherwise resulting from the context, capitalized terms used in this document shall have the following meaning:

"**VAT**" means the Value Added Tax;

"**Civil Code**" means Act 89/2012 Coll., the Civil Code, as amended.

"**Buyer**" or "**Client**" or "**Customer**" or "**company Teva**" refers to **Teva Pharmaceuticals CR, s.r.o.**, at Praha 5, Radlická 3185/1c, 150 00, Company ID 256 29 646, registered in the Commercial Register maintained by the Regional Court in Prague, Section C, File 56235.

"**Seller**" or "**Contractor**" or "**Vendor**" means the partner entering into an agreement with Teva Pharmaceuticals CR, s.r.o., in accordance with the present Terms and Conditions;

"**Terms and Conditions**" means these general terms and conditions issued pursuant to Section 1751, Paragraph 1 of the Civil Code, forming an integral part of the relevant agreement as Annex 1;

"**Business Day**" means a day on which banks in the Czech Republic are open for the public;

"**Contract Documentation**" means the relevant agreement (purchase agreement or contract for work), including any draft thereof, i.e. Purchase Orders and these Terms and Conditions;

"**Parties**" means collectively or individually the Buyer or the Client or generally the Customer, and the Seller or the Contractor or generally the Vendor.

- 1.2. Unless expressly stated otherwise or unless the context requires otherwise, the terms defined above shall – when capitalized – retain the meaning stipulated above if used in any part of the Contract Documentation, and shall under all circumstances be interpreted and construed as such.
- 1.3. Unless expressly stated otherwise or unless the context requires otherwise, the reference to articles used in the present Terms and Conditions shall mean the reference to articles of the present Terms and Conditions.
- 1.4. If the Contract Documentation state any deadlines or periods based on the number of days, months and years, this shall be understood to mean calendar days, months and years, unless expressly stated otherwise.
- 1.5. If the Contract Documentation or any parts thereof are issued in both Czech and another language version, the Czech version shall always prevail.
- 1.6. The company **Teva Pharmaceuticals CR, s.r.o.** is obliged to inform its contractual partners about changes to these Terms and Conditions by publishing the text thereof on its website www.teva.cz
- 1.7. Should there be any differences between the provisions of the relevant agreement and the present Terms and Conditions, the provisions of the specific agreement shall prevail.

2. Special provisions for ordering goods

These special provisions regulate the legal relationships between the Parties in the delivery of goods.

2.1. Definitions and interpretation

"**Purchase Agreement**" means any individual purchase agreement concluded between the Parties the subject matter of which is the Seller's delivery of Products to the Buyer;

"**Purchase Order**" means an order for Products placed by the Buyer in writing or electronically; a Purchase Order shall also serve as a draft of the Purchase Agreement;

"**Product**" means the goods supplied by the Seller to the Buyer under the terms and conditions set out in the Purchase Agreement and the present Terms and Conditions.

2.2. Delivery of Products

- 2.2.1. The Seller shall deliver the Products to the Buyer in accordance with the Contract Documentation and the present Terms and Conditions, while exerting maximum care and effort that may be reasonably required to meet the Buyer's requirements regarding the Product quality.

2.3. Purchase price, terms of payment

- 2.3.1. The Buyer shall duly and timely pay the purchase price for the Products to the Seller, in the amount stated in the Purchase Agreement and in a manner and under the conditions stipulated in the present Terms and Conditions.
- 2.3.2. Unless otherwise stipulated in the Contract Documentation, all prices are stated exclusive of VAT.

2.4. Purchase Orders for Products

- 2.4.1. The Buyer will issue a written Purchase Order and submit it to the Seller via fax or e-mail, before the required Product delivery date.
- 2.4.2. As a general rule, the Buyer's Purchase Orders shall comprise the following details:
 - i. identification of the requested Product by specifying the product type, size, colour and possibly other parameters as required by the Buyer;
 - ii. the Buyer's item number (ID), identification of the Buyer and the Buyer's contact person, including the e-mail address;
 - iii. quantity and price of the purchased Product;
 - iv. requested date of delivery;
- 2.4.3. The Seller shall send a signed (confirmed) copy of the Purchase Order via fax or e-mail within ten (10) Business Days following the receipt thereof. A Purchase Agreement shall be deemed entered into upon the delivery of the signed copy of the Purchase Order, i.e. the delivery thereof by mail, fax or e-mail, always no later than

on the date when the Seller may be expected to fulfil the Purchase Order in view of the given circumstances, or on the first day on which the Seller starts fulfilling the Purchase Order. Confirmation of Purchase Order, which includes amendments, objections, restriction or other changes, is rejection of the Purchase Order, considered to make a new draft of Purchase Order. For the conclusion of new Purchase Contract is necessary written confirmation of the Purchase Order.

2.5. Shipping of Products

- 2.5.1. The purchase price of the Products stated in the Contract Documentation includes transport, packaging and insurance coverage until the Products are received by the Buyer. The place of delivery is the address of the principal office of the Buyer, unless otherwise stated in writing in the Purchase Agreement, and the delivery term is DAP (Incoterms 2010).

2.6. Terms of delivery

- 2.6.1. The Product will be delivered to the Buyer and the Buyer will accept the Product on the basis of acceptance certificate of the Product signed by the Buyer's representative. The delivery of the Product shall be deemed to constitute the completion of the taxable supply within the meaning of the Value Added Tax Act.
- 2.6.2. The Products shall be delivered DAP Teva Pharmaceuticals CR, s.r.o., Business park Futurama, Sokolovská 651/136A, 180 00 Praha 8 (Incoterms 2010), unless otherwise agreed in the Purchase Agreement.

2.7. Terms of payment

- 2.7.1. The Seller is entitled to issue an invoice charging the purchase price of the Products no sooner than on the day of the Product delivery.
- 2.7.2. Invoice due date will occur at the earliest payment date of the Buyer after the 60-day period, which start running from the date of the registered receipt of the invoice by the buyer. Date of Buyer payments are the 10th or the 25th of each month. The Seller acknowledges that the Buyer will pay the purchase price only to the account provided to the Buyer and placed in the Buyer's Information System, regardless of the account number listed on the Seller's invoice. In the event of a change in an Account that the Seller does not notify to the Buyer, and this will not be made in the Buyer's Information System, the Buyer is not responsible for the late payment of the Purchase Price.
- 2.7.3. The Buyer is entitled to pay the purchase price to another account than the account stated in the Buyer's Information System if (i) the account stated in the Buyer's Information System is not an account published by the tax administrator within the meaning of Section 98, letter d) of the Act no. 235/2004 Coll. on the Value Added Tax, as amended (hereinafter "**Value Added Tax Law**"), and also (ii) the account of the Seller to which the Buyer pays the amount payable is the account published in the publicly accessible register of VAT payers at the moment of the payment. Parties shall cover the fees of own bank.
- 2.7.4. In case that at the date of taxable supply or at any time within the maturity period of an invoice the Contractor is identified as an unreliable VAT payer pursuant to Section 106a et seq. the Act. no. 235/2004 Coll., the Value Added Tax Law and the Client will not be given a confirmation of due payment of the VAT on the taxable supply by the Contractor no later than 7 Business Days before the maturity period expires, the Client reserves the right to pay to the Contractor the invoiced price without VAT. The Parties agree that such withheld amount of VAT will serve the Client as guarantee in case the Client is held liable for the outstanding tax not settled by the Contractor. The Client is authorized to use such withheld amount of VAT for the settlement of the outstanding tax on the taxable supply in question, if the Client is obliged to pay such tax on behalf of the Supplier as a guarantor, or transfer the withheld amount of VAT to the Contractor within 10 Business Days following the Contractor's provision of proof of the settlement of the tax on the taxable supply in question. Furthermore, the Contractor also agrees to inform the Client within 5 Business Days following the publication of such information about the fact that the Contractor has become an unreliable payer within the meaning of Act 235/2004 Coll., the Value Added Tax Law, as amended. If the Contractor fails to notify the Client thereof in the agreed term, the Contractor is obliged to pay the Client a penalty in the amount of CZK 50,000 (in writing: fifty thousand Czech crowns).
- 2.7.5. In addition to the details required to be included in invoices under the Value Added Tax Law and Section 435 of the Civil Code (and other generally binding legal regulations), each invoice shall also contain the following:
 - i. registration number of the order;
 - ii. identification of the Purchase Agreement pursuant to which the delivery has been effected;
 - iii. identification of the document certifying the taxable supply;
 - iv. invoice number and the maturity date;
 - v. advance payment amount;
 - vi. customs tariff number (if applicable).
- 2.7.6. Invoices must include the Seller's stamp and the signature of the person authorized to issue the invoice on behalf of the Seller.
- 2.7.7. If the Products delivered by the Seller:
 - i. are of poor quality; or
 - ii. are inadequate in quantity; or
 - iii. have a wrong invoiced price; or
 - iv. have no test certificate; or
 - v. lack any other important required details,the Buyer shall be entitled not to pay the invoice. In such case the Buyer returns the invoice to the Seller.
- 2.7.8. If there are any incorrect data in the invoice or any data missing, the Buyer shall be entitled to return the invoice to the Seller prior to the maturity date. In such case the Seller is obliged to issue a new invoice with a new maturity date.

2.8. Quality of the Products

- 2.8.1. The quality of the Products supplied by the Seller must correspond to the quality required according to the valid Product specification in the Contract Documentation.

2.9. The Buyer's rights arising from deficient performance, warranty and risk of damage to the Products

- 2.9.1. In case of a breach of the Seller's obligations arising from the generally binding regulations or from the Contract Documentation or these Terms and Conditions causing harm to the property or other harm to the Buyer or to a third party as a consequence of using the Products, the Seller will pay the damages regardless of who is to blame. This provision is valid also after the Purchase Agreement is

terminated for whatever reason including a withdrawal from the Agreement by one or both of the Parties.

- 2.9.2. A defect means a deviation from quantity, type and qualitative characteristics of the Product which are stated in the Purchase Agreement or in generally binding regulations. A defect also means if the Seller does not warn the Buyer about defects of the Product, even if such defects are not typical of the Product. A defect also means a defect in the documents delivered together with the Product. The Seller hereby declares and guarantees to the Buyer that:
- the Products delivered correspond to the agreed specification and quality. the Products are manufactured in accordance with generally binding regulations and standards and with the requirements for good manufacturing practice;
 - the documents submitted to the Buyer are complete;
 - the Seller is the sole owner of the Product and there is no lien, pre-emptive right, encumbrance nor other rights belonging to a third party including industrial property rights placed on the Product;
 - the Seller has all necessary permissions for manufacturing the Products;
 - the Products shall retain all relevant characteristics, the agreed quality and faultlessness and that the Products will be eligible for use in pharmaceutical production at least during 24 months from receipt by the Buyer, unless agreed otherwise in writing between the Parties (hereinafter the "**warranty period**") and the Seller guarantees the quality of the Product during the entire warranty period.
- 2.9.3. The Buyer is obliged to report to the Seller about defects in writing within 15 Business Days after the defect was found. The report must contain the nature of the defect (or defects) found, whether it constitutes a material breach of the agreement and which of the possible rights arising from the fact that a defect has been found the Buyer chooses.
- 2.9.4. If a dispute regarding the Product quality (or regarding the conformity of the Product with the specifications) cannot be solved amicably, the Seller and the Buyer undertake to submit the Product for an analysis to an independent laboratory/expert based on their agreement. If the Parties fail to agree on the selection of the independent laboratory/expert within 7 days following the date of the proposal, the independent laboratory/expert shall be determined by the Buyer. The laboratory/expert findings are binding for both Parties and the cost of the analysis will be borne by the Party whose claims regarding the Product quality (or conformity with the specifications) were found to be untrue.
- 2.9.5. The Parties agree that a material breach of the agreement means especially an occurrence of such defect (or defects) of the Product which precludes using the Product fully or partially in pharmaceutical production. Unless the Buyer requests of the Seller otherwise in the report of the material defect (or defects) of the Product, the Seller is obliged to remove the defects at its costs within 10 days after receiving the report and if the Seller fails to do so in full scope, the Buyer is entitled to request a discount from the purchase price for the Product or to withdraw from the agreement or to remove the defects on its own or by appointing a third party on the Seller's costs and risk.
- 2.9.6. In case of occurrence of a defect (defects) which does not constitute a material breach of the agreement, the Buyer is entitled to request a removal of the defect or an adequate discount from the purchase price. If the Seller fails to remove the defects within 10 days after receiving the report from the Buyer, the Buyer is entitled to request a discount from the purchase price or to remove the defect (or defects) on its own or by appointing a third party at the Seller's cost and risk or to withdraw from the agreement.
- 2.9.7. This shall be without prejudice to other rights of the Buyer arising from the defective Product in accordance with the generally binding legal regulations.
- 2.9.8. The risk of damage to the Products passes over to the Buyer at the moment of the Buyer's acquisition of the proprietary rights to the Products. The proprietary rights to the Product pass over to the Buyer at the moment when the Buyer accepts the Product at the place of delivery.

2.10. Penalties

- 2.10.1. Should the Seller be in default with the delivery of the Product or any part thereof, the Buyer shall be entitled to charge the Seller a penalty in the amount of 0.05% of the total invoiced value of the non-delivered Product per each new day of the delay.
- 2.10.2. Should the Buyer be in default with the payment of the invoiced value for the supplied Products, the Buyer shall pay the Seller a penalty in the amount of 0.05% of the outstanding amount for each day of the delay, but in total only up to 5% of the price for the supplied Products according to the Purchase Agreement.
- 2.10.3. The penalty shall be charged to the other Party in writing and the billing shall be duly delivered to such other Party. The billing must indicate the amount of the penalty and the justification thereof. The penalties are payable within ten (10) days after the Party who is in breach received a written notice from the other Party to pay the penalty.
- 2.10.4. The obligation to pay the penalty does not affect the right of the other Party to receive damages in full amount. The obligation to pay the penalty may also occur repeatedly and the total amount of the penalty is not limited.
- 2.10.5. The obligation to pay the penalty shall also continue after the termination of the Purchase Agreement or upon the withdrawal from the Purchase Agreement by either Party or both Parties.

2.11. Withdrawal from the Purchase Agreement

- 2.11.1. The Purchase Agreement may be terminated if the Parties agree on the termination in writing or by submitting a notice on termination in writing by one of the Parties in case of a material breach of the Purchase Agreement by the other Party.
- 2.11.2. A material breach of the Purchase Agreement means the following:
- if the Buyer is in delay with the payment of the purchase price for a period exceeding three months; or
 - if the Seller fails to deliver the Products in the agreed quality and according to the specification and other conditions stated in the Contract Documentation; or
 - if the Seller is delay with the Product delivery for a period exceeding 30 days,
- 2.11.3. The written notice of withdrawal from the Purchase Agreement must contain the reason for the withdrawal.

3 Special provisions regarding execution of a Work

These special provisions regulate the legal relationships between the Parties as regards the execution of a Work.

The Parties agree that these special provisions regarding the execution of a Work will be reasonably applied also to services provided by the Contractor which are not covered by the definition of Work stated below.

3.1. Definitions and interpretation

"**Work**" means performing a job which is not covered by the Purchase Agreement; Work also means maintenance, repair or adjustment of the job or an activity with other result. Work always refers to making, maintaining, repairing or adjusting a construction or a part thereof.

"**Purchase Order**" means an order placed by the Client in a written or electronic form, specifying the work requested by the Client, i.e. work which the Client intends to order from the Contractor; a Purchase Order shall also be considered a draft Contract for Work;

"**Contract for Work**" means any individual contract for work concluded between the Parties, i.e. the Contractor's confirmation delivered to the Client in which the Contractor accepts the Purchase Order with the price of the Work and by the term of delivery stated therein. The present Terms and Conditions shall form an integral part of the Contract for Work.

3.2. Purchase Order

- 3.2.1 The Client will issue a written Purchase Order and submit it to the Contractor via fax or e-mail prior to the required Work completion date.
- 3.2.2 As a general rule, the Client's Purchase Orders shall comprise the following details:
- identification of the Work required, with a reference to the Contractor's offer, if any, and price;
 - requested date of the commencement and completion of the Work (period of execution), and the Client's contact person, including an e-mail address;
 - request for the Contractor's damage liability insurance, if any, including the insurance limit;
 - any other requirements of the Client.
- 3.2.3 The Contractor is obliged to send a signed copy of the Purchase Order via fax or e-mail within three (3) Business Days following the receipt thereof. A Contract for Work shall be deemed entered into upon the delivery of the signed copy of the Purchase Order, i.e. the delivery thereof by mail, fax or e-mail, always no later than on the date when the Contractor may be expected to fulfil the Purchase Order in view of the given circumstances, or on the first day on which the Contractor starts fulfilling the Purchase Order. The Contract for Work shall also include the Contractor's offer, if the Purchase Order refers to such an offer.

3.3 The Contractor's obligations

- 3.3.1 The Contractor undertakes to perform all activities necessary or adequate for the Work completion at its cost and risk, including procurement of all material, equipment and facilities which need to be used for the Work completion unless the Contract Documentation stipulates that some of these will be provided by the Client. The Contractor further undertakes to perform without delay all ancillary activities needed for the Work completion.
- 3.3.2 Part of the Work is also the delivery of all instructions on proper operation and maintenance of individual parts of the Work. If some of these documents will be submitted by the Contractor's partners in a foreign language, the Contractor undertakes to ensure a translation of such documents into Czech. The Contractor also undertakes to submit these documents to the Client no later than on the day of delivery of the Work.
- 3.3.3 The Contractor undertakes and guarantees that during the making of the Work the Contractor shall not make use of any material which is known at the time of its use to be harmful; no later than on the day of the Work delivery the Contractor shall submit to the Client a declaration of conformity of the products with the technical standards and valid technical regulations within the meaning of the Act no. 22/1997 Coll., On technical requirements for products and on amendments of certain acts, as amended.
- 3.3.4 The Contractor declares that the Contractor has expertise, experience and permits needed for its business operation and that the Work will be executed by a sufficient number of persons with a sufficient expertise and for whom the Contractor ensures all adequate equipment and technical support.
- 3.3.5 The Contractor is obliged to execute the Work with due diligence according to valid applicable laws and technical standards.
- 3.3.6 The Parties agree that the risk of damage to the Work being done and a risk of destruction of the construction or of any part of the Work shall be borne by the Contractor beginning from the day of commencement of the Work realization until the Work is delivered to the Client.
- 3.3.7 The Contractor undertakes and declares that the Contractor will not negotiate with any of its Suppliers any reservation of property right to the goods or part of the Work which is supplied to the Contractor by the Supplier for the realization of the Work.
- 3.3.8 The Contractor undertakes to make sure that the summary of the characteristics of the Work will comply with applicable legislation, technical standards applicable in the Czech Republic and the Contract Documentation.
- 3.3.9 The Parties agree that the materials used shall be of a prime quality with the exception of materials expressly stipulated by the Client.
- 3.3.10 The Contractor declares that it has the professional capacity to ensure the whole execution of the Work and that the Contractor will ensure compliance with conditions stated in relevant legislation.
- 3.3.11 The Contractor declares that it is a thoroughly acquainted with the extent and nature of the Work and that it is aware of the technical, quality and specific conditions under which the Work will be executed.
- 3.3.12 The Contractor is obliged to compensate any damage caused to other property of the Client and/or third parties during the execution of the Work. The Contractor has an obligation to pay damages in such case regardless of who is to blame.

3.4 Price of the Work

- 3.4.1 The price of the Work is agreed between the Parties in the Contract for Work. The price for the Work is fixed and cannot be exceeded. Unless otherwise stipulated in the Contract Documentation, all prices are stated exclusive of VAT.

- 3.4.2 The price for the Work shall cover all of the Contractor's expenses necessary for the execution, testing, putting into operation and handover of the Work, including the cost of accompanying documents, if any. The price of the Work shall also cover all extra expenses (if any) associated with the development of the input costs until the completion of the Work.
- 3.4.3 The price for any extra work exceeding the scope of the Purchase Order and the Contract for Work shall be determined on the basis of a written agreement between the Parties.
- 3.4.4 If during the execution of the Work some of the activities will be found unnecessary or if the Client informs the Contractor in writing that some specific activities are not needed within the agreed time before these activities are commenced, the Contractor agrees not to perform such activities. The value of such activities will be reduced from the price of the Work.
- 3.4.5 Any work, activities and performance necessary or adequate due to defects or incompleteness of the Work or due to the fact that the Contractor did not respect its obligations stipulated in the Contract Documentation or applicable legislation during the execution of the Work, will be performed by the Contractor without undue delay and on its own costs and risk.
- 3.4.6 The Parties exclude application of Section 2611 of the Civil Code and declare that the agreed due day of payment of the price of the Work is adequate with respect to the nature of the Work or to the agreed monthly payments for the completed parts of the Work.
- 3.5 Terms of payment**
- 3.5.1 The Client agrees to pay the agreed price for the Work to the Contractor as agreed in the Contract for Work via bank transfer to the Contractor's bank account in the manner and under the terms set out in the present Terms and Conditions.
- 3.5.2 Following the due delivery of the Work, the Contractor shall issue an invoice – a tax document. In addition to the details required to be included in invoices under Section 435 of the Civil Code, each invoice shall also contain the identification number of the order which will be communicated by the Client to the Contractor in writing after the conclusion of the Contract for Work, the subject of work and identification thereof according to technical specification, the taxable supply date, invoice date, bank specifications, bank account number and the invoice maturity date. Invoices must include the Contractor's stamp and the signature of the person authorized to issue the invoice.
- 3.5.3 All invoices shall be provided upon delivery/provision of services payable by wire transfer or by other payment method agreed by the Parties, in accordance with the payment terms specified in the Purchase Order, and applicable after the date of receipt of the valid invoice and required documentation. Otherwise mentioned in the Purchase Order the Buyer default payment terms are 60 days from receipt of valid invoice. Notwithstanding the above, payment shall be made by the Buyer latest, on the 10th or on the 25th of each month, whichever is immediately following the applicable payment date as per the payment terms mentioned above.
- 3.5.4 The Client is entitled to pay the invoiced amount to another account of the Contractor than the one stated in the Client's Information System if (i) the account stated in the Client's Information System is not an account published by the tax administrator within the meaning of Section 98, letter d) of the Act no. 235/2004 Coll. on the Value Added Tax, as amended (hereinafter "**Value Added Tax Law**"), and also (ii) the account of the Contractor to which the Client pays the amount payable is the account published in the publicly accessible register of VAT payers at the moment of the payment. The Parties agree that the date of payment means the day when the whole invoiced amount is debited from the Client's account and that each Party pays its own bank charges.
- 3.5.5 In case that at the date of taxable supply or at any time within the maturity period of an invoice the Contractor is identified as an unreliable VAT payer pursuant to Section 106a et seq. the Act. no. 235/2004 Coll., the Value Added Tax Law and the Client will not be given a confirmation of due payment of the VAT on the taxable supply by the Contractor no later than 7 Business Days before the maturity period expires, the Client reserves the right to pay to the Contractor the invoiced price without VAT. The Parties agree that such withheld amount of VAT will serve the Client as guarantee in case the Client is held liable for the outstanding tax not settled by the Contractor. The Client is authorized to use such withheld amount of VAT for the settlement of the outstanding tax on the taxable supply in question, if the Client is obliged to pay such tax on behalf of the Supplier as a guarantor, or transfer the withheld amount of VAT to the Contractor within 10 Business Days following the Contractor's provision of proof of the settlement of the tax on the taxable supply in question. Furthermore, the Contractor also agrees to inform the Client within 5 Business Days following the publication of such information about the fact that the Contractor has become an unreliable payer within the meaning of Act 235/2004 Coll., the Value Added Tax Law, as amended. If the Contractor fails to notify the Client thereof in the agreed term, the Contractor is obliged to pay the Client a penalty in the amount of CZK 50,000 (in writing: fifty thousand Czech crowns).
- 3.5.6 If there are any incorrect or missing data in an invoice, the Client shall be entitled to return the invoice to the Contractor, prior to the maturity date. In such case the Contractor is obliged to issue a new invoice with a new maturity date according to Paragraph 3.5.3.
- 3.6 Completion and delivery of the Work**
- 3.6.1 The completion deadline is set out in the Contract for Work. The Contractor's obligation to deliver the Work is performed upon the due and final completion, i.e. without defects and unfinished parts and upon delivery of all documents required in the Contract Documentation. The Contractor acknowledges that given the purpose for which the Client needs to use the Work, it is essential for the Client that the Work is completely faultless and the Contractor is aware and agrees that the Client is entitled to refuse acceptance of the Work for any defects including minor defects which do not in combination with other defects or by themselves preclude functional or aesthetic using of the Work and do not limit the use of the Work significantly if the number of such defects is higher than 5. The Client's acceptance of the Work is without prejudice to the Contractor's obligation to remove the minor defects which number less than 5 immediately after the Work has been delivered.
- 3.6.2 Upon the delivery and acceptance of the Work the Parties shall sign an acceptance certificate in two copies which will, inter alia, contain also the results of the Work inspection carried out by the Client and an assessment of the quality of the work done. In this certificate the Client shall state any detected defects or unfinished parts and which of them are substantial and which of them are minor.
- 3.6.3 If the acceptance certificate for the Work contains:
- a) any defect categorized by the Client as substantial, the Work is considered unfinished and is unfit for delivery to the Client, in which case the Client did not accept the Work;
 - b) only defects which are categorized as minor by the Client, the Client can decide if to accept the Work as completed or not (in the latter case the Work is considered unfinished); the Client's decision will be stated in the acceptance certificate for the Work;
 - c) declaration of the Client stating that no obvious defects were found upon inspection, the Client accepts the Work based on the certificate.
- 3.6.4 If the Client does not accept the Work due to the defects thereof, the Parties will substantiate their positions in the certificate and agree a new term within which the defects are to be removed and the unfinished parts finished and a new time of delivery if applicable. The Contractor is obliged to remove the defects of the Work precluding the acceptance of the Work by the Client without undue delay and always no later than on the new time of delivery.
- 3.7 Defects of the Work and warranty for defects of the Work**
- 3.7.1 The Contractor provides the Client a warranty for the quality of the Work for the period of 24 months after the acceptance of the Work by the Client (hereinafter the "**warranty period**"); this warranty shall cover all works done and materials supplied by the Contractor and implemented in the Work. Warranty for equipment and facilities which have their own warranty certificates will be provided by the Contractor in accordance to these warranty certificates and the warranty periods will be at least 24 months after the acceptance of the Work. These warranty certificates must be filled in properly and submitted together with the documents relating to the acceptance of the Work. A list of equipment with a different warranty period will be annexed to the act on delivery and acceptance of the Work. If the equipment is to be serviced directly by its manufacturer or authorised operator, the list must contain contact details of the authorized service provider.
- 3.7.2 The Contractor guarantees that the Work will retain its constructional, technical, hygienic and aesthetic characteristics according to the Contract Documentation, relevant technical standards and legislation. The warranty does not cover routine maintenance and defects caused by a third party's intervention into the construction of surface or equipment.
- 3.7.3 A defect of the Work also means a deviation from the type and qualitative characteristics of the Work stated in the Contract Documentation, the technical standards or generally binding regulations. A defect means an obvious or hidden defect or a defect of the documents which are delivered together with the Work or a part thereof and also defects which appear on the Work during the warranty period. The Work must comply with the agreed quality and version, it must be fit of use for the agreed purpose and retain its agreed characteristics.
- 3.7.4 The Parties agree that a material breach of the Contract for Work or, substantial defect of the Work shall include the occurrence of such defects owing to which the use (operation) of the Work is significantly complicated or impossible, as well as the occurrence of more than 5 defects or a recurrence of the same defect after the Work has been repaired.
- 3.7.5 The Parties agree that any unfinished parts of the Work are considered defects for the purpose of the Contract for Work.
- 3.7.6 The Client is obliged to report to the Contractor about defects of the Work in writing within 15 Business Days after the defect was found. The report must contain the nature of the defect or defects of the Work.
- 3.7.7 The Contractor agrees to begin the removal of such defect (defects) of the Work within 5 days following the Client's complaint and to complete the removal of defects as soon as possible, but always within 5 days following the commencement thereof, unless the Parties agree otherwise. If the Contractor fails to commence with the removal of the defects during the said period, or fails to duly remove such defects as agreed, the Client is entitled to remove the defect (defects) by appointing a third party at the costs and risk of the Contractor. The Contractor agrees to reimburse the Client for the amount paid for such work carried out by a third party. This is without prejudice to the Client's right to request an adequate discount from the price of the Work.
- 3.7.8 The Warranty period commences on the day of acceptance of the Work by the Client according to the acceptance certificate if the Work is accepted without any defects or, if defects were found, on the day of removal of all defects detected upon delivery of the Work.
- 3.7.9 The warranty period is interrupted during a period in which the Work or its part cannot be used in full scope due to a reported defect. A new warranty period will be provided for the repaired or replaced parts of the Work.
- 3.7.10 The Contractor is obliged to indemnify the Client for any costs and damages arising from a deficient performance.
- 3.8 Termination of the Contract for Work**
- 3.8.1 The Contract for Work may be terminated if the Parties agree on the termination in writing or by submitting a notice on termination in writing by one of the Parties in case of a material breach of the Contract for Work by the other Party.
- 3.8.2 The Parties agree that a material breach of the Contract for Work means especially, (i) if the Contractor breaches its obligations stated in the Contract or in generally binding legislation and the Contractor will not remedy the situation within 5 Business Days after it had been notified by the Client thereof, (ii) if the state of the Work does not allow its proper use (operation), (iii) if the Contractor is in delay with completion of the Work for a period exceeding one month, or (iv) if the Client is in delay with the payment of the price for the Work for a period exceeding two months.
- 3.8.3 In case of withdrawal from the Contract, the Contractor is entitled to obtain only the a part of the price for the Work corresponding to the value of the part of the Work done before the withdrawal.
- 3.8.4 Withdrawal from the Contract is without prejudice neither to the right of one or the other Party to be paid penalty, damages and default interests due to a breach of the Contract by the other Party, nor to other provisions which are binding to the Parties after termination of the Contract as agreed by the Parties or as appropriate with respect to the nature of such provisions (in particular, the rights and obligations arising from the warranty for the quality and liability for defects of the Work).
- 3.9 Penalties**
- 3.9.1 Should the Client be in default with the payment of the invoice, the Client shall pay the Contractor a penalty in the amount of 0.05% of the outstanding amount per each day of the delay.
- 3.9.2 If the Contractor is in delay with performance of any of the following obligations:
- a) to complete the Work within the stipulated deadline,

- b) to remove any defects and finish any unfinished parts detected and reported by the Buyer prior the acceptance of the Work or upon the acceptance (in the acceptance certificate) and/or at any time during the warranty period,
- the Contractor is obliged to pay the Client a penalty in the amount of CZK 10,000 (in writing: ten thousand Czech crowns) per each new calendar day of delay. The Client is entitled to require a penalty for each separate breach.
- 3.9.3 The payment of this penalty shall be without prejudice to the right to claim compensation for harm incurred in connection with the reason pursuant to which the penalty is charged and claimed.
- 3.9.4 The penalties agreed in the Contract Documentation are payable within 10 days after the Party which committed a breach receives a notification to pay from the other Party; the penalty is to be paid via a bank transfer to the account stated in the notification.

4 Common provisions

4.1 Occupational health and safety, fire protection, environmental protection and security

- 4.1.1 If the Contractor or persons appointed by the Contractor to perform the activities during or in connection to the execution of the Work pursuant to the Contract Documentation (hereinafter the **"Contractor's employees"**) operate in the Client's premises (hereinafter **"the workplace"**), the Contractor agrees to ensure that the Contractor's employees abide by all general relevant legislation and internal rules of the Client with which the Contractor has been demonstrably acquainted and especially with regulations regarding occupational safety, fire protection, good manufacturing practice etc. The Contractor confirms that it has been acquainted with the internal rules of the Client. The Client is entitled to change its internal rules and/or issue new rules or binding instructions to the Contractor or its employees regarding the conduct at the workplace at any time during the term of the Contract for Work. The Contractor acknowledges that at the workplace there is pharmaceutical production going on and the Contractor agrees to instruct its employees and ensure that they will strictly abide by the internal rules and instructions issued by the Client.
- 4.1.2 The Client and the Contractor undertake to ensure that their activities and the work carried out by their employees is organized, coordinated and executed in such a manner that the security of the employees of the other Party or of other employers present in the workplace is also duly protected.
- 4.1.3 The organization and coordination of the work carried out by the Client's employees shall be ensured by the corresponding members of the Client's management. Organization and coordination of the Contractor's employees will be carried out by corresponding members of the Contractor's management but always in accordance to Paragraph 4.1.1.
- 4.1.4 The members of the Client's and Contractor's management undertake to cooperate in order to ensure the occupational health and safety of all employees and individuals present within the workplace.
- 4.1.5 The Client and the Contractor agree that during task performance carried out at the workplace by the Client's and Contractor's employees, the coordination of safety and health protection measures is to be carried out by the Client. Selected members of the Client's management are appointed in order to carry out this coordination.
- 4.1.6 In connection with such coordination according to Article 5.1.4, the Contractor undertakes to provide the Client with due assistance and to ensure due implementation of the measures associated with occupational health and safety in a manner and by the deadlines determined by the competent members of the Client's management.
- 4.1.7 The Client and the Contractor undertake to inform each other about the risks and the measures taken to protect against their effects relating to the execution of the work and the workplace always before starting the work within the workplace and always upon any change regarding the scope or conditions of the work which have not been previously reported in writing. Competent members of the Contractor's and Client's management shall be appointed to ensure due fulfillment of this obligation.
- 4.1.8 Prior to the commencement of the activities, the Client undertakes to provide the Contractor's employees with adequate and corresponding information and instructions to ensure due occupational health and safety and with adopted measures, especially as regards fire control, provision of first aid and evacuation of people in the event of emergencies.
- 4.1.9 The Contractor agrees to inform the members of the Client's management about all persons who will perform work for the Contractor within the workplace at least 1 day prior to the commencement of their activities within the workplace. The Contractor undertakes to ensure that such persons will not enter any premises other than the workplaces where they are expected to perform their work, and that they report to the appointed Client's representative prior to entering the workplace where they are expected to perform such work.
- 4.1.10 The Contractor undertakes to ensure that its employees operating within the workplace make due use of personal protective equipment with regard to the risks of the work activities undertaken and the nature of the workplace (including, for example, working or protective clothing, safety footwear, safety glasses, welding face shields, welding clothes, welding gloves, gloves, helmet, ear plugs or muffs, quarter masks, etc.).
- 4.1.11 The Contractor undertakes to ensure that the persons performing work for the Contractor within the Client's workplaces do not perform any works that have not been previously agreed with the member of the Client's management and that have not been covered by the relevant contract.
- 4.1.12 The Contractor undertakes to ensure that its employees do not commence maintenance of equipment, work at heights, work in confined spaces, work in potentially explosive environments, work with an open fire within the workplace before the employees confirm with their signatures that they have been acquainted with the safety measures stated in the relevant permits or job orders, in accordance with the applicable rules of the Buyer. In case that the Contractor's employees or any person present in the workplace with the Contractor's consent suffers from an occupational injury, the Contractor shall promptly notify the Client and cooperate in clarifying the causes and circumstances of the accident. The Contractor acknowledges that if its employee refuses to undergo an alcohol test upon request from the Client's manager or a security guard in the workplace, the Client is entitled to expel that employee from its premises and prohibit this employee from re-entry.
- 4.1.13 The waste generated in connection with the Contractor's activities or the activities of its employees within the Client's premises shall be the Contractor's property. Under such circumstances, the Contractor is considered the generator of the waste according to the Waste Act. The Contractor is obliged to sort such waste according

to the type, secure the waste duly from leakage into the environment and ensure, at its cost, that the waste is handled in accordance with the valid Waste Act and the corresponding implementing regulations, through a third party authorized for the use or disposal of such waste. The costs of these activities shall be borne by the Contractor.

- 4.1.14 The Parties agree that in case of violation of the prohibition of smoking, consuming alcohol or using other addictive substances within the workplace or entering the workplace under the influence of such substances, the Contractor's employee who committed such violation shall be banned from entering the workplace and the Contractor shall pay the Client a penalty in the amount of CZK 5 000 (five thousand Czech crowns) for each such violation of obligations. The penalty should be paid till five day after written notice from Client on his bank account.

4.2 Delivery of documents

- 4.2.1 Any notification or other communication to be made according to the Contract Documentation or in connection herewith shall be made in writing
- and sent by registered mail with a delivery note; the mail shall be considered delivered on the date of delivery specified in the delivery note; or
 - by fax; the communication shall be considered delivered at the moment of sending, if a copy of the sending Party's fax message includes a confirmation of the successful sending to the recipient's fax number;
 - by e-mail; the communication shall be considered delivered at the moment of sending, provided that it had been sent to e-mail addresses of the Client stated below if sent by the Contractor and to the address from which the Client and the Contractor have communicated if sent by the Client; or;
 - upon the delivery thereof to the Client's registry.
- 4.2.2 The Client's contact details:
- address of the principal office and registry of the Client: : Teva Pharmaceuticals CR, s.r.o., Business park Futurama, Sokolovská 651/136A, 180 00 Praha 8
 - Fax: +420 251 007 111;
 - to the contact person's e-mail address.
- 4.2.3 The communication to the Contractor shall be delivered to the address of its registered office or place of business entered in the Commercial Register or another register, unless the Contractor informs the Client of another contact address, and to the e-mail address of the person representing the Contractor in the matters of the Contract Documentation.
- 4.2.4 If communication is delivered in accordance with the provisions of this Article not in a Working Day, such communication shall for the purpose of the relevant agreement be considered delivered on the following Business Day.

4.3 Compliance with anti-corruption laws

- 4.3.1 Definitions: For the purposes of this Schedule, the following terms shall bear the meanings assigned to them below: (i) "Personnel" means Third Party's (and its affiliates') owners, directors, and officers, and any of Third Party's (or its affiliates') employees, agents, or consultants of the supplier that may reasonably be expected to perform on this Agreement. (ii) "Government Official" means any of the following: (i) official (elected, appointed, or career) or employee of a federal, national, state, provincial, local, or municipal government or any department, agency, or subdivision thereof; (ii) officer or employee of a government-owned or controlled enterprise, company, or organization (e.g., a healthcare professional practicing at a government-owned or controlled hospital or clinic); (iii) officer or employee of a public international organization (e.g., UN, World Bank, EU, WTO, NATO); (iv) individual acting for or representing a government or any of the organizations referred to above, even if he/she is not an employee of such government or organization; (v) individual who is considered to be a government official under applicable local law; (vi) candidate for political office; and (vii) an official of a political party. (iii) "Close Family Member" means any parent, child, spouse, or sibling, whether by blood or marriage. (iii) "Party" or "Parties" refers to Seller and the Buyer.
- 4.3.2 Anti-Corruption Principles and Legislation: Seller understands that Teva Pharmaceutical Industries Ltd. and/or its subsidiaries, including without limitation the Buyer (collectively "Teva" or the "Company") are subject to certain anti-corruption and anti-bribery laws, including the U.S. Foreign Corrupt Practices Act ("FCPA") and/or the U.K. Bribery Act 2010 ("Bribery Act"). For the avoidance of doubt, this reference to the FCPA and the Bribery Act is included to make Seller aware of the laws that may apply to Teva in the operation of its business and does not subject Seller to such laws or the jurisdiction of any foreign government where such laws or jurisdiction would not otherwise apply.

Seller understand that Teva and Seller are required to comply with all applicable anti-corruption and anti-bribery laws of those jurisdictions where Seller will provide goods and/or services to, or otherwise act on behalf of, Teva (herein referred to as the "Anti-Corruption Laws"). The Anti-Corruption Laws, together with the principles contained in the Organisation for Economic Co-Operation and Development's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, effective 15 February 1999, on which many international anti-corruption laws are based, are herein referred to as the "Anti-Corruption Laws and Principles." The Anti-Corruption Laws and Principles prohibit the corrupt payment, offer, promise, or authorization of the payment or transfer of anything of value or any benefit, directly or indirectly, to any Government Official, or to any other person while knowing that all or some portion of the payment, thing of value, or benefit will be offered, given, promised, or passed on to a Government Official. Certain of the Anti-Corruption Laws and Principles also prohibit commercial bribery—i.e., the payment or transfer of anything of value, any benefit, or any advantage, directly or indirectly, to any private person with the intention to improperly obtain or retain business or any business advantage or to improperly influence the recipient's behavior.

- 4.3.3 Knowledge and Compliance: Seller agrees to ensure that all of its Personnel are knowledgeable regarding the purpose and provisions of the Anti-Corruption Laws and Principles, and also agrees to take appropriate steps to ensure that such Personnel will comply with the letter and spirit of the Anti-Corruption Laws and Principles and will not take any actions which would cause either Party to violate or contravene the Anti-Corruption Laws and Principles.
- 4.3.4 Seller will maintain policies, procedures, and internal controls to ensure that it will be in compliance with the Anti-Corruption Laws and Principles in connection with its performance of this Agreement. Such policies, procedures, and internal controls will include processes through which employees will obtain approval for expenditures that may be incurred on behalf of or result in payments to Government Officials, healthcare professionals, or customers in connection with

- performance of relevant Agreement (e.g., gift, travel, entertainment, hospitality, conference, meeting, event, consulting, and research expenditures).
- 4.3.5 No Action Contrary to Anti-Corruption Laws and Principles: Seller represents that it has not been found by a government agency or court to have violated the FCPA or any Anti-Corruption Law of any country. Seller represents and covenants further that nothing of value received under relevant Agreement has been or will be accepted or used by it for any purpose that would violate or be contrary to the Anti-Corruption Laws and Principles, nor has it or will it take any action that would violate or be contrary to Anti-Corruption Laws and Principles.
- 4.3.6 Status of Employees, Family Relationships: Seller represents that none of its Personnel are Government Officials. Seller represents that it has fully disclosed to Company any existing Close Family Member relationships between any of its Personnel and any Government Official, and Third Party agrees to notify Company of any such Close Family Member relationship that may arise during the term of this Agreement.
- 4.3.7 Purpose of Remuneration: The Contractor acknowledges and agrees that payments and bonuses under the applicable contract represent the fair market value of the Services and that their payment will not inadvertently force them to prescribe, buy or recommend Customer's products, or formally to act for the Customer's actions that would be unlawful, unethical or breach of trust or other duty.
- 4.3.8 Method of Payments: The Parties agree that all payments made to Seller in connection with relevant Agreement shall be made after receipt by the Buyer of an invoice detailing the products or services provided during the period. All payments under relevant Agreement shall be made by check or bank transfer for the benefit of, or to the account of, Seller in the country where goods and/or services are delivered/provided or the country of residence/principle place of business of Seller.
- 4.3.9 No Unlawful Payments: Seller represents and covenants further that, unless permitted under the Anti-Corruption Laws and Principles, it has not paid, promised to pay, authorized a payment, given, permitted to give, or authorized the giving, and will not pay, promise to pay, authorize a payment, give, promise to give, or authorize the giving of anything of value or any benefit to any Government Official for purposes of (i) influencing any act or decision of such Government Official in his official capacity, (ii) inducing such Government Official to do or omit to do any act in violation of the lawful duty of such official; (iii) securing any improper advantage; or (iv) inducing such Government Official to use his influence to affect or influence any act or decision of the Government with respect to any activities undertaken relating to relevant Agreement.
- 4.3.10 Accurate Books and Records: Seller will not make or permit any off-the-books accounts, inadequately identified transactions, recording of non-existent expenditures, entry of liabilities with incorrect identification of their object, or the use of false documents in connection with performing of the customer's obligation following from relevant Agreement. Seller will keep books, accounts, and records that, in reasonable detail, accurately and fairly reflect its transactions and dispositions of funds paid under relevant Agreement.
- 4.3.11 Rights of Audit: Without derogating from any other rights which the Buyer has to audit the records of Seller under relevant Agreement or any other agreement between the parties, for the term of relevant agreement and a period of five years thereafter, Buyer shall be entitled to audit all books, records, invoices, and relevant documentation of Seller related to this Agreement in order to verify compliance with the terms of this Schedule and the requirements of the Anti-Corruption Laws and Principles. Seller will cooperate fully in any audit or investigation conducted by the Buyer in relation to compliance with relevant Agreement or the Anti-Corruption Laws and Principles
- 4.3.12 Obligation to Update/Report Changes: Seller agrees that all of the representations contained herein shall remain true and accurate throughout the duration of relevant Agreement. Seller must inform Buyer promptly if it becomes aware of any potential breach of this Schedule or the Anti-Corruption Laws and Principles or any other change that would render any of the representations herein untrue or inaccurate. Failure to notify the Buyer under this section shall constitute a material breach of relevant Agreement by Seller entitling Buyer to terminate relevant Agreement under Paragraph 15 of this Schedule.
- 4.3.13 Annual Certification: In its sole discretion, Buyer may require that Seller complete an annual certification or provide some other form of assurance of compliance with this Schedule.
- 4.3.14 Right to Indemnification: Seller agrees that it will indemnify the Buyer for any costs, including fines and penalties, incurred by the Buyer as a result of Seller's breach of this Schedule or any Anti-Corruption Laws and Principles.
- 4.3.15 No Assignment : Notwithstanding any other provision of relevant Agreement, Seller covenants that it will not assign its rights to any non-Party without the prior written consent of the Buyer and that any services required by the Agreement will be performed by Seller and its disclosed Personnel unless otherwise agreed to in writing by the Buyer. Any assignment made by Seller without Buyer prior written consent will be null and void and of no force or effect.
- 4.3.16 Right to Terminate: Buyer shall have the right to suspend or terminate relevant Agreement and any payments thereunder if it has a good faith belief that Seller or any of its Personnel may have violated or acted contrary to any of the terms of this Schedule or the Anti-Corruption Laws and Principles.

4.4 Confidentiality

- 4.4.1 All information shared between the Parties upon drafting the Contract Documentation or in connection to it, is considered confidential within the meaning of Section 1730 of the Civil Code and none of the Parties is entitled to share this information with a third party or to use them for a purpose contradicting the purpose of obtaining such information for the Party's own needs. The Party which used the confidential information in contradiction to this provision or law without authorisation is obliged to pay damages arising from such use and to forfeit any profit gained from such use.
- 4.4.2 Dodavatel souhlasí s tím, že fakt uzavření smlouvy s Odběratelem není kryt povinností mlčenlivosti a výslovně souhlasí s tím, že je Odběratel oprávněn spoluprací s Dodavatelem veřejně deklarovat a dává pro tento účel souhlas ke zveřejnění samotné smlouvy nebo jejímu poskytnutí, zejména pak orgánům státní správy.

4.5 Other Provisions

- 4.5.1 The Contractor declares that: (a) the Contractor is not aware that the Buyer abused its economic position in drafting the Contract Documentation; (b) the Contractor considers the mutual rights and obligations agreed in the Contract Documentation to be balanced; (c) all conditions in the Contract Documentation were drafted by agreement between the Parties and not by one Party only and the Contractor had a real possibility to influence the conditions thereof; (d) the

Contractor had a possibility to consult qualified lawyers upon drafting the Contract Documentation; (e) the Contractor does not sign the Contract Documentation under distress, being inexperienced or careless.

- 4.5.2 The Contractor represents and warrants that it will: (a) familiarize itself with the requirements of Teva's Supplier Code found at website www.teva.cz (the "Teva Supplier Code") and does not find any flagrantly startling clauses; (b) answer any reasonable inquiry regarding compliance with the Teva Supplier Code; (c) allow reasonable audits during regular business hours to assess compliance with the Teva Supplier Code; (d) train any representative who is involved with the performance under relevant Agreement on anti-corruption and anti-bribery at its own expense, and that such training shall include the provisions of the applicable anti-corruption and anti-bribery laws and the standards set out in the Teva Supplier Code; (e) provide Teva with prompt written notice of any facts or circumstances (whether occurring prior to or after the Effective Date) which cause or may cause any of the representations and warranties contained in this subsection not to be true, accurate and complete as of the Commencement Date or as of any date during the term of relevant Agreement; and (f) acknowledge that failure to adhere to these standards shall entitle Teva to terminate relevant Agreement with immediate effect.
- 4.5.3 The Contractor declares that it assumes the risk of change of circumstances according to Section 1765, Paragraph 2 of the Civil Code.
- 4.5.4 Except for where expressly stipulated in the Contract Documentation, the Parties' rights and obligations shall be governed by the Civil Code.
- 4.5.5 Unless expressly stated otherwise in the Contract Documentation, all operations causing changes to or termination of the Contract Documentation must be communicated to the other Party in writing and sent by post as a recommended letter or delivered by courier to the address of the other Party stated at the top of the agreement. Each Party is obliged to inform the other Party without undue delay about changes of the mailing address or other changes of contact details stated at the top of the agreement.
- 4.5.6 The Parties agree that the Contractor is not entitled to pass over or pledge any of its obligations, rights and/or claims arising from or connected to the Contract Documentation to a third party fully or partially without prior consent expressed in writing by the Client.
- 4.5.7 The Parties agree that during the entire duration of the Contract Documentation, the Seller is not entitled to cede any rights and/or obligations arising from the Contract Documentation or from a part thereof to a third party prior to obtaining a consent from the Client.
- 4.5.8 The Parties agree that the Contractor is not entitled to offset unilaterally any debts payable by the Client arising from the Contract Documentation against debts payable by the Contractor to the Client.
- 4.5.9 The Parties agree that the Client is entitled to offset unilaterally any debts payable by the Contractor (mature or immature) arising from the Contract Documentation against debts payable by the Client to the Contractor (both mature and immature).
- 4.5.10 The Parties agree that any disputes shall be preferably settled by mutual agreement. Any disputes which may be connected to or arise from the Purchase Agreement or the Contract for Work or in connection to the Contract Documentation will be settled by Czech courts of competent jurisdiction and the territorial jurisdiction is to be determined according to the location of the principal office of the Client.

4.6 Final Provisions

- 4.6.1 If any provision of the Contract Documentation which does not form an essential element thereof is or becomes invalid, void, unenforceable or apparent or if it contains a mistake, ambiguity or is formally deficient, then such provision is fully severable from other provisions of the Contract Documentation without prejudice to the existence, validity, legal effectiveness and enforceability of the Contract Documentation as a whole nor of any other provisions contained therein. The Parties undertake to replace such invalid, void, unenforceable or apparent provision by a new provision which is valid, effective and enforceable and which corresponds to the content and purpose of the original provision of the Contract Documentation as much possible.
- 4.6.2 The termination of the agreement shall not affect those provisions of the Contract Documentation which shall by their nature remain valid until the full settlement of all claims arising from the Contract Documentation.

The present Terms and Conditions shall enter into effect on the date stated at the top of these Terms and Conditions. These Terms and Conditions shall cease to be effective at the moment when new Terms and Conditions are issued by **Teva Pharmaceuticals CR, s.r.o.**