

## General Terms and Conditions of Purchase of TEVA CZECH INDUSTRIES S.R.O. ("TEVA")

These terms and conditions concerning the deliveries of goods and services are applied by **Teva Czech Industries s.r.o.**, with registered office at Ostravská 305/29, Komárov, 747 70 Opava, Company ID 26785323, registered in the Commercial Register maintained by the Regional Court in Ostrava, Section C, File 27159.

Version as of 3 August, 2022.

### PART I: GENERAL PROVISIONS FOR GOODS AND SERVICES

#### 1. APPLICABILITY

1.1 These General Terms and Conditions of Purchase ("**Conditions**") apply to the purchase by TEVA of (i) any services ("**Services**") and/or (ii) any goods and materials, including, without limitation, products, equipment, and parts or components specifically developed or customized for TEVA, and deliverables resulting from a Service ("**Goods**"). "**TEVA**" means the legal entity of the TEVA Group issuing a Purchase Order for Goods and/or Services to the Supplier of such Goods and/or Services ("**Supplier**"), as set forth in the Purchase Order into which these Conditions are incorporated by reference. "**The TEVA Group**" is an international group of companies headed by Teva Pharmaceutical Industries Limited, Israel ([www.tevapharm.com](http://www.tevapharm.com)). "**Purchase Order**" means a request (in whatever form) of TEVA to the Supplier for the supply of Goods and/or Services, which is deemed to always include the Conditions.

1.2 Standard terms of the Supplier including any pre-printed standard terms and conditions on the reverse of, or attached to, any offer, invoice, delivery note or any other correspondence issued by the Supplier in connection with the Contract (as defined below) shall not apply unless TEVA expressly consents thereto in writing.

#### 2. PURCHASE ORDERS, CONFIRMED PURCHASE ORDERS

2.1 Within 5 days (or any other period specified in the Purchase Order) of receiving a Purchase Order ("**Confirmation Period**"), the Supplier shall confirm acceptance of such Purchase Order in writing ("**Confirmed Purchase Order**") and such Confirmed Purchase Order, shall form a binding contract between Supplier and TEVA for the supply of the Goods and/or Services so ordered ("**Contract**").

2.2 Any comments and/or changes to the Contract by the Supplier after the acceptance require TEVA's written acceptance. Until a Purchase Order has been duly accepted by the Supplier, TEVA may revoke, modify or change the Purchase Order at any time. Fulfillment by Supplier of the Purchase Order shall be deemed as acceptance by Supplier of the Purchase Order.

2.3 Any specifications for the Goods and/or Services contained in or incorporated in the Contract by reference, or any other specifications agreed in writing between TEVA and the Supplier from time to time are referred to as "**Specifications**".

#### 3. DELIVERY OF GOODS AND PERFORMANCE OF SERVICES

3.1 The Supplier shall supply the Goods and perform the Services within regular business hours on the Delivery Date at the Delivery Point and in accordance with the Specifications, good industry practice, cGMP (as applicable), the terms of the Contract, the Applicable Law (as defined in Section 22.1), and any reasonable direction given by TEVA in writing from time to time. Unless otherwise agreed in writing, delivery of the Goods shall be according to FCA (Incoterms 2020) or the delivery terms specified in the Purchase Order.

3.2 **Delivery Date** means the date(s), and **Delivery Point** means the location(s) for the delivery of the Goods and/or the performance of the Services, as specified in the Purchase Order under: "Deliver To/Ship To" or as otherwise reasonably notified by TEVA in writing from time to time.

3.3 Time shall be of the essence in relation to the delivery of the Goods and the performance of the Services. The Supplier shall inform TEVA in writing as soon as it is aware of any events or circumstances which may, or have, adversely affect(ed) the supply of the Goods and/or performance of the Services. The Supplier shall use best efforts to minimize any adverse effects that could arise from

any actual or potential delay, including the use of the fastest possible method of delivery or performance of the Goods and/or Services at the Supplier's sole cost and expense.

3.4 If the Supplier fails to deliver the Goods or fails to perform the Services as ordered and on the Delivery Date, TEVA may, after the expiry of a reasonable extension granted to the Supplier, and without prejudice to any other rights and remedies of TEVA and without liability to the Supplier: (i) immediately terminate the Contract for cause by giving written notice to the Supplier, (ii) request a refund of the purchase price, if already paid by TEVA, and (iii) claim compensation for all costs, expenses, damages and other direct losses suffered by TEVA due to the Supplier's failure to properly perform. Acceptance by TEVA of portions of Goods or Services under the Contract shall not oblige TEVA to accept later delivery of Goods / Services, nor affect TEVA's right to return Goods / Services already accepted.

3.5 TEVA shall not be obligated to receive deliveries in excess of the quantity ordered or before the specified delivery date. TEVA reserves the right, at its sole discretion, to return any such excess, or to receive the same and charge Supplier with all storage charges incurred by TEVA. All expenses of transportation and storage, if any, resulting therefrom shall be applied against Supplier's account. Partial shipments of Goods, or deliveries of Goods prior to the Delivery Date, require TEVA's prior written approval. In the event of a delivery prior to the Delivery Date, TEVA may, at its discretion, at the Supplier's risk and expense, either return the Goods to the Supplier or store the Goods until the Delivery Date.

3.6 If, for any reason, TEVA is unable to accept the Goods on the Delivery Date, the Supplier shall, if requested by TEVA, delay the delivery for a reasonable period of time and store and maintain the Goods in good order and condition. TEVA shall reimburse the Supplier for the reasonable, actual and documented costs of such storage and maintenance.

3.7 All Goods must be packaged (i) securely so as to prevent damage during loading, transportation and off-loading and (ii) in compliance with Supplier's Warranties and the Specifications.

3.8 The Supplier shall provide to TEVA, upon request, with certificates of origin, certificates of analysis, certificates of conformance (as applicable), declarations, documents and data pertaining to trade requirements and, inform TEVA in detail and in writing of any potential export restrictions or approval obligations in the country of origin of the Goods, and/or Services or their destination. Supplier shall provide to TEVA all information related to the safety, safe handling, environmental impact, and disposal of the Goods including, without limitation, material safety data sheets (as applicable). Supplier shall promptly deliver to TEVA, as it becomes available to Supplier, any updates or amendments to the information, including those made to address the United Nations Globally Harmonized System of Classification and Labeling of Chemicals' requirements, provided pursuant to this Section and any new information relating to the safety, safe handling, environmental impact, or disposal of the Goods.

#### 4. TRANSFER OF RISK AND TITLE

4.1 Unless otherwise specified in the Contract or agreed in writing, the risk of loss and damage to the Goods passes to TEVA at the time of receipt of the Goods at the Delivery Point.

4.2 Unless otherwise specified in the Contract or agreed in writing, title to the Goods passes to TEVA on the delivery of such Goods at the Delivery Point. Where title to all or any part of the Goods has passed to TEVA but the Goods remain in the possession of the Supplier, the Supplier shall clearly label the Goods as the property of TEVA and store such Goods separately from all other goods.

#### 5. PRICE AND PAYMENT

5.1 Unless otherwise specified in the Contract or agreed in writing, the price(s) for the Goods and/or Services specified in the Purchase Order remain fixed for the term of the Contract.

5.2 TEVA shall pay, in addition to the price(s) for the Goods and Services, for the Supplier's expenses (e.g. for accommodation, travel

and subsistence), only if TEVA has agreed in writing in advance to pay the expense(s) and reimbursement shall be made in accordance with TEVA's expense reimbursement policy.

5.3 Unless otherwise agreed in the Contract, the price(s) payable for the Goods and/or Services are:

5.3.1 exclusive of value added tax ("VAT") or other sales tax; and

5.3.2 inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery of the Goods, all travel expenses, food and beverage, accommodation and other costs related to the Goods and/or Services and all duties, licenses, permits and taxes (other than VAT or other sales tax) as may be payable for the Goods and/or Services from time to time.

5.3.3 The applicable VAT or other sales tax rate (if any) shall be paid to Supplier only if Supplier provided TEVA with a valid VAT or other sales tax invoice (applicable in accordance with the relevant VAT or other sales tax legislation) in relation to that amount.

5.4 Unless otherwise agreed in writing, and subject to the Supplier complying with its obligations under the Contract, TEVA shall pay for the Goods and/or the Services within the number of days specified in the Purchase Order from the date of receipt of the valid Supplier's invoice and required documentation [for Israel: of the last day of the month in which the valid invoice and required documentation is received], at the "send invoice to" address stated on the Purchase Order. The Supplier may not issue the invoice until the relevant Goods have been shipped to TEVA or the relevant Services have been completed. Invoices shall include TEVA's Purchase Order number and comply with all Applicable Laws and any specifications reasonably requested in writing by TEVA.

5.5 Payments shall be made by wire transfer (Automated Clearing House) transfers to Supplier's bank account as designated by Supplier in writing in advance, Supplier is responsible to communicate to TEVA any changes thereto, accompanied by supporting documentation (such as a letter from the bank or a copy of a bank account statement). TEVA may call the Supplier and ask for a verbal confirmation thereof, and Supplier shall cooperate with such request.

5.6 TEVA may withhold payment of any disputed or insufficiently documented amounts included in any invoice. TEVA may set-off any sum due from the Supplier to TEVA, against any amount due from TEVA to the Supplier under the Contract, or to recover such sums as a debt.

5.7 Payment of an invoice by TEVA does not constitute acceptance of the Goods and/or Services and is without prejudice to any other rights or remedies of TEVA.

## 6. QUALITY REQUIREMENTS

6.1 The Supplier (i) shall provide Goods of the highest quality and in accordance with the Supplier's Warranties, Specifications, all Applicable Law, and good industry practice and standards and (ii) shall develop, manufacture and test the Goods prior to their delivery to ensure they comply with the requirements set forth in the Contract (collectively "**Quality Requirements**").

6.2 The Supplier shall not make any changes to or modifications of the Goods in relation to Specifications as set forth in Sec. 2.3 and Quality Requirements without TEVA's prior written approval.

6.3 If the Supplier becomes aware or has reasons to believe that the Goods or Services do not or may not comply with the Quality Requirements, the Supplier shall promptly notify TEVA thereof in writing and shall advise TEVA on the further steps to be taken. Receipt and handling of such information by TEVA is without prejudice to any rights and remedies of TEVA.

## 7. INSPECTION, TESTING

7.1 Any obligation of TEVA under the Governing Law or otherwise to inspect the Goods and/or Services or to notify the Supplier of any defects within a certain period of time is hereby excluded to the extent legally possible. If such obligation cannot be excluded under the Governing Law, the following shall apply: (i) TEVA shall only be required to visually inspect the Goods for variations in identity and quantity and obvious transport damage and (ii) TEVA shall notify

the Supplier of any such discrepancies and damages without undue delay (not to exceed 14 days) after receipt of the Goods at the Delivery Point. With regard to latent defects of the Goods, TEVA shall notify the Supplier within a reasonable period of time after TEVA becomes aware of a latent defect, and without undue delay. TEVA reserves the right to reject, or refuse acceptance of, Goods or Services which do not comply with the Quality Requirements. Acceptance of all or part of the Goods or Services, use thereof and payment therefore, or failure to notify the Supplier promptly, shall not waive, nor affect TEVA's right to cancel, all or part of the Contract, or to return all or part of the Goods, recover damages, or pursue any other remedy TEVA may have.

7.2 If, according to the Contract or under the Applicable Law, TEVA is allowed or required to test and approve the Goods and/or Services to confirm their compliance with the Quality Requirements, the Supplier shall request TEVA in writing to carry out such acceptance test ("**Acceptance Procedure**"). The Supplier shall make such request in accordance with the dates as specified in the Contract or, if no dates are specified, as soon as practicable after delivery of the Goods or completion of the Services. Upon request by TEVA, the Supplier shall provide suitable Supplier Personnel (as defined in Section 20.1) to attend any such tests at its own cost. TEVA may reject the Goods and/or Services in whole or in part if they are not proven by the Supplier to comply with the Quality Requirements and/or any acceptance criteria. If TEVA does not accept the Goods and/or Services in whole or in part, the Supplier shall promptly investigate the non-conformity, correct such non-conformity and repeat the Acceptance Procedure. If the Goods or Services fail to pass the repeated Acceptance Procedure, TEVA may at its discretion choose whether to repeat the Acceptance Procedure or to claim the remedies as set forth in Section 9 hereof.

## 8. SUPPLIER WARRANTIES AND OBLIGATIONS

8.1 The Supplier warrants that the Goods and the Services and any parts or materials used in the manufacture or performance of any work related to the Goods and/or Services will:

8.1.1 be free from any defects in design, materials, and workmanship ;

8.1.2 be fit for any special purpose required by TEVA as reasonably known by or notified to the Supplier;

8.1.3 be of the highest quality and professional standards and be performed with a degree of high professional skill, sound practices and good judgment normally exercised by recognized professional firms providing goods and/or services of a similar nature;

8.1.4 conform to the Specifications in all respects and, where applicable, to any samples or drawings . In particular, the weights, measures, signs, legends, words, particulars, or descriptions (if any) stamped, printed, or otherwise attached to the Goods or their packaging (including any required country of origin markings) or referring to the Goods will be true and correct and comply with all Applicable Law;

8.1.5 be – in relation to Goods – new and unused;

8.1.6 be – in relation to pharmaceutical goods – not adulterated or misbranded within the meaning of any relevant Applicable Law;

8.1.7 conform to all Applicable Law and standards (including International Standards Organization (ISO) standards as applicable);

8.1.8 be accompanied by all information, warnings, instructions and documentation relevant and appropriate for the use, storage, operation, consumption, transportation and disposal of such Goods and/or Services;

8.1.9 not infringe any third party rights (including intellectual property rights);

8.1.10 conform to the representations and warranties in the Supplier's literature and advertising materials; and

8.1.11 be delivered free of liens and encumbrances, and with clear transfer of title to the Goods.

8.2 The Supplier's warranties as set forth in Section 8.1 and any other warranty of the Supplier under the Contract, under Applicable Law and otherwise (collectively, the "**Supplier's Warranties**") shall apply through and until shelf life expiration or re-test date applicable to the Goods/Services, or, if no expiration date is applicable, then for a period of 24 months commencing with the latest of (as applicable to the Goods/Services): (i) the delivery of the Goods to the Delivery Point, (ii) completion of the Services, (iii) final acceptance of the Goods and/or Services by TEVA according to Section 7.2, or (iv) any longer period provided by Applicable Law or in the Contract, including in Section 8.3 below ("**Warranty Period**").

8.3 The Warranty Period shall be extended by a period equal to the period that any Goods and/or Services or portions thereof cannot reasonably be used by reason of a breach of the Supplier's Warranties.

8.4 Any repaired, corrected, replaced or re-performed Goods and/or Services (as applicable) are subject to a warranty on the same terms as the Supplier's Warranties and to a new Warranty Period.

8.5 This Section is without prejudice to any other rights and remedies TEVA may have under the Contract, Applicable Law or otherwise.

## 9. REMEDIES

9.1 If the Goods fail to comply with the Quality Requirements ("**Defective Goods**") within the Warranty Period, TEVA may, without prejudice to any other rights and remedies of TEVA, at its discretion, elect to:

9.1.1 refuse to accept the Defective Goods; and/or

9.1.2 require the Supplier to repair, correct or replace the Defective Goods at the Supplier's expense, within 14 days of receipt of TEVA's request or any other (longer or shorter) period reasonably specified by TEVA; and/or

9.1.3 in case of imminent danger or urgency, carry out (or have carried out by a third party) the repair instead of the Supplier, at the Supplier's sole cost and expense; and/or

9.1.4 require the Supplier to reimburse TEVA for all costs and expenses associated with the repair or replacement, including, without limitation, costs for investigation and analysis of the defect, for installation/de-installation, for the use of its own or external personnel, costs for parts, attorneys' fees, accommodation, travel or transportation costs; and/or

9.1.5 claim compensation for all costs, expenses, damages and other losses incurred by TEVA due to the Defective Goods.

9.2 If the Supplier fails to provide a remedy with respect to the Defective Goods within the period according to Section 9.1.2, or if the Supplier is not able to or rejects the repair or replacement of the Defective Goods, TEVA may, without prejudice to any other rights and remedies of TEVA and in addition to the remedies as set forth in Section 9.1, at its discretion:

9.2.1 terminate the Contract and request a refund of the purchase price, if already paid, in which case TEVA shall return the Defective Goods to the Supplier at the Supplier's sole cost and expense; or

9.2.2 claim a reduction or refund (as the case may be) of the purchase price in the amount of the reduced value of the Defective Goods; or

9.2.3 return the Defective Goods to the Supplier at the Supplier's risk and expense and obtain identical or similar goods from an alternative supplier and claim reimbursement from the Supplier for any additional costs and expenses reasonably incurred by TEVA;

9.2.4 carry out the repair instead of the Supplier, or may have it carried out by a third party at the Supplier's sole cost; and

9.2.5 claim compensation for all costs, expenses, damages and other losses incurred by TEVA due to the Defective Goods.

9.3 If the Services performed fail to comply with the Quality Requirements ("**Defective Services**") within the Warranty Period, TEVA may, without prejudice to any other rights and remedies of TEVA, at its option elect to:

9.3.1 require the Supplier to re-perform the Services within any reasonable period specified by TEVA; and/or

9.3.2 require the Supplier to provide such additional Services as are necessary to remedy the failure of the Services to comply with the Quality Requirements; and/or

9.3.3 require the Supplier to reduce the purchase price for the Services pro-rata based on the amount of the purchase price allocable to the Defective Services; and/or

9.3.4 obtain the Services from a third party and require the Supplier to reimburse TEVA for all reasonable costs and expenses incurred by TEVA in connection therewith; and/or

9.3.5 terminate the Contract and refuse to accept any further performance of Services under the Contract; and/or

9.3.6 claim compensation for all costs, expenses, damages and other losses incurred by TEVA due to the Defective Services.

## 10. LIABILITY, INDEMNIFICATION

10.1 Except for damages caused by TEVA's willful misconduct or gross negligence, TEVA's aggregate liability for damages arising from or in relation to the Contract, whether in contract, tort or otherwise, is limited to the total amounts paid by TEVA for the Goods and/or the Services under the Contract, and TEVA's liability for indirect, punitive, or consequential damages, which include (without limitation) loss of revenues, profits, anticipated savings and goodwill, howsoever arising, are excluded entirely, to the extent permitted under Governing Law.

10.2 The Supplier shall indemnify and hold harmless TEVA and its affiliates, and its and their employees, officers, directors, agents, advisors, customers, suppliers, consultants, contractors, and successors and assigns against any liability, loss, costs (including legal fees, costs for recalls, and costs for its own employees), damages and injury in consequence of:

10.2.1 any Defective Goods or Defective Services;

10.2.2 any breach by the Supplier or its suppliers or subcontractors of the Contract (including any late delivery of Goods or failure to complete the Services by the Delivery Date),

10.2.3 any negligence, willful default or wrongful act or omission of the Supplier or its suppliers or subcontractors; and

10.2.4 an infringement or alleged infringement of any third party right (including intellectual property rights and know-how) made by any person as a result of the manufacture, provision, receipt, importation, export, distribution, offer for sale, sale, use or possession of any Goods and/or Services provided by or on behalf of the Supplier.

10.3 In case of Section 10.2.4, the Supplier shall inform TEVA promptly thereof and Supplier shall at its own cost and expense (including any royalty) and at TEVA's option:

10.3.1 procure for TEVA an unconditional, irrevocable, perpetual license to use the Goods and/or Services and to exercise its other rights granted with regard to the Goods and/or Services under the Contract; or

10.3.2 modify or replace the Goods and/or Services so that they comply with the Quality Requirements and do not infringe any third party rights without impairing in any material respect the functionality or performance of the Goods and/or Services. Any such replacement or modification shall be approved in writing by TEVA in advance (TEVA will not unreasonably withhold the approval).

10.4 In the event none of the options specified in Section 10.3 is implemented, TEVA may, at its sole discretion cancel all outstanding Purchase Orders and Confirmed Purchase Orders for each such Goods and/or Services that is subject to the claim and have any infringing or possibly infringing Goods returned to the Supplier at the Supplier's expense; the Supplier shall repay to TEVA the full price paid by TEVA for any affected Goods and/or Services, plus VAT or other sales taxes (if applicable), that is returned or is, in TEVA's opinion, not useable by TEVA and/or its customer.

10.5 TEVA's rights under this Section 10 shall be without prejudice to any other rights and remedies of TEVA.

## 11. INTELLECTUAL PROPERTY RIGHTS OWNERSHIP

- 11.1 "Intellectual Property Right" ("IPR") means any patent, copyright, database right, design right, registered design, trade mark, service mark, domain name, know-how (including without limitation the Know-How), utility model, unregistered design or, where relevant, any application for such right, or other industrial or intellectual property right. "Know-How" means all technology, data, processes, formulae, information and methods, whether patentable or not, owned or used by the Supplier and incorporated into Goods and/or necessary to obtain and maintain regulatory approvals and/or any other knowledge relating to the manufacture, importation, distribution, marketing and sales of the Goods.
- 11.2 All right, title and interest and/or control in a party's Background IPR shall remain vested in the respective party and nothing in the Contract shall operate to assign any right, title or interest in such Background IPR to the other party (save as otherwise provided below). **Background IPR** means any IPR (as defined above) owned and/or controlled by a party prior to the date of the Purchase Order.
- 11.3 TEVA hereby grants to the Supplier a non-exclusive right to use Background IPR of TEVA solely to the extent necessary or useful, if at all, for Supplier to supply, the Goods or perform the Services, as applicable, and such grant shall terminate upon the earlier of (i) the Supplier satisfying its obligations under the Contract and (ii) termination of the Contract.
- 11.4 Supplier hereby grants to TEVA a royalty free, non-exclusive, world-wide, perpetual and irrevocable (except for breach by TEVA) sub licensable and transferable right and license to use the Supplier's Background IPR:
- 11.4.1 for use of any Goods and/or Services in a manner that is consistent with TEVA's intended purpose; and/or
- 11.4.2 to commercially exploit such Goods and/or Services.
- 11.5 All Foreground IPR, whenever created at any stage and in its actual state, shall become the sole and exclusive property of TEVA with the right to use and exploit the Foreground IPR in any desired way and is covered by the payment of the purchase price for the Goods and/or Services. **Foreground IPR** means any IPR, conceived, discovered, created, produced, developed or reduced to practice by the Supplier specifically for TEVA in connection with the Goods and/or Services.
- 11.6 In the event that, for legal reasons, exclusive right, title and interest in and to the Foreground IPR does become vested in TEVA pursuant to the Contract, the Supplier agrees to do, or procure to be done, all such things, and execute, or procure to be executed, all such documents, as TEVA may require to vest in TEVA all Foreground IPR.
- 11.7 If the Foreground IPR consist of copyrights, know-how or other proprietary rights and if for legal reasons TEVA cannot become the owner of such copyrights or other proprietary rights, the Supplier shall irrevocably grant to TEVA and hereby irrevocably grants to TEVA the - with regard to location and time - unrestricted, exclusive, world-wide, royalty free, perpetual, sublicenseable, transferable right to use such Foreground IPR in their original or in any modified form and in any known or unknown way in connection with the Goods and/or Services.

## 12. INSURANCE

The Supplier shall arrange and maintain, at its own cost, all insurance customary and on terms common in the industry and **not less than \$250,000 or the equivalent amount in local currency**, or other amount as agreed with TEVA, per occurrence and in the annual aggregate per insurance policy, in particular a professional, public, cyber, workman compensation/employer liability and product liability insurances. TEVA reserves to right to increase the insurance limit per occurrence and in the annual aggregated liability given to the criticality of the Supplier and/or Goods/Services. The Supplier shall produce evidence of such insurance to TEVA upon request and will include TEVA as additional insured for any act and/or omission of the Supplier. Should any required insurance be written on a claims made policy form, the first named insured shall ensure continuity of cover for claims which might be presented following the term of the

insurance. The insurance coverage or the failure to maintain insurance shall not waive nor limit in any way the Supplier's responsibility and liability for its Goods delivered and Services performed to TEVA.

## 13. CONFIDENTIALITY

- 13.1 The Supplier shall keep confidential all information and documents that TEVA makes or has made available to the Supplier, or that it otherwise acquires relating to TEVA's business, or that Supplier creates or produces, or has created or produced, in connection with the supply of the Goods and/or the performance of the Services, provided that the Supplier may disclose such confidential information to its employees and subcontractors (together, "**Supplier's Representatives**") solely on a need to know basis in order for the Supplier to satisfy its obligations under the Contract. The Supplier shall not use or cause to be used such information or documents other than for the purpose of performing its obligations under the Contract. Such confidentiality obligation will continue in force notwithstanding delivery of the Goods, completion of the Services or termination of the Contract, although such provisions do not apply to any information or document in the public domain or coming into the public domain other than through the Supplier's or the Supplier's Representatives violation of its confidentiality obligations.
- 13.2 The Supplier shall not make any reference to the TEVA Group in its advertising, literature or correspondence without TEVA's prior written consent. Nothing in the Contract shall entitle the Supplier to use any name, trademark or logo of the TEVA Group.
- 13.3 In the event that the Parties have concluded or hereafter conclude a separate confidentiality agreement with respect to the subject matter of the Contract, the provisions of this confidentiality agreement shall take precedence over the confidentiality provisions in Sections 13.1 and 13.2.

## 14. DATA PROTECTION

- 14.1 When the parties process personal data in connection with their management of, or performance of their obligations under, the Contract, they do so as separate controllers. Each party shall comply with all Applicable Law, including, without limitation, applicable data protection regulations. At the reasonable request of a party, the other party shall demonstrate to it that it has complied with its obligations under this clause. In the event that either party reasonably considers that longer form data protection provisions are needed (for example, if the relationship between the parties is no longer that of separate controllers), then the parties agree to negotiate such longer form terms in good faith. For information as to how TEVA will process personal data about Supplier's Personnel, as required by Applicable Law, or information about Supplier's rights in regards to personal data, Supplier may reach out to the contact person in TEVA. In the event Personal Data of Supplier's employees is made available to TEVA in the course of fulfilling the Contract, Supplier shall inform its affected employees accordingly and make TEVA's data protection declaration available to them.

## 15. SPARE PARTS

The Supplier shall, for a period of at least 10 years after discontinuation of the production of each of the Goods, have available compatible spare parts substantially equivalent in terms of function and quality to the parts contained in the Goods, or shall provide equivalent solutions on commercially reasonable terms to TEVA, for repairing or replacing the Good.

## 16. TOOLS

- 16.1 Any material, software, equipment or tools (i) provided by TEVA to the Supplier or (ii) purchased or manufactured or used by the Supplier in connection with this Contract and paid for by TEVA ("**Tools**") shall remain or become, as the case may be, the property of TEVA, and may only be used by the Supplier for the sole purpose of performing the Supplier's obligations under the Contract.
- 16.2 The ownership of all Tools described in (ii) of Section 16.1 above is transferred to TEVA by the Supplier on the date of the acquisition of the Tool by the Supplier, or in the case of Tools manufactured by the Supplier, on the date of the completion of the manufacturing by the Supplier. No further action by any party is required to make such transfer effective.
- 16.3 The Supplier shall mark all Tools as being TEVA's property. Upon request, the Supplier shall provide reasonable evidence of such

marking to TEVA. The Supplier shall, at its own expense, insure the Tools belonging to TEVA at the replacement value on appropriate terms. The Supplier shall carry out timely inspection, servicing, maintenance and repair work at its own expense. Upon request of TEVA, the Supplier shall, at TEVA's option, deliver the Tools to TEVA or provide representatives of TEVA access to the Supplier's premises to permit the removal of the Tools by such representatives.

## 17. SUBCONTRACTORS

The Supplier shall not engage subcontractors without TEVA's prior written consent. To the extent TEVA consents to the use of a subcontractor, the Supplier shall require the subcontractor to comply with all obligations under this Contract. The Supplier shall at all times remain liable to TEVA for any acts or omissions of any subcontractors to the same extent as if the Supplier were performing such activities.

## 18. ENVIRONMENTAL, SAFETY AND INDUSTRIAL HYGIENE MATTERS

18.1 With respect to all environmental, safety and industrial hygiene matters related to Supplier's (including Supplier Personnel, as defined in Section 20.1,) activities in providing Goods and/or Services to TEVA, Supplier shall: (a) inform TEVA promptly of any significant adverse event (e.g., fires, explosions, accidental discharges) that have affected or could affect (i) the quality, quantity and delivery/completion schedule of the Goods and/or Services to be delivered/performed and/or (ii) any TEVA facility, property or asset and any individual located at those locations; (b) inform TEVA promptly of any allegations or findings of violations of Applicable Law that have affected or could affect (i) the quality of the Goods and/or Services to be delivered/performed and/or (ii) any TEVA facility, property or asset and any individual located at those locations; and (c) implement promptly any corrective action which may be reasonably requested by TEVA, including, without limitation, adhering to reasonable and significant elements of the environmental, safety and industrial hygiene program adhered to by TEVA in its own operations.

18.2 Supplier shall have and implement a documented, comprehensive health and safety policy which addresses, among other things, elimination of workplace injuries. Supplier shall be responsible for the health and safety of Supplier Personnel, including providing necessary training and other requirements of Applicable Law, while present at a TEVA facility, property or asset. Supplier shall immediately notify TEVA of any health and safety incidents or any non-compliance with health and safety Laws while performing Services at a TEVA facility, property or asset. All Goods and Services shall be subject to environmental, safety and industrial hygiene inspections at all times by TEVA.

18.3 Hazardous materials and substances: Unless otherwise specified in the Contract or agreed in writing by the parties, hazardous materials and substances must be correctly classified and marked by Supplier with international danger pictograms (s) and display the proper shipping name of the material in English and/or any other language which is required by the Applicable Law independently of the mode of transport. Transport and other documents must include a declaration of the hazard and name of the material in English and/or any other language which is required by the applicable laws and rules. Hazardous materials and substances must be accompanied by all mandatory documents such as, but not limited to, emergency information in English and/or any other language, which is required by the Applicable Law in the form of written instructions, labels and markings. The Supplier shall observe the requirements of International Agreements relating to the packing, labelling and carriage of hazardous materials and substances.

18.4 Further occupational health and safety, fire protection, environmental protection and security requirements are set at: <https://www.teva.cz/safety-conditions-for-teva/>.

18.5 The Supplier hereby acknowledge that failure to adhere to any of the provision in this Article 18 shall be considered as a material breach of the Contract and thus TEVA shall be entitled to terminate the Contract pursuant to the Section 21.1.1

## 19. TEVA SUPPLIER CODE

19.1 The Supplier represents and warrants that it will:

19.1.1 familiarize itself with the requirements of the Teva Supplier Code of Conduct found at:

<https://www.tevapharm.com/our-company/corporate-governance/supplier-code-of-conduct/>

(the "Teva Supplier Code");

19.1.2 answer any reasonable inquiry regarding the Supplier's compliance with the Teva Supplier Code;

19.1.3 allow reasonable audits during regular business hours to assess the Supplier's compliance with the Teva Supplier Code;

19.1.4 train any representative of the Supplier who is involved with the performance of Services and/or delivery of Goods on Anti-Corruption Laws, and the standards set out in TEVA's Ethical Business Provisions and the Teva Supplier Code;

19.1.5 provide Teva with prompt written notice of any facts or circumstances (whether occurring prior to or after the date of the Purchase Order) which cause or could cause the Supplier or any of its subcontractors to be in violation of any Anti-Corruption Laws or in non-compliance with TEVA's Ethical Business Provisions or the Teva Supplier Code; and

19.1.6 acknowledge that failure to adhere to these standards might be considered as a material breach of the Contract and thus shall entitle Teva to terminate the Contract.

## 20. WORK ON TEVA'S PREMISES

20.1 The Supplier shall be solely responsible for its personnel, including its employees, officers, directors, subcontractors, suppliers, agents, consultants and representatives performing or assigned to perform any activities in connection with the Goods and/or Services (collectively, "Supplier Personnel"), and in particular for obtaining, at its expense, any and all visas, permits or other authorizations required for Supplier Personnel to travel to and work at premises owned or controlled by TEVA ("TEVA Premises").

20.2 Employee Compensation: Supplier represents, warrants and covenants that Supplier is responsible for the payment of compensation to Supplier's Personnel, federal and state income tax withholding, social security taxes, and unemployment insurance applicable to such personnel as employees of Supplier.

20.3 The Supplier shall ensure that no Supplier Personnel, in particular when working on TEVA's premises, is considered to enter into, or be entitled to enter into, an employment relationship with TEVA; and no Supplier Personnel will hold any right, title or interest whatsoever in or to the premises of TEVA. The Supplier shall indemnify TEVA for all related costs, expenses, damages and other losses arising to Teva from Supplier Personnel working at any TEVA Premises.

20.4 TEVA may refuse to allow any Supplier Personnel to access TEVA Premises at any time, for reasons of security or on any other reasonable grounds. While accessing any TEVA Premises, the Supplier shall ensure that neither it nor any Supplier Personnel unnecessarily interferes with TEVA's business activities.

20.5 While accessing any TEVA Premises, the Supplier shall comply with, and procure that all of Supplier Personnel comply with, Applicable Law, including health and safety legislation, TEVA's health and safety policies, and any instructions provided to the Supplier. While accessing any TEVA Premises, Supplier Personnel shall not engage in an any inappropriate conduct, such as (i) use or possession of alcohol, illegal drugs or any other controlled substance, except for approved medical purposes; (ii) use or possession of a weapon of any sort; (iii) harassment, threats or disorderly, disruptive or violent behavior, or (iv) any other behavior which may reflect adversely on TEVA's business or reputation.

20.6 TEVA may require Supplier to conduct one or more criminal or other background checks, drug tests and similar tests of Supplier Personnel, to the extent permitted under Applicable Law.

## 21. TERMINATION

21.1 TEVA may terminate the Contract, without liability to the Supplier and while preserving to itself any accrued rights or remedies, by giving written notice to the Supplier with effect from the date specified in the termination notice, if:



- 21.1.1 the Supplier commits a material breach of any provision of the Contract and, in the case of a breach capable of remedy, fails to remedy the breach within a reasonable time but in no case longer than within 30 days of being notified by TEVA of such breach (the Supplier acknowledges that a series of minor breaches may together constitute a material breach);
- 21.1.2 the Supplier files a petition in bankruptcy or has such a petition filed against it or is subject to an insolvency proceeding or a proceeding giving protection against creditors, or if an order is issued appointing a receiver or trustee or a levy or attachment is made against a substantial portion of its assets, or if any assignment for the benefit of its creditors is made; or
- 21.1.3 the Supplier suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of its business.
- 21.2 In the event that any exercise by TEVA of any right to terminate the Contract for cause is found to be a wrongful termination, any notice of termination issued by TEVA will be deemed to be a notice of termination for convenience under Section 21.3.
- 21.3 Termination for convenience
- 21.3.1 TEVA may, at any time and without cause, terminate the Contract in whole or in part by giving the Supplier at least one week written notice whereupon all work on the Contract shall be discontinued and TEVA shall pay to the Supplier for all compensation accruing to the Supplier under the Contract as of the termination date, including, but subject to the remainder of this Section 21, a fair and reasonable compensation for work-in-progress at the time of termination.
- 21.3.2 Such compensation of the Supplier shall not include any indirect, punitive, or consequential damages (including (without limitation) loss of revenues, profits, anticipated savings and goodwill) howsoever arising, and shall not exceed the purchase price paid by TEVA for the Goods and/or Services.
- 21.3.3 If the Supplier claims compensation for work-in-progress as per Section 21.3.1, the Supplier shall provide reasonable evidence to TEVA that such work-in-progress cannot be used by the Supplier in fulfilling the Supplier's obligations under any other contract, or reasonably anticipated contract, issued or to be issued by TEVA or by other customers of the Supplier. TEVA may request that any work-in-progress which is subject to a payment of compensation by TEVA shall be delivered to TEVA in its then current state.
- 21.4 Any rights and obligations that have an effect beyond fulfillment, expiration or termination of the Contract, including the provisions regarding confidential information, insurance, warranty, indemnifications, governing law, payment due and owed, shall survive such fulfillment, expiration or termination.
- 22. GOVERNING LAW APPLICABLE LAW AND JURISDICTION**
- 22.1 The Contract, and any supply of Goods and/or performance of Services thereunder shall be governed by the laws of the country in which TEVA has its registered office, without regard to principles of conflicts of laws and excluding the application of the UN-Convention on Contracts for the International Sale of Goods ("**Governing Law**"). **Applicable Law** when used in these Conditions, shall mean Governing Law, the laws and regulations in the country of manufacture of Goods or provision of Services and any other laws and regulations applicable under the circumstances.
- 22.2 The Parties shall submit any dispute, controversy or claim arising out of or in connection with the Contract, including any dispute as to the validity of the Contract, exclusively to an appropriate court in the country or jurisdiction in which TEVA has its registered office and at

## PART II: SPECIFIC PROVISIONS FOR SOFTWARE

### 1. APPLICABILITY

- 1.1 The provisions of this Part II apply to the delivery of Software and supplement the provisions of Part I and, if there is an inconsistency, take precedence over the provisions of Part I.
- 1.2 **Software** means any computer program developed and/or licensed by the Supplier, together with any software which has been produced primarily to overcome defects in that program

the place of such registered office, save that TEVA may always initiate court action against the Supplier at the court of general jurisdiction at the place of the registered office of the Supplier.

### 23. MISCELLANEOUS

- 23.1 **Modification.** The Contract may only be amended, modified or supplemented by an instrument in writing signed for and on behalf of each of the parties. Such writing requirement may only be waived through an instrument in writing signed for and on behalf of each of the parties.
- 23.2 **Form.** If the Contract requires a notice or document to be "written", "in writing" or "in written form", such notice or document shall be duly signed by a person or persons duly authorized to legally bind the respective party. Electronic communication shall qualify as a written notice or document, unless otherwise explicitly specified by written agreement or prohibited by the Governing Law.
- 23.3 **Order of contractual components.** In case of contradictions in the Contract, the hierarchy of the parts of the Contract shall, unless expressly agreed otherwise, correspond to the following order priority: first, the Confirmed Purchase Order before these Conditions in the version valid at the conclusion of the Contract.
- 23.4 **Set-Off.** The Supplier may not set-off any claims it may have under the Contract against any other claims TEVA may have against Supplier or refuse to perform any obligation on the grounds that it has a right of retention.
- 23.5 **Independent Contractor Status.** Supplier is an independent contractor under the Contract, and nothing herein shall be construed to create a partnership, joint venture or agency relationship between Supplier and TEVA. Neither party shall have the authority to enter into agreements of any kind on behalf of the other party and shall have no power or authority to bind or obligate the other party in any manner to any third party. Supplier has the sole right and obligation to supervise, manage, contract, direct, procure, perform or cause to be performed all work to be carried out by Supplier and its personnel hereunder, unless otherwise provided herein.
- 23.6 **Waiver.** No failure or delay on the part of TEVA to exercise any right or remedy under the Contract shall be deemed as a waiver thereof nor shall any single or partial exercise by TEVA of any right or remedy preclude any other or further exercise thereof or the exercise of any other power, right or remedy. No waiver by TEVA of any breach of any of the terms or conditions of the Contract shall be construed as a waiver of any subsequent breach whether of the same or of any other term or condition thereof. No waiver by TEVA is validly made unless made in writing and signed by TEVA.
- 23.7 **Without Prejudice.** The rights and remedies available to TEVA under this Contract are without prejudice to any and all other rights and remedies available to TEVA at law or in equity.
- 23.8 **Assignment.** The Contract is personal to the Supplier and the Supplier shall not, without the prior written consent of TEVA, assign, transfer or sub-contract any rights or obligations under the Contract to any third party. TEVA may at any time assign the Contract or any rights or obligations under the Contract to any affiliate of TEVA or to any third party without the prior written consent of the Supplier.
- 23.9 **Severability.** If any term or provision of the Contract is void or unenforceable, the remainder of the provisions of the Contract shall remain in full force and effect to the fullest extent permitted by Governing Law. In place of the invalid or unenforceable provision, or to fill a contractual lacuna, such valid and enforceable provision shall apply which reflects as closely as possible the commercial intention of the parties as regards the invalid, unenforceable or missing provision.

("Update") or software which has been provided primarily to provide an extension, alteration, improvement or additional functionality to that program ("**New Release**"), and in particular Standard Software and Specific Software.

- 1.3 **Standard Software** means the Software (excluding Specific Software) being the Supplier's or a third party's standard Software that is or could be offered by the Supplier or the third party to customers generally. **Specific Software** means Software that has been

customized, developed or otherwise created by the Supplier to specific requirements of TEVA, as specified by the Parties in the Contract or elsewhere.

## **2. STANDARD SOFTWARE**

2.1 The Supplier shall and hereby grants (or procure the grant) to TEVA a license to use, copy and distribute the Standard Software and any related documentation in the course of its business and the business of any entity of the TEVA Group and for purposes reasonably incidental thereto, on the following terms:

2.1.1 non-exclusive, worldwide, irrevocable, sublicensable and transferable; and

2.1.2 except for the license fee, royalty-free and fully paid up.

2.2 TEVA may make such copies of the Standard Software and related documentation as are reasonably required for operational use, backup and security and in-house educational and training purposes.

2.3 TEVA shall be entitled to appoint a third party to run or host the Software for the benefit of TEVA or any entity of the TEVA Group under the terms and conditions of this Sec. 2.

2.4 The license commences on the Delivery Date and shall, as specified by the Parties, either (i) continue in effect for the duration of the license term or (ii) be for perpetual use by TEVA.

2.5 Unless the Parties have specified a maximum number of permitted users of the Standard Software, the Standard Software shall be licensed to TEVA on the basis of an enterprise license, i.e. allowing TEVA an unlimited use of the Standard Software throughout its organization.

## **3. SPECIFIC SOFTWARE**

3.1 The Supplier will provide TEVA with detailed specifications of the Specific Software. TEVA will review the specifications and, after its review, either approve each of the specifications, if satisfied that each is consistent with TEVA's requirements, or notify the Supplier in writing of its reasons for rejecting any part of the specifications. The Supplier will accommodate any request for alteration reasonably made by TEVA in writing.

3.2 The Supplier shall strictly adhere to the agreed timeframes and milestones dates for the Specific Software. Each development stage shall be subject to a successful acceptance testing by TEVA. TEVA may at any time request the Supplier to provide interim reports in writing, stating the present status of development of the Specific Software.

3.3 Specific Software shall be delivered by the Supplier in source code and object code form and the Supplier will ensure that both source code and object code form of the Specific Software is written and documented in a way which would enable future modifications by a competent developer without further reference to the Supplier or its personnel.

3.4 The intellectual property rights in the Specific Software shall follow Section 11 of Part I, unless otherwise provided in the Contract. In any event, TEVA shall be granted, at a minimum, the license rights pursuant to Section 2 for Standard Software.

## **4. DELIVERY, INSTALLATION**

4.1 Unless otherwise agreed in writing, the Supplier shall deliver to TEVA the Software in its latest release on a magnet medium in machine-readable object-code form, and/or source code form, if licensed, or in any other format as agreed by the Parties, e.g. by download.

4.2 If so agreed, the Supplier shall install the Software on the designated equipment on the date or period for the assembling, erection, control and test of the Software or any component thereof as specified by the parties. For the avoidance of doubt, TEVA may, at no additional charge to TEVA and without consent of the Supplier, change the designated equipment, i.e. the hardware configuration, operating system, network structure, or transfer the Software from the designated equipment to any new equipment.

## **5. UPDATES AND NEW RELEASES**

5.1 Unless otherwise agreed in writing, the Supplier will offer to TEVA all Updates and New Releases immediately after becoming available.

5.2 Unless otherwise agreed in writing between TEVA and Supplier, TEVA may require that the Update or New Release be implemented by the Supplier at no additional charge to TEVA and without increase of the license fee. Notwithstanding the foregoing, TEVA shall not be obligated to accept an Update or New Release, and a refusal by TEVA to acquire an Update or New Release shall not affect its right to receive ongoing support services relating to the Software which are to be performed by the Supplier as specified by the parties and shall not relieve the Supplier from the Quality Requirements.

## **6. SUPPORT SERVICES**

6.1 If the parties have agreed on the provision of support services, the support services shall commence on the day following expiry of the Warranty Period, unless otherwise specified by the Parties, and shall continue in effect for the duration of the support term.

6.2 The Supplier shall provide the support services in response to a report by TEVA of a suspected malfunction, defect or error in the Software or at such frequency and duration as are reasonably necessary to ensure:

6.2.1 malfunction, defects or errors in the Software identified by TEVA or which otherwise come to the attention of the Supplier are rectified; and

6.2.2 the Software remains in conformity with the Quality Requirements and continues to comply with the minimum performance level(s) of the Goods and Services to be achieved by the Supplier as specified by the parties ("**Key Performance Indicator(s)**").

6.3 The support services include provision of the following services:

6.3.1 telephone, remote and online support in the form of consultations, assistance and advice;

6.3.2 if such telephone, remote and online support fails to remedy any defect or error notified by TEVA, on-site correction of errors or defects in the Software;

6.3.3 such services as the Supplier considers more effectively provided off-site; and

6.3.4 training necessitated by such advice or corrections.

6.4 Upon receipt of a request for support services, the Supplier shall provide such services within the time within which the Supplier must respond to a request and successfully complete the support services as specified by the parties in writing ("**Support Response Time**" and "**Remedial Time**").

6.5 The Supplier shall ensure that Supplier Personnel will use work-around solutions and similar measures to the maximum extent possible to enable TEVA to continue to use the Software during the performance of any support services.

## **7. KEY PERFORMANCE INDICATORS**

7.1 Where the parties have agreed on Key Performance Indicators for the support services (including the Support Response Times and Remedial Times), the Supplier shall provide the support services so as to meet or exceed the Key Performance Indicators, and time shall be of the essence.

7.2 Where the Supplier fails to meet any Key Performance Indicator, the Supplier shall:

7.2.1 correct the failure as soon as possible and resume the performance of the support services in accordance with the Key Performance Indicators; and

7.2.2 credit the service credits (if any) or at the request of TEVA pay the service credits (if any) in order to reflect the reduced level of Service provided to TEVA. Where a sum is expressed to be payable as a service credit, the parties agree that (i) such sums are a price adjustment and do not represent an estimate of the loss or damage that may be suffered by TEVA in respect of the breach of the Key Performance Indicators; and (ii) the crediting of such sums is

without prejudice to TEVA's other rights and remedies, and such service credits are not to be taken into account for the purposes of any limitation of liability of the Supplier (if any).

- 7.3 Without prejudice to any other rights and remedies available to TEVA, TEVA may terminate the Contract if the Supplier fails to achieve the minimum standard for any specific Key Performance Indicator (i) in two consecutive months or (ii) in three or more months during any 12 month period.

## **8. TRAINING**

If so agreed, the Supplier shall provide TEVA's personnel with such training as TEVA considers necessary or useful to enable operation of the Software in the manner contemplated by the TEVA.

## **9. WARRANTIES**

- 9.1 In addition to any specific warranties, in particular in addition to the Supplier's Warranties, the Supplier represents and warrants it is the owner or authorized distributor of the Software and has the right and authority to grant the license granted under the Contract to TEVA. Without limiting the foregoing, the Supplier represents and warrants that there are no existing restrictions or constraints on its right and authority to supply, install and license the Software.
- 9.2 The Supplier represents and warrants that the Software will (i) be free from viruses, defects and errors and free from any built-in, automatic and/or random expiry dates; (ii) be properly installed; (iii) be compatible with the designated equipment; and (iv) perform in accordance with the Quality Requirements.

## **10. ESCROW OF SOURCE CODE**

- 10.1 Unless it is agreed in writing that the Supplier is not required to deposit the Standard Software into escrow (in which case this entire clause will not apply), the Supplier shall within 14 days upon the written request of TEVA deposit a complete copy of the source code of the Standard Software, together with any additional items agreed by the parties (if any), into escrow with an independent escrow agent and on terms and conditions reasonably acceptable to TEVA.
- 10.2 The escrow agreement shall be in a form approved by TEVA and shall provide for the release of the source code by the escrow agent to TEVA in the event, inter alia, that TEVA has a right to terminate the Contract pursuant to Section 21 of Part I.

The present Terms and Conditions shall enter into effect on the date stated at the heading 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 Czech Industries s.r.o.