

## GENERAL TERMS & CONDITIONS

The following terms and conditions ("**Terms**") shall govern the sale and supply by the seller specified on the attached or accompanying order confirmation ("**Seller**"), of active pharmaceutical ingredients and other pharmaceutical products or goods (collectively, "**Products**"), to the purchaser thereof (hereinafter "**Customer**", Customer and Seller hereinafter also jointly referred to as "**Parties**" and each a "**Party**");

### 1. GENERAL

- (a) These Terms apply to all offers by and all orders to Seller for the sale, supply and delivery of Products.
- (b) The applicability of conditions of the Customer is hereby explicitly excluded. Any contrary, different or additional terms and conditions contained in any purchase order or any other forms whether attached to or accompanying any order from the Customer or otherwise are herewith rejected by Seller.
- (c) Seller, at its sole discretion, is free to accept or reject Customer's order/offer. Upon Seller's acceptance of the order, by written confirmation by email or otherwise, it shall be binding on the Parties and subject to these Terms, which shall supersede all quotations and/or agreements and any subsequent communications from Customer which attempt to modify or supplement these Terms. Without derogating from the aforesaid, a prior written agreement in effect, specifically applying to supply of the same Products and Parties, shall be binding between the Parties and shall govern in case of any conflict with these Terms.
- (d) Quotations made by Seller shall remain valid for thirty (30) days from the date of the quotation unless a shorter period is otherwise specified, though prices quoted may be withdrawn or changed by Seller prior to acceptance by Seller of an order.

### 2. PRICES

- (a) All orders place by Customer will be billed at the prices as agreed to by the Parties and accepted by the Seller in its order confirmation.
- (b) Unless otherwise expressly agreed to by Seller in writing, all prices are net, exclusive of VAT and are valid for delivery ex works (Incoterms 2010).
- (c) The amount of any present or future sales, use, occupation, excise or other tax, whether federal, state or local (excluding duties), which Seller now or hereafter may be required to pay (either on its own behalf or on behalf of Customer with respect to Products hereunder) shall be added to the prices contained herein and shall be the responsibility of and paid for by Customer.
- (d) Seller reserves the right to correct all typographical or clerical errors present in any price/quotation.

### 3. PAYMENT

- (a) Unless credit terms have been extended by Seller at its sole discretion, payment terms are net cash due within the time period noted on Seller's invoice, measured from the date of the invoice. All accounts are payable in the currency invoiced by the Seller unless otherwise specified by Seller.
- (b) Failure to pay the invoiced amount when due shall constitute a default without prior notice, and without derogating from Seller's rights, Customer shall pay interest from such due date to date of payment at the rate of eight percent (8%) per annum, together with all costs of collection, including attorneys' fees and disbursements. In addition, if Customer fails to make any payment, when due, Seller may declare all outstanding invoices of Customer immediately due and payable and/or cancel any transactions arising under these Terms or any order then outstanding, and Customer shall remain liable to pay for any Products shipped or services already rendered.

**4. CHANGES IN PRODUCTS** – Seller reserves the right to change, discontinue or modify the design, manufacturing process and/or composition of its Products and to make use of any raw material equal to or superior to that originally specified.

### 5. DELIVERY, RISK OF LOSS, TITLE, ACCEPTANCE

- (a) Delivery of the Products shall be carried out in accordance with the delivery terms specified in the order as accepted by Seller. Risk of loss shall pass to Customer pursuant to such delivery terms.
- (b) Unless otherwise expressly agreed to by Seller in writing, title to the Products shall pass to Customer upon delivery pursuant to the delivery terms.
- (c) Failure to deliver within the delivery period does not entitle the Customer to any damages and/or remuneration or to the non-fulfillment by it of any of its own obligations arising from the order or these Terms. Delayed delivery of more than one hundred and twenty (120) days entitle Customer to cancel the specific delivery only.
- (d) Customer shall inspect each shipment of Products upon delivery for damage, defects or shortage, and failure to make a claim in writing against Seller (each a "**Claim**") within twenty (20) days of delivery of the Products shall constitute an unequivocal acceptance of the Products. If a Claim is for shortage and Seller concurs with the Claim, Seller, at its option, shall either (i) deliver additional Products to Customer; or (ii) credit Customer the

amount paid or invoiced for undelivered Products. If a Claim is for damages which occurred prior to shipment and Seller concurs with the Claim, Seller, at its option, shall either (x) replace the damaged Products; or (y) upon the Customer's return of such Products, credit Customer the amount paid or invoiced for such Products. Notwithstanding such requirements with respect to the due dates of Claims, Claims of latent defects not detectable by Customer upon exercise of proper quality control measures in accordance with current standards for the pharmaceutical industry, must be asserted by Customer by written notice to Seller within ten (10) days after the latent defect is discovered, but in no event later than the earlier of 12 months after delivery or the re-test date of Product. If Seller concurs with any Claim of latent defect, Seller, at its option, shall either (i) replace the Products; or (ii) upon the Customer's return of such Products, credit Customer the amount paid or invoiced for such Products. Notice of a Claim for latent defects shall include reasonably detailed documentation of the basis for Customer's assertion of latent defects. If Seller does not concur with any such Claim, representative samples shall be delivered to an independent testing laboratory selected by Seller and the results of said laboratory shall be binding on the Parties. If it is determined that the Claim is incorrect (if, by way of example only, the Product was not defective, or the defect was caused by Customer or its agents, or the defect occurred subsequent to delivery of Product to Customer), then Seller shall have no liability to Customer with respect to such Claim and the full cost of the laboratory testing shall be borne by Customer. If it is determined that the Claim is correct, then Seller, at its option, shall either (i) replace the Products; or (ii) [upon the Customer's return of such Products], credit Customer the amount paid or invoiced for such Products, and Seller shall then be responsible for the full cost and expense of the laboratory testing. The foregoing shall constitute the sole remedy of Customer with respect to claims of latent or other defects.

(e) In the event that a patent holder asserts an infringement claim regarding the Products or its use, or either of the Parties believes that circumstances indicate that such a claim may be made, each Party will notify the other Party, and Seller reserves the right to suspend or cancel its obligation to supply Customer with Products for commercial marketing purposes.

**6. NO CANCELLATION OR CHANGE** – Customer may not cancel, reduce, terminate or otherwise change any order to Seller, except as expressly permitted by these Terms.

### 7. WARRANTIES

(a) Seller warrants to Customer that Products shall conform to their specifications.

(b) THE FOREGOING (SECTION 7(A)) IS THE SOLE AND EXCLUSIVE WARRANTY MADE BY SELLER, IS IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, WARRANTIES AGAINST INFRINGEMENT OF ANY PATENT OR ANY OTHER MATTER. CUSTOMER HEREBY WAIVES AND RELEASES SELLER FROM ANY AND ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, ARISING BY OPERATION OF LAW OR OTHERWISE, TO THE MAXIMUM EXTENT ALLOWED UNDER THE APPLICABLE LAW.

(c) SELLER SHALL IN ANY EVENT NOT BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFIT OR REVENUE, WHETHER BASED IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY, UNLESS IT IS NOT ALLOWED UNDER THE APPLICABLE LAW TO LIMIT SUCH LIABILITY.) OR OTHERWISE.

(d) In addition to the limitation listed in the preceding subsection 7(c), Seller's responsibility for any warranty claim is limited to the return and/or replacement, as determined in the sole discretion of Seller, of defective Products in accordance with subsection 5(d). This is the Customer's exclusive remedy for defective product. In the event such limitation is not allowed under the applicable law, the Seller's liability to Customer for claims, damages or losses of any kind, arising out of or connected with any order for the Products, any defects in the Products or otherwise, whether based on contract or tort or otherwise, and including those arising out of gross negligence and willful default by auxiliary persons of the Seller and its employees, shall not exceed the original invoiced cost of the given products, unless and solely to the extent it is not lawful to thus limit such liability under the applicable law.

(e) Customer warrants that it will use Products only in accordance with applicable law. Customer is prohibited from reselling or otherwise transferring all or any portion of Products not used for manufacturing purposes to any other person and/or entity, either directly or indirectly, including through contract manufacturers or other third parties.

(f) Customer represents and warrants to Seller that it is solvent at the time of ordering Products and Customer hereby makes a continuing representation and warranty of its solvency at the time of each tender of delivery or delivery hereunder.

(g) **Trade Sanctions:** Customer represents and warrants that in connection with the purchase and use of the Products, or sale thereof as embedded in Customer's products, or separately (if permitted by Seller), Customer shall comply with all customs, export and import control, economic sanctions, embargo, anti-boycott or similar laws and regulations (collectively: "**Trade Sanction Laws**"), and shall not transact or do any business, directly or indirectly, with a Restricted Party, a Sanctioned Government, or any individual or entity located in or resident of any Sanctioned Country. Customer represents and warrants that Customer, any parent, subsidiary, or affiliate of Customer, or any of its sub-distributors or agents of the Products are not (i) a Restricted Party; (ii) located in or resident of any Sanctioned Country; (iii) a Sanctioned Government; or (iv) owned (at 50% or more) or controlled, directly or indirectly, individually or in the aggregate, by a Restricted Party or a Sanctioned Government. "**Restricted Party**" is any individual or entity listed on any list of designated parties created and maintained in line with Trade Sanction Laws by any country or intergovernmental or supranational organization or otherwise targeted by sanctions regimes, including but not limited to, those administered by the United Nations, the United States of America, Israel, the United Kingdom, Canada and the European Union. ; "**Sanctioned Country**" is any country or territory subject to comprehensive territorial sanctions regimes including but not limited to those administered by the United States of America, Israel, the United Kingdom, Canada and the European Union (at present, applicable for the Crimea region and Sevastopol, Cuba, Iran, North Korea, Lebanon, and Syria). "**Sanctioned Government**" is any government, including its agencies and instrumentalities, that are targeted by sanctions regimes including but not limited to those administered by the United States of America, Israel, the United Kingdom, Canada and the European Union (at present, applicable to the government of Venezuela in addition to the governments of Sanctioned Countries).

(h) Seller makes no warranty as to the patentability of any of the Products or as to immunity from any action for infringement of third party intellectual property rights including but not limited to registered patents or patent applications arising out of the regulatory approvals, importation into the territory, distribution, marketing, sale and/or use of the Products.

**8. CONFIDENTIALITY** – All information, specifications or data furnished by Seller to Customer shall be considered proprietary information of Seller, and Customer shall keep confidential all such information, specifications or data, unless this requirement is waived expressly in writing by Seller in advance of any disclosure. Seller grants no license to Customer under any patent rights it may now own or hereafter acquire. The provisions relating to confidentiality in this section shall remain in effect for a period of ten (10) years from the date of the applicable invoice issued by Seller. Violation of this section 8 shall be considered as a material Breach.

**9. FORCE MAJEURE** – Except for the obligation of Customer hereunder to make timely payments on all Seller invoices, neither Seller nor Customer shall have any liability or obligation under these Terms or otherwise for any failure or delay occasioned by any cause beyond the reasonable control of Seller or Customer, as the case may be, including without limitation, acts of God, fire, flood, earthquakes, explosions, sabotage, pandemic, epidemic, strikes, or labor disturbances (regardless of the reasonableness of the demands of the labor force), civil commotion, riots, military invasions, wars, failure of utilities, failure of carriers, or any acts, restraints, requisitions, regulations or directives issued by a competent government authority. Seller and Customer shall (i) use reasonable commercial efforts to overcome or remove any force majeure event with reasonable dispatch; and (ii) give prompt written notice to the other within ten (10) days of becoming aware of the likelihood of any delay or failure. If by reason of any force majeure event, the quantities of Products covered hereby (or of any materials used in the production thereof reasonably available to Seller), shall be less than Seller's total needs for its own use and sale, Seller may allocate its available supply among its existing or prospective purchasers and/or its own departments, divisions, and affiliates in such manner as Seller deems proper, without incurring any liability for failure to perform hereunder.

#### **10. TERMINATION**

In the event of bankruptcy or insolvency of Customer, or in the event any proceeding is brought by or against Customer under any bankruptcy or insolvency laws, Seller shall be entitled to cancel any order then outstanding at any time during the period allowed for filing claims against the estate and shall receive reimbursement for its cancellation charges.

**11. BREACH** – If Customer fails to perform as specified herein or breaches any of the terms hereof or violates any representation or warranty made herein, and does not cure such breach within two weeks of Seller's notice, Seller reserves the right, without incurring any liability to Customer, and upon giving Customer written notice thereof to: (a) cancel Customer's order in whole or in part, and Customer shall be liable to Seller for all

damages, losses, and liability incurred by Seller directly or indirectly, resulting from Customer's breach, or (b) setoff or reduce all claims for money due or to become due from Seller to Customer to the extent Seller is damaged by Customer's failure to perform. The remedies provided for in this Section 11 are in addition to, and not in lieu of, any rights or remedies available to Seller whether arising under these Terms, by operation of law or otherwise.

#### **12. INDEMNIFICATION**

(a) Seller shall not be liable for, and Customer shall be fully responsible and indemnify, defend and hold harmless Seller and each of its affiliates and their respective officers, directors, employees and agents from and against all losses, liabilities, damages, costs and expenses, including attorneys' fees and disbursements (collectively, "**Loss**") in connection with any and all charges, actions, suits, proceedings, hearings, investigations, claims and demands by third parties arising out of or relating to (i) any actual or alleged defect in any finished pharmaceutical or other product sold by or for Customer; (ii) any actual or alleged infringement, contributory infringement or inducement of infringement or violation of any patent, trade secret or other proprietary rights in connection with the manufacture, marketing, sale or distribution of any finished pharmaceutical or other product by or for Customer; (iii) any enforcement or regulatory action resulting from Customer's failure to manufacture (or have manufactured for it) any finished pharmaceutical or other product in accordance with all applicable laws, rules, orders or regulations; or (iv) any other act or omission of Customer, provided, however, that the above is not applicable in case that Loss were occurred willful intent of the Seller.

(b) Promptly after receipt by Seller of written notice of the assertion of a claim or the commencement of any litigation by any third party (a "**Third Party Claim**") with respect to any matter for which indemnification is owing pursuant hereto, Seller shall give written notice thereof (the "**Notice**") to Customer and shall thereafter keep Customer reasonably informed with respect thereto, provided that failure of Seller to give Customer prompt notice as provided herein shall not relieve Customer of any of its obligations hereunder. Customer shall be entitled to assume such defense of any claim or litigation, by written notice to Seller within 30 days after receipt of the Notice of its intention to do so, with counsel reasonably satisfactory to Seller at Customer's own expense. If Customer shall assume such defense, it shall not settle such claim or litigation unless such settlement includes as an unconditional term thereof the giving by the claimant or the plaintiff of a release of Seller, reasonably satisfactory to Seller, from all liability with respect thereto. Notwithstanding the assumption by Customer of the defense of any claim or litigation as provided in this subsection, Seller shall be permitted to join in such defense and to employ counsel at its own expense.

(c) If Customer shall fail to notify Seller of its desire to assume the defense of any such claim or litigation within the prescribed period of time, or shall notify Seller that it will not assume the defense, then Seller shall assume the defense thereof, in which event it may do so in good faith and in such manner as it reasonably may deem appropriate, and Customer shall be bound by any determinations made in, or any settlement of the claim or litigation effected by Seller. Customer shall be permitted to join the defense of such litigation and to employ counsel at its own expense.

(d) With respect to Third Party Claims for which indemnification is payable hereunder, such indemnification shall be paid by Customer promptly upon (a) the entry of a judgment (or arbitral award) against Seller and the expiration of any applicable appeal or reconsideration period; (b) the entry of a non-appealable judgment or final appellate decision against Seller; or (c) the closing under or in accordance with any settlement agreement. Notwithstanding the foregoing, expenses of Seller for which Customer is responsible shall be reimbursed on a current basis by Customer.

**13. ASSIGNMENT** – Customer can not assign any of its rights or obligations under these Terms or any agreement or order incorporating these Terms without the prior written consent of Seller. Any attempt by the Customer to assign any of its rights, duties or obligations hereunder without such consent by the Seller shall be null and void. Seller shall be entitled, at any time, to assign any or all of its rights and obligations herein to an affiliate of Seller, and Seller shall also be entitled to assign, at any time, to any person or entity, any rights to receivables payable by the Customer in connection with these Terms, or any agreement or order incorporating these Terms. The Customer and each other counterparty hereby gives its irrevocable consent to any such assignment.

**14. NON-WAIVER** – No waiver, alteration or modification of any of these Terms shall be valid unless made in writing and signed by an executive officer of Seller. Further, Seller's failure to insist upon strict performance of any provision hereof shall not be deemed to be a waiver of Seller's rights or remedies or a waiver by Seller of any subsequent default by Customer in the performance of or compliance with any of the terms hereof.

**15. NO AGENCY** – Seller and Customer will act at all times as independent parties. Customer hereby confirms it is not an agent or legal representative of Seller for any purpose whatsoever. Customer is not

granted any right or authority to assume or to create any obligation or responsibility, express or implied, on behalf of or in the name of Seller, with regard to any manner or thing whatsoever, unless otherwise specifically agreed upon in writing.

**16. SEVERABILITY** – If any section of this Agreement is determined to be illegal or otherwise unenforceable by court of competent jurisdiction or by an administrative agency of competent jurisdiction, that section, to the extent permitted by law, shall be treated as deleted from this Agreement and the remaining portions of this Agreement will continue to be in full force and effect according to the terms hereof.

**17. APPLICABLE LAW** – The validity, construction, and interpretation of these Terms of sale, or of any contract or sale arising out of the course of dealing between Seller and Customer regarding the Products, and the rights and duties of Seller and Customer shall be governed by the laws of the Netherlands ("**Agreed Law**"), without regard to its conflict of laws provisions. Exclusive place of jurisdiction for any disputes arising out of or in connection therewith shall be the courts of Amsterdam. Notwithstanding the above, the Seller alone reserves the right to take legal action against Customer before the courts of Customer's seat/domicile or any other competent authority, in which case the Agreed Law exclusively shall be the law of the chosen jurisdiction. To the extent that it may otherwise be applicable, the Parties hereby expressly agree to exclude from the operation of this Agreement, the United Nations Convention on Contracts for the International Sale of Goods, concluded at Vienna, on 11 April 1980, as amended and as may be amended further from time to time.