

PHARMAQ LTD TERMS AND CONDITIONS OF PURCHASE FOR GOODS AND/OR SERVICES

1 INTERPRETATION

1.1 In these Conditions the following definitions shall apply:

Business Day: a day (other than a Saturday, Sunday or public holiday in England) on which banks in London are open for business.

Buyer: PHARMAQ Limited of Unit 15, Sandleheath Industrial Estate, Fordingbridge, Hampshire, SP6 1PA registered in England and Wales with company number 02024398.

Buyer Materials: has the meaning set out in clause 12.1.

Certificate of Conformity: A documented grant in writing from an appropriate regulatory authority evidencing that the Goods or Services as the case may be, meets the minimum set of regulatory, technical and safety requirements.

Certificate of Analysis: An authenticated document, issued by an appropriate regulatory authority or quality assurance entity verifying the Goods' adherence to product specifications and standards of production.

Commencement Date: has the meaning set out in clause 2.2.

Conditions: these terms and conditions as amended from time to time in accordance with clause 21.12.

Contract: the contract between the Buyer and the Supplier for the purchase of Goods and/or Services in accordance with these Conditions.

Deliverables: all documents, products and materials developed by the Supplier (or its agents, contractors and employees) as part of or in relation to the Services in any form or media including; data, designs, diagrams, drawings, calculations, computer programs, maps, pictures, plans, specifications and reports (including drafts).

Goods: the goods (or any part or parts of them) set out in the Order and the Deliverables and all other goods and materials to be provided to the Buyer as part of the Contract.

Goods Specification: any specification for the Goods (including any relevant plans or drawings) that is agreed in writing by the Buyer and the Supplier.

Indebtedness: any obligation to pay or repay money (whether present or future, actual or contingent, joint or sole).

Intellectual Property Rights: any and all patents, rights to inventions, utility models, copyright and related rights, trademarks, service marks, trade, business and domain names, rights in trade dress or get-up, rights in goodwill or to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database rights, semi-conductor topography rights, moral rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications for and renewals or extensions of such rights and all similar or equivalent rights or forms of protection in any part of the world.

Losses: losses (including any direct, indirect or consequential losses, loss of profit and loss of reputation), claims, damages, liabilities, fines, interest, penalties, costs, charges, expenses, demands and legal and other professional costs (calculated on a full indemnity basis).

Order: the Buyer's order for Goods and/or Services as set out in the Buyer's purchase order form.

Services: the services including any Deliverables, agreed in the Contract to be provided to the Buyer by the Supplier.

Service Specification: any description and/or specification for the Services that is agreed in writing by the Buyer and the Supplier.

Supplier: the person(s), firm or company from whom the Buyer purchases the Goods and/or Services.

1.2 In these Conditions (except where the context otherwise requires) the following rules shall apply:

1.2.1 a reference to a person includes a natural person, company or unincorporated body (whether or not having separate legal personality);

1.2.2 a reference to a company includes any company, corporation or other body corporate wherever and however incorporated or established;

1.2.3 a reference to a statute or statutory provision is a reference to such statute or statutory provision as amended, extended and/or re-enacted from time to time. A reference to a statute or statutory provision includes any and all subordinate legislation made from time to time under that statute or statutory provision;

1.2.4 any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative only and shall not limit the sense of the words, description, definition, phrase or term preceding those terms; and

1.2.5 a reference to writing or written includes faxes and email..

1.3 Headings are for convenience only and shall not affect the interpretation of these Conditions.

1.4 The Contract shall be binding upon and ensure to the benefit of the parties and their respective personal representatives, successors and permitted assignees and references to any party shall include that party's personal representatives, successors and permitted assignees.

2 BASIS OF CONTRACT

2.1 An Order shall be deemed to be an offer by the Buyer to purchase Goods and/or Services from the Supplier in accordance with and subject to these Conditions.

2.2 An Order shall only be deemed to be accepted by the Supplier when the Supplier issues written acceptance of the Order in accordance with and subject to these Conditions or (if earlier) on any act by the Supplier consistent with fulfilling the Order at which point and on which date the Contract shall come into existence (Commencement Date) on and subject to these Conditions.

2.3 (Except as otherwise expressly provided) these Conditions are the only conditions upon which the Buyer is prepared to deal with the Supplier and these Conditions shall govern the Contract to the entire exclusion of any and all other terms and conditions.

- 2.4 No terms or conditions (other than these Conditions) endorsed upon, delivered with or contained in the Supplier's quotation, Supplier's acknowledgement or acceptance of order, the Supplier's specification or other document (whether or not any such document is referred to in the Contract) or any other terms or conditions that the Supplier seeks to impose or incorporate shall form part of the Contract.
- 2.5 (Except as otherwise expressly provided) the Contract constitutes the entire agreement and understanding between the parties. The Supplier acknowledges that it has not relied on and shall have no remedy in respect of any statement, promise, representation, assurance, warranty or understanding made or given by or on behalf of the Buyer (whether innocently or negligently) which is not expressly set out in the Contract. The Supplier shall not have any claim for innocent or negligent misrepresentation based upon any statement, representation, assurance or warranty in the Contract.
- 2.6 All of these Conditions shall apply to the purchase of both Goods and Services except where application to one or the other is expressly specified.
- 2.7 These Conditions apply to all the Buyer's purchases of Goods and/or Services.

3 DELIVERY OF GOODS

- 3.1 The Supplier shall ensure the Goods are marked in accordance with the Buyer's instructions and any applicable regulations and requirements of the carrier and properly packed, packaged, prepared and secured in accordance with good commercial practise and in such a manner so as to reach their destination in good condition.
- 3.2 The Supplier shall ensure that each delivery of Goods is accompanied by a prominently displayed delivery note which shows the date of the Order, the Order number (if any), the type and quantity of the Goods (including the code number of the Goods (where applicable)), the number of packages and contents, special storage instructions (if any) and if the Goods are being delivered by instalments the outstanding balance of Goods remaining to be delivered.
- 3.3 The Supplier shall ensure that each delivery of the Goods is also accompanied by such other documentation as may be requested by the Buyer from time to time together with all other documentation which normally accompanies the relevant Goods.
- 3.4 (Where requested by the Buyer at any time) the Supplier shall promptly supply to the Buyer the documentation set out in clause 3.2 and 3.3 regardless of whether the same or similar documentation was supplied on delivery.
- 3.5 The Supplier shall ensure (where applicable) that each delivery of the Goods and (where the Goods are being delivered by instalments) all instalments of the Goods comprise Goods with the same batch numbers.
- 3.6 The Supplier shall deliver the Goods on the time and date specified in the Order or, if this date cannot be met, on a revised date agreed by the Buyer in writing, DDP (as defined in Incoterms 2010), unless otherwise agreed with the Supplier to the Buyer's premises at Unit 15, Sandleheath Industrial Estate, Fordingbridge, Hampshire, SP6 1PA or such other location as is set out in the Order or as instructed by the Buyer before delivery (Delivery Location); and

Delivery of the Goods shall be completed on the completion of unloading of the Goods at the Delivery Location in accordance with the Order.

- 3.7 If the Supplier delivers in excess of the quantity of Goods ordered the Buyer may reject the whole delivery or may accept only the quantity ordered and shall not be bound to pay for any excess it does not accept which in such case shall be and remain at the Supplier's risk and shall be returnable at the Supplier's expense.
- 3.8 If the Supplier delivers less than the quantity of Goods ordered the Buyer may reject the whole delivery which in such case shall be and remain at the Supplier's risk and shall be returnable at the Supplier's expense.
- 3.9 If the Supplier delivers in excess of or less than the quantity of Goods ordered and the Buyer decides (in its absolute discretion) to accept the whole delivery a pro rata adjustment shall accordingly be made to the price.
- 3.10 Time for delivery of the Goods shall be of the essence of the Contract.

4 QUALITY OF GOODS

- 4.1 The Supplier shall ensure that the Goods shall:
- 4.1.1 correspond with their description, Certificate of Conformity, Certificate of Analysis and the sample provided (if any);
 - 4.1.2 comply with the Goods Specification and any and all criteria set out in the Order;
 - 4.1.3 be free from any contamination, unauthorised ingredient or other substance and/or any manufacturing error which renders the Goods unsuitable to be used for the purpose(s) for which the Goods were designed and/or purchased;
 - 4.1.4 be of the best quality and use the best quality materials, standards, designs, techniques and workmanship;
 - 4.1.5 be fit for any purpose held out by the Supplier or made known to the Supplier by the Buyer (expressly or by implication) and in this respect the Buyer relies on the Supplier's skill and judgment;
 - 4.1.6 be free from defects in design, materials and workmanship and remain so for twelve (12) months after delivery;
 - 4.1.7 be supplied in accordance with and comply with all applicable statutory and regulatory requirements relating to the Goods and the manufacture, registration, regulation, licencing, labelling, packaging, storage, handling and delivery of the Goods;
 - 4.1.8 (where applicable) possess an appropriate shelf life given the nature of such Goods and as at the date of delivery have a significant unexpired portion of such shelf life remaining; and
 - 4.1.9 for active pharmaceutical products an appropriate shelf life is deemed to be not less than 3 years whilst for finished goods for resale the appropriate shelf life should be at least 1 year unless otherwise agreed with the Supplier.
- 4.2 The Buyer shall have the right to inspect and test the Goods at any time (during normal business hours) before delivery. The Supplier shall provide the Buyer with all facilities reasonably required for such inspection and testing.

- 4.3 If following any inspection or testing the Buyer considers that the Goods do not comply (or are unlikely to comply) with clause 4.1 the Buyer shall inform the Supplier. The Supplier shall immediately take such remedial action as is necessary to ensure compliance. The Buyer shall have the right to conduct further inspections and tests after the Supplier has carried out such remedial action.
- 4.4 Notwithstanding any inspection or testing the Supplier shall remain fully responsible for the Goods. Any inspection or testing shall not reduce, diminish or otherwise affect the Supplier's obligations under the Contract.

5 OWNERSHIP AND RISK

- 5.1 (Subject to clauses 3.7 and 3.8) the Goods shall be and remain at the risk of the Supplier until delivery to the Buyer has been completed in accordance with clause 3.
- 5.2 (Subject to clauses 3.7 and 3.8) ownership and risk in the Goods shall pass to the Buyer on completion of delivery in accordance with clause 3.
- 5.3 The Supplier warrants that it has full, clear and unencumbered ownership of the Goods and that on delivery the Supplier shall have full and unrestricted rights to sell and transfer all such Goods and shall transfer full, clear and unencumbered ownership of the Goods to the Buyer.

6 SUPPLY OF SERVICES

- 6.1 The Supplier shall from the Commencement Date and for the duration of the Contract provide the Services to the Buyer in accordance with the terms of the Contract.
- 6.2 The Supplier shall meet any performance dates and times for the Services specified in the Order or notified to the Supplier by the Buyer. Time for the performance of the Services shall be of the essence of the Contract.
- 6.3 The Services shall be performed at the Buyer's place of business or at such other place of performance as is specified or agreed by the Buyer in writing prior to performance of the Services.
- 6.4 The Supplier shall:
- 6.4.1 perform the Services professionally, with the best care, skill and diligence and in accordance with best practice in the Supplier's industry, profession or trade;
 - 6.4.2 ensure that the Services conforms in all respects with the Service Specification;
 - 6.4.3 use in relation to the Services the best quality goods, materials, standards, designs, techniques and workmanship;
 - 6.4.4 not do or omit to do anything which may cause the Buyer to lose any registration, license, authority, consent or permission upon which it relies for the purposes of conducting its business, which the Supplier acknowledges that the Buyer may rely or act on in relation to the supplied Services.

7 SUPPLY OF GOODS AND/OR SERVICES

- 7.1 The Supplier shall supply the Buyer in good time with all instructions and other information reasonably required enabling the Buyer to accept delivery of the Goods and performance of the Services.
- 7.2 (Unless otherwise stipulated or instructed by the Buyer or agreed in writing with the Buyer), delivery of the Goods and/or performance of the Services shall only be accepted by the Buyer within its usual business hours.
- 7.3 The Supplier shall not deliver the Goods and/or perform the Services in instalments without the Buyer's prior written consent. Where it is agreed that the Goods are delivered and/or the Services are performed by instalments each instalment may be invoiced and paid for separately. The Contract shall be construed as a single contract in respect of each instalment. Nevertheless failure by the Supplier to deliver and/or perform any one instalment on time or at all or any defect in an instalment shall entitle the Buyer to the remedies set out in clause 9.
- 7.4 The Buyer's rights under these Conditions are in addition to the statutory conditions implied in favour of the Buyer by the Sale of Goods Act 1979, the Supply of Goods and Services Act 1982 and any other applicable law.

8 SUPPLIER'S OBLIGATIONS

- 8.1 The Supplier shall:
- 8.1.1 co-operate with the Buyer in all matters relating to the Contract and comply with the instructions of the Buyer;
 - 8.1.2 use appropriately qualified and trained personnel to perform tasks assigned to them and in sufficient number to ensure that the Supplier's obligations are fulfilled in accordance with the Contract;
 - 8.1.3 provide all equipment, tools, vehicles and such other items as are required to provide the Goods and/or Services;
 - 8.1.4 at all times comply with all applicable laws and regulations in the performance of the Contract;
 - 8.1.5 observe all health and safety rules and regulations and any other security requirements that apply in relation to the supply of the Goods, the performance of the Services and at any of the Buyer's premises; and
 - 8.1.6 ensure at all times that the Supplier has and maintains all the registrations, licences, permissions, authorisations, consents and permits that it needs to carry out its obligations under the Contract.

9 BUYER'S REMEDIES

- 9.1 (Without prejudice to any other rights or remedies the Buyer may have) where the Supplier fails to comply with the provisions of clauses 3, 4, 6, 7 and/or 8 and/or the Buyer has the right to terminate the Contract in accordance with clause 17.2 the Buyer shall be entitled to any one or more of the following remedies at its discretion (whether or not any part of the Goods and/or Services has been accepted by the Buyer):

- 9.1.1 to terminate the Contract with immediate effect (without liability to the Supplier) by giving written notice to the Supplier;
 - 9.1.2 to reject any of the Goods (in whole or in part) that may already have been delivered whether or not ownership has passed and return them to the Supplier at the Supplier's own risk and expense on the basis that a full refund for the Goods so returned shall be paid immediately by the Supplier;
 - 9.1.3 where the Buyer has paid in advance for Goods and/or Services that have not been delivered or provided to have such sums immediately refunded by the Supplier;
 - 9.1.4 (at the Buyer's option) to give the Supplier the opportunity at the Supplier's expense either to remedy any defect in the Goods and/or Services or to supply replacement Goods and/or to re-perform the Services and carry out any other necessary works to ensure that the terms of the Contract are fulfilled;
 - 9.1.5 to refuse to accept any further delivery of the Goods and/or performance of the Services which the Supplier attempts to make;
 - 9.1.6 to carry out at the Supplier's expense any work necessary to make the Goods and/or Services comply with the Contract; and
 - 9.1.7 to claim such Losses incurred or to be incurred by the Buyer, which are in any way attributable to the Supplier's failure including any costs reasonably incurred by the Buyer in obtaining substitute goods and/or services from a third party.
- 9.2 These Conditions shall apply to any substituted or remedial services and/or repaired or replacement goods supplied by the Supplier.

10 BUYER'S OBLIGATIONS

- 10.1.1 The Buyer shall: (a) provide the Supplier with reasonable access at reasonable times to the Buyer's premises to enable the Supplier to comply with its obligations under the Contract; and (b) provide such information as the Supplier may reasonably request and the Buyer considers reasonably necessary to enable the Supplier to comply with its obligations under the Contract.

11 CHARGES AND PAYMENT

- 11.1 The price for the Goods shall be:
 - 11.1.1 fixed and shall be the price set out in the Order, or if no price is stated, the price set out in the Supplier's published price list applicable to the Buyer in force at the Commencement Date; and
 - 11.1.2 (unless otherwise agreed in writing by the Buyer) exclusive of VAT but inclusive of every other cost and expense of the Supplier directly or indirectly incurred in connection with the Goods including the costs of packaging, insurance and transportation of the Goods.
- 11.2 The charges for the Services shall be fixed, set out in the Order and the full and exclusive remuneration of the Supplier in respect of the performance of the Services. (Unless otherwise agreed in writing by the Buyer) the charges shall be exclusive of VAT but inclusive of every

other cost and expense of the Supplier directly or indirectly incurred in connection with the Services.

- 11.3 No variation in the price and no extra costs and/or charges in relation to the Goods and Services shall be effective unless agreed in writing and signed by the Buyer.
- 11.4 The Supplier shall (in relation to the Goods) invoice the Buyer on or at any time after completion of delivery and (in relation to the Services) invoices the Buyer on completion of the Services. Each invoice shall include such supporting information as may be reasonably requested by the Buyer to verify the accuracy of the invoice including the relevant purchase order number.
- 11.5 The Buyer shall pay the price and/or charges (as appropriate) within 30 days after receipt by the Buyer of a valid invoice or (if later) within 30 days after acceptance of the relevant Goods or Services by the Buyer but time for payment shall not be of the essence of the Contract.
- 11.6 All amounts payable by the Buyer under the Contract are exclusive of amounts in respect of valued added tax chargeable from time to time (**VAT**). Where any taxable supply for VAT purposes is made under the Contract by the Supplier to the Buyer the Buyer shall (on receipt of a valid VAT invoice from the Supplier) pay to the Supplier such additional amounts in respect of VAT as are chargeable on the supply of the Goods and/or Services at the same time as payment is due for the supply of the Goods and/or Services.
- 11.7 If a party fails to make any payment due to the other party under the Contract by the due date for payment, then the defaulting party shall pay interest on the overdue amount at the rate of 4% per annum above National Westminster Bank's base rate from time to time. Such interest shall accrue on a daily basis from the due date until the date of actual payment of the overdue amount, whether before or after judgment. The defaulting party shall pay the interest together with the overdue amount. This clause shall not apply to payments that the defaulting party disputes in good faith.
- 11.8 The Supplier shall maintain complete and accurate records of the time spent and materials used by the Supplier in providing the Goods and Services and the Supplier shall allow the Buyer to inspect such records at all reasonable times on request.
- 11.9 The Buyer may at any time (without limiting any of its other rights or remedies) set off any liability of the Supplier to the Buyer against any liability of the Buyer to the Supplier whether either liability is present or future, liquidated or unliquidated and whether or not either liability arises under the Contract.
- 11.10 The Supplier shall make all payments due under or in respect of the Contract in full without any deduction including any set-off, counterclaim, discount, abatement, withholding or otherwise unless required by law.
- 11.11 The Buyer shall be entitled to any discount for prompt payment, bulk purchase or volume of purchase customarily granted by the Supplier to its customers.

12 THE BUYER'S PROPERTY

- 12.1 The Supplier shall hold all materials, equipment, tools, drawings, specifications and data supplied by the Buyer to the Supplier (**Buyer Materials**) in safe custody at its own risk, maintain the Buyer Materials in good condition until returned to the Buyer (which the Supplier shall do on the written instruction of the Buyer) and not dispose of or use the Buyer Materials other than in accordance with the Buyer's written instructions or authorisation.

12.2 The Supplier acknowledges that the Buyer Materials are the exclusive property of the Buyer.

13 INTELLECTUAL PROPERTY RIGHTS

13.1 The Supplier assigns to the Buyer, with full title guarantee and free from all third party rights, all Intellectual Property Rights in the products of the Services (including the Deliverables).

13.2 The Supplier shall obtain waivers of all moral rights in the products of the Services (including the Deliverables) to which any individual is now or may be at any future time entitled under Chapter IV of Part I of the Copyright Designs and Patents Act 1988 or any similar provisions of law in any jurisdiction.

13.3 The Supplier shall promptly (at the Buyer's request) do (or procure to be done) all such further acts and things and the execution of all such other documents as the Buyer may from time to time require for the purpose of securing for the Buyer the full benefit of the Contract including all right, title and interest in and to the Intellectual Property Rights assigned to the Buyer in accordance with clause 13.1.

14 INDEMNITY

14.1 The Supplier shall keep the Buyer indemnified against any and all Losses suffered or incurred by the Buyer as a result of or in connection with:

14.1.1 defective design, workmanship, quality, materials or any other defect in the Goods or Services (including any claim made against the Buyer for death, personal injury or damage to property arising out of, or in connection with, defects in Goods) to the extent that the defect is attributable to the acts or omissions of the Supplier, its employees, agents or sub-contractors;

14.1.2 any claim made against the Buyer for actual or alleged infringement of any Intellectual Property Rights arising out of, or in connection with, the manufacture, supply or use of the Goods or performance, receipt, use or supply of the Services (including the Deliverables) and

14.1.3 any claim made against the Buyer by a third party arising out of or in connection with the supply of the Goods or the Services to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Contract by the Supplier, its employees, agents or subcontractors.

14.2 This clause 14 shall survive the termination or expiry of the Contract howsoever arising.

15 INSURANCE

15.1 During the term of the Contract and for a period of 5 years thereafter the Supplier shall maintain in force (with a reputable insurance company) professional indemnity insurance, product liability insurance and public liability insurance sufficient to cover the liabilities that may arise under or in connection with the Contract and shall (on the Buyer's request) produce both the insurance certificate giving details of cover and the receipt for the current year's premium in respect of each insurance.

15.2 This clause 15 shall survive termination or expiry of the Contract howsoever arising.

16 CONFIDENTIALITY

- 16.1 A party (**receiving party**) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the receiving party by the other party (**disclosing party**) and/or its employees, agents or subcontractors and any other confidential information concerning the disclosing party's business, its goods and services which the receiving party may obtain. The receiving party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know the same for the purpose of discharging the receiving party's obligations under the Contract and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause 16.1 as though they were a party to the Contract. The receiving party may also disclose such of the disclosing party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction.
- 16.2 This clause 16 shall survive the termination or expiry of the Contract howsoever arising.

17 TERMINATION

- 17.1 (Without limiting its other rights or remedies) the Buyer may terminate the Contract or any Order:
- 17.1.1 (in respect of the Goods) in whole or in part at any time before delivery by giving written notice to the Supplier; and/or
- 17.1.2 (in respect of the Services) by giving the Supplier one (1) weeks written notice, Where upon the Supplier shall discontinue all work on the Contract. The Buyer shall pay the Supplier fair and reasonable compensation for any work in progress at the time of termination but such compensation shall not include loss of anticipated profits or any consequential loss.
- 17.2 The Buyer shall (without prejudice to any other rights or remedies) have the right at any time by giving notice in writing to the Supplier to terminate the Contract (without liability to the Buyer) immediately if:
- 17.2.1 the Supplier commits a material or persistent breach of the Contract;
- 17.2.2 the Supplier is or is deemed to be (in the reasonable opinion of the Buyer) insolvent or unable or (being an individual) is deemed to have no reasonable prospect of being able (or admits its inability) to pay its debts as they fall due or stops or suspends payment of any of its (being the Supplier's) debts or (being a partnership) has any partner to whom any of the foregoing apply;
- 17.2.3 any of the Supplier's Indebtedness is not paid in full when due or becomes due (or could be declared due) before its stated maturity because of default;
- 17.2.4 any expropriation, attachment, sequestration, distress, execution, enforcement of security or other legal process (including arbitration) is levied, enforced or sued out on or against, or affects, any of the Supplier's assets and is not discharged or stayed within twenty one (21) days;
- 17.2.5 the Supplier begins negotiations, or enters into, or gives notice of any intention to enter into, any composition or arrangement, with one or more of its creditors in order to reschedule any of its indebtedness because of actual or anticipated financial difficulties

including giving notice of a meeting of creditors for the purpose of considering a proposal for a company voluntary arrangement or (being an individual) an individual voluntary arrangement;

- 17.2.6 a respite of payment moratorium is declared, or in any event comes into existence, over any of the Supplier's Indebtedness;
 - 17.2.7 any petition is presented, application made, resolution proposed, notice of meeting given or other action, proceedings, procedure or step taken whether by the Supplier or any third party for, or which may lead to: (a) the suspension of payments, winding up, dissolution, administration, receivership (whether administrative or otherwise) or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise) of the Supplier; (b) the appointment of a liquidator (both provisional and following a winding up), receiver (including a fixed charge receiver), administrative receiver, administrator, nominee supervisor, compulsory manager or other similar officer in respect of the Supplier or any of its assets; or (c) (where the Supplier is an individual), bankruptcy, an individual voluntary arrangement or debt relief order;
 - 17.2.8 any event similar or equivalent to any of those set out in clauses 17.2.2 to 17.2.7 occurs in relation to the Supplier (including in any jurisdiction to which it is subject);
 - 17.2.9 the Supplier suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business;
 - 17.2.10 the Supplier (being an individual) dies or, by reason of illness or incapacity (whether mental or physical), is incapable of managing the Supplier's own affairs or becomes a patient under any mental health legislation; and/or
 - 17.2.11 the financial position of the Supplier deteriorates to such an extent that in the reasonable opinion of the Buyer the capability of the Supplier adequately to fulfil its obligations under the Contract has been placed in jeopardy.
- 17.3 Where both Goods and Services are to be supplied under the Contract in any of the circumstances in which the Buyer may under these Conditions terminate the Contract the Buyer may instead terminate part of the Contract in respect of the Goods or in respect of the Services and the Contract shall continue in respect of the remaining supply.
 - 17.4 The accrued rights, remedies, obligations and/or liabilities of the parties as at termination shall not be affected, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination or expiry.
 - 17.5 On termination or expiry of the Contract (or any part) for any reason the Supplier shall immediately deliver to the Buyer all Deliverables whether or not then complete and return all Buyer Materials. If the Supplier fails to do so, then the Buyer may (without limiting any other rights or remedies the Buyer may have) enter the Supplier's premises and take possession of them. Until they have been returned or repossessed the Supplier shall be solely responsible for their safe keeping and shall not use them for any purpose not connected with the Contract.
 - 17.6 Clauses which expressly or by implication survive termination or expiry of the Contract shall continue in full force and effect notwithstanding such termination or expiry.
 - 17.7 Such of these Conditions which expressly or by implication are intended to come into or remain in force on or after the termination or expiry of the Contract shall remain in full force and effect.

18 FORCE MAJEURE

- 18.1 If either party is delayed or prevented in the performance of any of its obligations under the Contract by an event, circumstance or cause beyond its reasonable control which by its nature could not have been foreseen or, if foreseeable, was unavoidable (save any that merely increases the cost of performing such obligations and excluding any strikes, lock-outs or other industrial disputes involving its own workforce or that of any of its agents or sub-contractors), that party shall not be liable for such delay or non-performance and the time for performance of the affected obligation shall be extended by such period as is reasonable to enable that party, using all reasonable endeavours, to perform that obligation.
- 18.2 If the performance of any of the Supplier's obligations under the Contract are delayed or prevented as described in clause 20.1 for a continuous period of one (1)-month, the Buyer may terminate the Contract (without liability to the Supplier) immediately by giving written notice to the Supplier.

19 BRIBERY AND OTHER CORRUPTION

- 19.1 The Supplier agrees with the Buyer that it shall and that it shall procure that its employees, officers, agents, sub-contractors and any other person who performs services for the Supplier in relation to the Contract shall:
- 19.1.1 comply with all applicable laws, statutes, regulations and codes relating to bribery and other corruption including the Bribery Act 2010 and the Global Zoetis Anti-Bribery and Anti-Corruption Principles which are copy of which is available upon request (**Anti-Corruption Requirements**);
 - 19.1.2 not take or knowingly permit any action to be taken that would or might cause or lead the Buyer to be in violation of any Anti-Corruption Requirements;
 - 19.1.3 not bribe or attempt to bribe (which shall include any offer or form of payment, gift or other inducement, reward or advantage, whether of money or anything of value) the Buyer or any of the Buyer's employees, officers, agents, representatives, affiliates or persons acting on the Buyer's behalf; and
 - 19.1.4 at the Buyer's request and cost, provide the Buyer with any reasonable assistance to enable it to perform any activity required by any relevant government or agency for the purpose of complying with Anti-Corruption Requirements.
- 19.2 The Supplier represents and warrants to the Buyer that neither the Supplier nor any person described in clause 19.1 has bribed or attempted to bribe any person in order to obtain and/or retain any business, or advantage in the conduct of business for the Buyer and nor has it bribed or attempted to bribe any person described in clause 19.1.3.
- 19.3 The Supplier agrees that in addition to the Buyer's termination rights set out elsewhere in these Conditions the Buyer may (without prejudice to any other right or remedy available to it) immediately terminate the Contract in the event of any breach of this clause 19 by the Supplier in which case the Supplier shall not be entitled to any compensation or to any further payments or remuneration.
- 19.4 The Buyer shall not be required to make any payment to the Supplier that might otherwise be due from the Buyer in respect of the Contract if the Supplier has breached this clause 19.
- 19.5 The Supplier shall indemnify and keep indemnified the Buyer in full and hold the Buyer harmless on demand from and against any and all Losses suffered or incurred by the Buyer or for which

the Buyer may become liable arising out of or in connection with any breach of this clause 19 whether or not the Contract has been terminated.

20 ETHICAL BUSINESS

- 20.1 In performing its obligations hereunder, the parties acknowledge that the corporate policy of the Buyer and its affiliates requires that the Buyer's business be conducted within the letter and the spirit of the law. By entering into the Contract the Supplier agrees to conduct the business contemplated herein in a manner which is consistent with all applicable laws, good business ethics and the codes of conduct and ethical business policies and guidelines of the Buyer as communicated to the Supplier by the Buyer or one of its affiliates from time to time.
- 20.2 Specifically the Supplier warrants that in connection with the Contract and the Supplier's business relating thereto, the Supplier, its directors, employees, officers and anyone acting on the Supplier's behalf shall not offer, make or promise any payment (either directly or indirectly) of money or other assets (hereinafter collectively referred to as **Payment**), to any government, political party or international organisation official, candidate or persons acting on behalf of any of the foregoing or directly associated with them including their staff, business partners, close associates and family (hereinafter collectively referred to as **Officials**) where such Payment would constitute a violation of any applicable law. In addition, regardless of legality, the Supplier shall make no Payment (either directly or indirectly) to Officials if such Payment is for the purpose of influencing decisions or actions with respect to the subject matter of the Contract or the business activities of the Buyer or its affiliates.
- 20.3 The Supplier represents and warrants that to the best of its knowledge and belief it has provided complete and accurate information and documentation to the Buyer, its affiliates, and their personnel in the course of any due diligence that was conducted, including disclosure of any officers, employees, owners or persons directly or indirectly retained by the Supplier who are in a capacity that may reasonable provide an opportunity to influence decisions or actions with respect to the subject matter of the Contract or the business activities of the Buyer or its affiliates. The Supplier also acknowledges and agrees that in the event that the Supplier engages a subsidiary, affiliate, subcontractor or agent, that the Supplier shall conduct due diligence on such subsidiary, affiliate, subcontractor or agent consistent with the requirements as set forth in this clause 20, and shall maintain adequate records and provide such records to the Buyer to evidence such due diligence was conducted and any identified risks were mitigated. The Supplier shall make all further disclosures as necessary to ensure the information provided remains complete and accurate for the duration of the Contract. The Supplier further covenants that any future information and documentation submitted as part of further due diligence or a certification shall be complete and accurate to the best of its knowledge and belief.
- 20.4 The Supplier represents warrants and covenants that all books, records, invoices and other documents relating to payments and expenses under the Contract are and shall be complete and accurate and reflect in reasonable detail the character and amount of transactions and expenditures.
- 20.5 The Supplier further represents warrants and agrees that no "off the books" or other similar funds shall be maintained or used in connection with the Contract. Except as expressly provided for in the Contract without obtaining the prior written consent of the Buyer (which shall not be unreasonably withheld) the Supplier shall not hire or retain subcontractors or agents who shall be interacting with Officials on behalf or at the request of the Supplier who may have an opportunity to influence decisions or actions with respect to the subject matter of the Contract or the business activities of the Buyer or its affiliates.

- 20.6 The Supplier agrees to ensure that all of the Supplier's employees, agents and subcontractors involved in performing the obligations under the Contract are made specifically aware of the compliance requirements under this clause 20 including by participation of such employees, agents and subcontractors in mandatory training to be conducted by the Supplier regarding such requirements prior to performing any obligations under the Contract.
- 20.7 The Supplier further agrees to certify its continuing compliance with the requirements under this clause 20 on a periodic basis during the term of the Contract. The Supplier agrees to (and shall ensure its agents or subcontractors shall) implement and/or sustain a compliance program to comply with the requirements of this clause 20 and to maintain adequate records of such compliance program.
- 20.8 The Buyer shall have the right to audit the books and records of the Supplier to ensure compliance with this clause 20 for a period of two (2) years following termination or expiry of the Contract.
- 20.9 The Buyer shall have the right to terminate the Contract (with no liability to the Buyer) immediately upon any violation of this clause 20 or any breach of a representation or warranty contained within this clause 20.

21 Modern Slavery

- 21.1 Unless otherwise required or prohibited by law, the Supplier warrants, to the best of its knowledge, that in relation to the supply of goods or services under the terms of this Agreement:
- 21.1.1 It does not employ engage or otherwise use any child labour in circumstances such that the tasks performed by any such child labour could reasonably be foreseen to cause either physical or emotional impairment to the development of such child;
 - 21.1.2 It does not use forced labour in any form (prison, indentured, bonded or otherwise) and its employees are not required to lodge papers or deposits on starting work;
 - 21.1.3 It provides a safe and healthy workplace, presenting no immediate hazards to its employees. Any housing provided by the Supplier to its employees is safe for habitation. The Supplier provides access to clean water, food, and emergency healthcare to its employees in the event of accidents or incidents at the Supplier's workplace;
 - 21.1.4 It does not discriminate against any employees on any ground (including race, religion, disability or gender);
 - 21.1.5 It does not engage in or support the use of corporal punishment, mental, physical, sexual or verbal abuse and does not use cruel or abusive disciplinary practices in the workplace;
 - 21.1.6 It pays each employee at least the minimum wage, or a fair representation of the prevailing industry wage (whichever is the higher) and provides each employee with all legally mandated benefits;
 - 21.1.7 It complies with the laws on working hours and employment rights in the countries in which it operates;
 - 21.1.8 It is respectful of its employees' right to join and form independent trade unions and freedom of association;
- 21.2 The Supplier agrees that it is responsible for controlling its own supply chain and that it shall encourage compliance with ethical standards and human rights by any subsequent supplier of goods and services that are used by the Supplier when performing its obligations under this Agreement.
- 21.3 The Supplier shall ensure that it has ethical and human rights policies and an appropriate complaints procedure to deal with any breaches of such policies.

- 21.4 The Buyer reserves the right upon reasonable notice (unless inspection is for cause, in which case no notice shall be necessary) to enter upon the Supplier's premises to monitor compliance by the Supplier of the warranties set out in the clause above and the Supplier shall, subject to compliance with law, furnish the Buyer with any relevant documents requested by the Buyer in relation thereto. This sub-section will only be required where there is no general right of audit elsewhere within the Agreement.
- 21.5 Failure of Supplier to comply with this Section shall be deemed a material breach of this Agreement and allow immediate termination by the Buyer.

22 GENERAL

- 22.1 The Buyer may at any time assign, transfer, mortgage, charge, subcontract or deal in any other manner with all or any of its rights under the Contract and may subcontract or delegate in any manner any or all of its obligations under the Contract to any third party.
- 22.2 The Supplier shall not (without the prior written consent of the Buyer) assign, transfer, charge, subcontract, declare a trust over or deal in any other manner with all or any of its rights or obligations under the Contract.
- 22.3 Any communication between the parties about the Contract shall be in writing, in English, and delivered personally, sent by pre-paid registered post or recorded delivery (or pre-paid registered air mail if overseas) or by fax: (i) (in the case of communications to the Buyer) to its registered office or main fax number or such changed address or fax number as shall be notified to the Supplier by the Buyer; or (ii) (in the case of communications to the Supplier) to its registered office (if it is a company) or (in any other case) to any address of the Supplier set out in any document which forms part of the Contract or to its main fax number/email address, or such other address or fax number as shall be notified to the Buyer by the Supplier.
- 22.4 Communications shall be deemed to have been received: (i) if delivered personally, at the time of delivery to the address; (ii) if sent by pre-paid registered post or recorded delivery, 48 hours after posting; (iii) if sent by pre-paid registered airmail, at 9.00am on the 5th Business Day after posting; and (iv) if sent by fax, at 9.00am on the next Business Day after transmission provided a transmission report is generated by the sending party's fax machine recording a message from the recipient party's fax machine or email confirming all pages were successfully transmitted.
- 22.5 Communications addressed to the Buyer shall be marked for the attention of PHARMAQ Ltd.
- 22.6 The provisions of clauses 21.3 to 21.5 (inclusive) shall not apply in the case of service of any proceedings or other documents in any legal action or any arbitration or other method of dispute resolution to the extent that such provisions are inconsistent with Part 6 of the Civil Procedure Rules 1998.

- 22.7 If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause 21.7 shall not affect the validity and enforceability of the rest of the Contract.
- 22.8 If any provision or part-provision of the Contract is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable and, to the greatest extent possible, achieves the intended commercial result of the original provision.
- 22.9 A waiver of any right under the Contract or law is only effective if it is in writing and shall not be deemed to be a waiver of any subsequent breach or default. No failure, delay or indulgence by a party in exercising any right or remedy under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor prevent or restrict its further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.
- 22.10 Nothing in the Contract is intended to, or shall be deemed to, establish or imply any partnership, joint venture, employment, agency or fiduciary relationship between the parties. Neither party shall have, nor represent that it has, any authority to make or enter into any commitments on behalf of the other party or otherwise bind the other party in any way.
- 22.11 No provision of the Contract shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to the Contract.
- 22.12 (Except as expressly set out in these Conditions) no variation of the Contract (including the introduction of any additional terms and conditions) shall be effective unless it is agreed in writing and signed by a duly authorised representative of the Supplier.
- 22.13 The rights and remedies provided under these Conditions are in addition to, and not exclusive of, any rights or remedies provided by law. Any right or remedy expressly included in any provision of these Conditions (or the exercise thereof) shall not be considered as limiting the Buyer's rights or remedies under any other provision of these Conditions or otherwise (or the exercise thereof).

23 JURISDICTION AND GOVERNING LAW

- 23.1 This Contract and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes and/or claims) shall be governed by and construed in accordance with English law.
- 23.2 Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with the Contract or its subject matter or formation (including non-contractual disputes or claims).

Last Modified:

These Terms and Conditions of Sale were last modified in March 17th, 2016.