

PURCHASE ORDER TERMS & CONDITIONS

1. INTRODUCTION

- 1.1. The following terms and conditions of purchase (“**T&Cs**”), shall apply to all purchases of goods, equipment, excipients, packaging materials, active pharmaceutical ingredients and any other materials (the “**Goods**”) by Sanofi-Aventis Gulf FZE (DMCC Branch) (“**SA**”) from the supplier(s) (the “**Supplier**”) pursuant to purchase orders issued by SA (each, a “**PO**” and together with these T&Cs, the “**Agreement**”).
- 1.2. Each PO accepted and/or fulfilled by the Supplier shall be deemed an acknowledgement and acceptance by the Supplier of these T&Cs which shall be deemed incorporated into each PO and shall govern the supply of Goods.
- 1.3. Subject to Clause 1.4, these T&Cs shall prevail over any inconsistent or conflicting terms in any PO, and any terms and conditions of the Supplier.
- 1.4. If the Supplier is party to a separate written contract with SA (a “**Contract**”) when any PO is placed and a provision of a Contract conflicts with a provision in these T&Cs, the provision in such Contract shall prevail with respect to such PO.
- 1.5. These T&Cs, the PO, the Supplier’s confirmation and any written documents issued by SA which may be incorporated by specific reference (except any Supplier terms and conditions), constitute the entire agreement between the parties. Subject to Clauses 1.3 and 1.4, the terms of this Agreement supersede all previous communications between the parties, whether oral or written with regard to the subject matter.
- 1.6. All POs and these T&Cs shall be deemed binding upon the Supplier upon acceptance or fulfillment of a PO. The Supplier shall indemnify SA against any loss arising out of or in connection with the delivery of any Goods that is not in compliance with these T&Cs.
- 1.7. SA may, in its sole discretion, amend these T&Cs at any time as it deems fit. SA will use reasonable endeavors to promptly notify the Supplier of any amendments to these T&Cs.
- 1.8. The amendments under Clause 1.7 shall be recognized as valid only if communicated to the Supplier in writing. Any electronic communication between the parties shall be considered to be “written”.
- 1.9. The PO is system generated and does not require any signature.
- 1.10. The Supplier must confirm acceptance or rejection of the PO within 3 calendar days of the date of the PO.
- 1.11. Any failure by the Supplier to accept or reject the PO in accordance with Clause 1.10 shall constitute deemed acceptance by the Supplier of this PO, and the Supplier shall supply and deliver the Goods in accordance with this Agreement.

2. DELIVERY AND PASSING OF TITLE

- 2.1. All deliveries shall be in accordance with the 2010 International Chamber of Commerce “**INCOTERMS**” as specified in the PO.
- 2.2. Where no INCOTERMS are specified, the Goods shall be delivered in accordance with the following INCOTERMS as:
 - 2.2.1. in the case of import shipments, on a “CIP” basis; and
 - 2.2.2. in the case of local purchases, on a “DAP” basis at SA’s warehouse in Dubai Investments Park, Dubai.
- 2.3. Unless otherwise agreed in writing, the Supplier shall not deliver Goods in installments.
- 2.4. The Supplier shall deliver the Goods ordered to the delivery location specified in the PO in accordance with and subject to these T&Cs.
- 2.5. For any incorrectly delivered Goods, the Supplier acknowledges and agrees that it shall bear all additional expense incurred in delivering the Goods to the delivery location specified in the PO or subsequently indicated by SA.
- 2.6. Time shall be of the essence in relation to the performance of any and all Supplier obligations under this Agreement. In case of delayed shipments or where the Supplier neglects to remedy or replace any defective Goods within a reasonable period of time, SA shall be entitled, at the Supplier’s expense, either to remedy the defects itself or to obtain replacement goods elsewhere, as applicable.

- 2.7. SA shall be entitled to cancel any Goods which are not delivered on the delivery date stated in the PO.
- 2.8. Should SA suffer any loss through delay in the supply and delivery of the Goods, SA may claim liquidated damages pursuant to Clause 5.5 without prejudice to exercising any other available remedies due to any such delay.
- 2.9. Title to and risk of loss or damage for Goods delivered to SA shall pass according to the applicable INCOTERMS.
- 2.10. The Supplier warrants and represents to SA that:
 - 2.10.1. it has unencumbered title to the Goods and has the right to sell the Goods; and
 - 2.10.2. SA shall receive full title to the Goods, free and clear of any encumbrances and/or liens.
- 2.11. The Supplier shall not claim any failure to perform its obligations under this Agreement on the grounds that SA has not provided essential documents, unless such documents have been specifically requested in writing by the Supplier.
- 2.12. For INCOTERMS ‘FOB’ shipments, the Supplier shall notify SA of the method and time of shipment to enable SA to obtain appropriate insurance.
- 2.13. All applicable transport regulations shall be observed and the method of dispatch and delivery shall be that most favorable to SA.
- 2.14. Unless stated in the PO or otherwise requested by SA, delivery hours are 8:00 a.m. to 3:00 p.m., Sunday to Thursday except public holidays.

3. DELIVERY INSTRUCTIONS

- 3.1. The Supplier shall ensure that all shipments of Goods bear the indication “Sanofi-Aventis Gulf FZE (DMCC Branch)”.
- 3.2. Where applicable, the Supplier shall supply Goods from one batch preferably or the least possible number of batches, freshly produced with at least 85% of the whole shelf-life of such Goods remaining at the time of dispatch.
- 3.3. The Supplier shall ensure that each packaging unit used for the packaging of the Goods bears:
 - 3.3.1. the name of the Goods;
 - 3.3.2. the batch number of the Goods (as applicable);
 - 3.3.3. manufacturing and expiry dates of the Goods (as applicable);
 - 3.3.4. quality standard applicable to the Goods;
 - 3.3.5. gross, net and tare weight of the package; and
 - 3.3.6. any other relevant information.
- 3.4. Heat-treated pallets must be used for molded glass shipments.
- 3.5. Transportation conditions of cold chain and specific materials shall be written on transportation documents. Packaging and packing, transportation and delivery of the Goods must be conducted in accordance with Good Industry Practice and any applicable laws and regulations including in the countries of dispatch and delivery.
- 3.6. For the purposes of this Agreement, “**Good Industry Practice**” means the exercise of that degree of skill, diligence, and prudence which would reasonably be expected from time to time from a skilled and experienced person carrying out the same type of activity applying the best industry practices under the same or equivalent circumstances and acting generally in accordance with all applicable laws.
- 3.7. The Supplier shall ensure that all Goods are properly packed and sealed to avoid theft during transit.
- 3.8. Where applicable, the Supplier shall ensure that updated material safety data sheets accompany each shipment of Goods.

4. DELIVERY DOCUMENTS

- 4.1. For any imported Goods, the Supplier shall send to SA by email or fax the following documents (the “**Documents**”):
 - 4.1.1. invoice signed in blue, stamped and printed on the Supplier’s letter head, mentioning the PO number, country of origin of the Goods, batch number as applicable, manufacturing and expiry dates of the Goods as applicable, Harmonized System (HS) code and VAT number as applicable;

- 4.1.2. packing list signed in blue, stamped and printed on the Supplier's letter head, mentioning the PO number;
- 4.1.3. certificate of origin of the Goods;
- 4.1.4. as applicable, certificate of analysis of the Goods signed in blue, stamped and printed on the Supplier's letter head. In the case of any computer-generated certificate of analysis, the same shall also be signed in blue and stamped; and
- 4.1.5. 1 original airway bill or 3 original bills of lading (as the case may be), mentioning SA as consignee.
42. Where the PO provides for a payment method requiring the presentation of acceptance documents through the bank, the Supplier shall:
- 4.2.1. courier the original Documents listed in Clause 4.1 to the bank address stated in the PO; and
- 4.2.2. inform SA of the tracking details for Documents sent pursuant to Clause 4.2.1.
43. Where Clause 4.2 does not apply, the Supplier shall courier the Documents to SA at the address specified in the PO, informing SA of tracking details for the same.
44. Local delivery invoices shall contain the information referred to in Clause 4.1.1 and be submitted by the Supplier to SA's Accounts Department. For local deliveries, the Supplier shall ensure that the documents mentioned in Clauses 4.1.2 and/or 4.1.4 (as applicable) accompany shipment of the Goods.
45. Where applicable, the Supplier shall send Documents to the applicable bank and SA within 2 calendar days of the Goods' shipment. All port demurrage charges and other losses that may be suffered by SA due to the Supplier's delay in sending Documents shall be deducted from any payment(s) due to the Supplier.
46. All Documents shall be certified as required under applicable UAE regulations.
- 5. PRICE AND PAYMENT**
- 5.1. All amounts agreed at the time when a Purchase Order is placed ("Price") are deemed to be exclusive of any VAT and applicable taxes. All claims and/or payments in relation to all applicable taxes shall be strictly in compliance with any and all applicable laws at the time of the claim and/or payment. Unless otherwise agreed in writing by the Parties, the Price cannot be revised and is deemed to cover Supplier's performance as well as all expenses, charges and disbursements necessary to achieve the full performance of the obligations of the Supplier hereunder. Complete bank details including the Supplier's account number, account name, bank address, IBAN/SWIFT as applicable shall be mentioned on the invoice.
52. Unless otherwise agreed in writing by the parties, the price indicated in the PO shall remain fixed.
53. Payment shall be made in the currency and as per the payment terms specified in the PO. Payments shall be made by wire transfer to the nominated bank account of the Supplier. SA may in its sole discretion apply (set off) any amount owed by the Supplier to it against any amount due from SA to the Supplier. Payment shall not constitute acceptance of Goods. In the event of payment delays or rejections by SA's accounts-payable department (P2P), the P2P shall promptly notify the Supplier to initiate contact with their designated SA point of contact (the "Internal Requester"). The Supplier shall liaise with the Internal Requester to solve any payment-related issue.
54. In case of delay in the delivery of any Goods, the Supplier shall pay SA liquidated damages in the sum of 2% of the total PO value per week of delay, up to a maximum of 4 weeks' delay. Where a delay exceeds 4 weeks, SA may in its sole discretion cancel the PO. The Supplier acknowledges and agrees these liquidated damages represent a genuine pre-estimate of loss that will likely be suffered by SA in the event of delayed supply and/or delivery of the Goods.
55. Where the Supplier fails to supply and/or deliver Goods in accordance with an approved sample, the PO shall be considered cancelled and any advance payment made to the Supplier shall be refunded to SA within 7 calendar days of such notification.
56. No compensation or interest of any kind shall be payable on any late payment of invoices by SA.
57. Where a delay in the Supplier's delivery of an invoice makes it unpractical or unreasonable for SA to comply with the agreed payment terms, the Supplier acknowledges and agrees that the time for payment shall be extended by such period as is reasonable in the circumstances.
58. The Supplier shall provide SA with a Statement of Account (SOA) bi-annually in May and November of each calendar year, or anytime upon SA's demand which SOA shall be in a format prescribed by SA from time to time. Failing to provide the SOA may result in delays and/or cessation of payments from SA.
- 6. DEFECTS AND SHORTFALL**
- 6.1. The Goods shall be supplied and delivered free from defects, and in strict accordance with the terms of this Agreement.
- 6.2. Any Goods not supplied and delivered in strict accordance with this Agreement and/or in breach of the warranties in Clause 7.1 shall be deemed defective.
- 6.3. SA will visually inspect all deliveries of Goods upon their receipt and will report any readily discernible defects to the Supplier within 15 calendar days of receipt. SA will report any defects not readily discernible to the Supplier within 30 calendar days of discovery.
64. Where any Good is defective, SA is entitled at its sole discretion to require the Supplier to:
- 6.4.1. promptly repair or replace the defective Goods free of charge; or
- 6.4.2. issue a credit note in the aggregate amount of the price of the defective Goods as set forth in the original invoice and any and all costs associated with the rejection of the defective Goods.
65. Unless otherwise agreed in writing, all Goods shall be subjected to SA's acceptance testing (as communicated to the Supplier from time to time) and shall not be deemed to have been accepted until SA has informed the Supplier accordingly.
66. Where the PO provides for assembly of Goods at an agreed place of delivery, the Goods shall only be accepted where:
- 6.6.1. the assembly has been duly completed;
- 6.6.2. where the result of a trial run requested by SA shows that the Goods comply with the agreed terms; and
- 6.6.3. where the Goods have successfully met the requirements of SA's acceptance testing under Clause 6.5.
67. Where the Supplier disputes SA's rejection of the Goods and the parties fail to reach an agreement within 30 calendar days after SA's notice of rejection to the Supplier, the dispute shall be determined by an independent laboratory (who shall act as expert and not as arbitrator) mutually selected by the parties. The parties acknowledge and agree that the decision of the independent laboratory shall be final and binding upon the parties. The cost of the analysis shall be borne by the party whose analysis was in error.
68. The Supplier shall bear all risks of loss, damage or destruction for non-conforming Goods. The Supplier shall also indemnify SA for all costs incurred by SA in usage of such non-conforming Goods. SA will be responsible for any loss occasioned by the gross negligence of its employees.
69. The Supplier shall take all rejected Goods back at its risk and expense.
- 6.10. A determination of whether the Goods conform to the agreed specifications for the Goods as stated in SA's PO or, in the absence of agreed specifications and as applicable, to the most recent specifications in term of pre-shipment certificate of analysis approved by SA at the time of delivery of the Goods (the "Specifications") shall be done solely by analyzing the samples or records available with SA and in accordance with the methods of analysis used by SA.
- 6.11. Unless otherwise agreed, the quantity/weight recorded by SA shall be final and binding.
- 7. WARRANTIES**
- 7.1. The Supplier warrants and represents to SA that all Goods shall:
- 7.1.1. be supplied in strict accordance with this Agreement;
- 7.1.2. be manufactured, supplied and delivered in accordance with Good Industry Practice;
- 7.1.3. be manufactured in compliance with current Good Manufacturing Practices (cGMP) (where applicable);
- 7.1.4. be merchantable and fit for their intended purpose;

- 7.1.5. be free from defects in material, design and workmanship;
 - 7.1.6. be new, and neither refurbished nor reconditioned;
 - 7.1.7. conform to all written proposals and descriptions as well as any Specifications, samples or models furnished by the Supplier and approved by SA; and
 - 7.1.8. conform to any Specifications on the date of their delivery and where applicable, for their entire certified shelf life as stated in the certificate of analysis provided by the Supplier with reference to the agreed Pharmacopeia or In House Specifications attached to the PO.
72. If the Goods fail to meet any warranty in Clause 7.1, SA may within a reasonable time choose to either:
- 7.2.1. have the Goods repaired or replaced by the Supplier at no charge to itself; or
 - 7.2.2. obtain from the Supplier a credit note in the aggregate amount of the price of the non-conforming Goods as set forth in the original invoice and all costs associated with the rejection of the same.

8. FORCE MAJEURE

- 8.1. Neither party shall be liable to the other for any delay or non-performance of its obligations under this Agreement, if such delay or non-performance is due to any cause(s) beyond its control, including but not limited to fire, flood, perils of the sea or air accident, acts of God, revolution, civil disturbance, declared or undeclared war, act of interference or action by civil or military authorities (each, a "Force Majeure Event").
- 8.2. Where the Supplier is impacted by a Force Majeure Event, it shall promptly notify SA of the beginning and end of the Force Majeure Event.
- 8.3. Where the Force Majeure Event in Clause 8.2 lasts for more than 30 calendar days, SA reserves the right to cancel all outstanding POs.

9. INSOLVENCY OF SUPPLIER

- 9.1. SA may, in its sole discretion, cancel a PO, where the Supplier has, prior to the agreed date of delivery:
 - 9.1.1. been made bankrupt;
 - 9.1.2. suspended payments; or
 - 9.1.3. otherwise been found to be insolvent.

10. COMPLIANCE WITH ENVIRONMENTAL, HEALTH AND SAFETY REQUIREMENTS

- 10.1. The Supplier shall comply with all applicable laws and regulations, including without limitation relating to environmental, occupational safety and health requirements.
- 10.2. The Supplier shall maintain compliance systems and be able to demonstrate a satisfactory record of compliance (in the opinion of SA) with Clause 10.1.

11. WAIVER

- 11.1. Failure by SA to enforce any right, power or remedy under these T&Cs shall not be construed as a waiver of the same.
- 11.2. Any waiver of any breach of these T&Cs shall not be deemed to be a waiver of any subsequent breach.

12. ASSIGNMENT AND SUB-CONTRACTING

- 12.1. The Supplier shall not assign, novate or otherwise transfer all or any of its rights, benefits or obligations under this Agreement without the prior written approval of SA.
- 12.2. Any assignment, novation or transfer in breach of Clause 12.1 shall be void.
- 12.3. The Supplier shall not sub-contract the performance of any of its obligations under this Agreement without the prior written approval of SA.
- 12.4. SA may assign, transfer or deal in any way with its rights under this Agreement.

13. SEVERABILITY AND CONVERSION

- 13.1. If any provision of this Agreement is held to be invalid or unenforceable by any court or administrative body of competent jurisdiction, then the rest of this Agreement shall still remain in full force and effect.
- 13.2. Where Clause 13.1 applies, the parties shall co-operate to

promptly amend or replace the affected provision(s) with new provision(s) that satisfies the legal and economic intent of the affected provisions to the maximum extent permitted by law.

14. INTELLECTUAL PROPERTY RIGHTS

- 14.1. For the purposes of this Agreement, "IPR" means patents, inventions (whether patentable or not), copyrights, moral rights, design rights, trade-marks, trade names, business names, service marks, brands, logos, service names, trade secrets, know-how, domain names, database rights and any other intellectual property or proprietary rights (whether registered or unregistered, and whether in electronic form or otherwise) including rights in computer software, and all registrations and applications to register any of the aforesaid items, rights in the nature of the aforesaid items in any country or jurisdiction, any rights in the nature of unfair competition rights, and rights to sue for passing off.
- 14.2. The IPR owned by a party prior to the PO date and made available to the other party in connection with this Agreement shall remain the absolute property of the granting party.
- 14.3. Subject to Clause 14.4, all IPR created by a party on and/or after the PO date shall vest unconditionally and immediately upon its creation with that party.
- 14.4. Where any IPR under Clause 14.3 has been developed specifically for SA in respect of any Goods under this Agreement, it shall become SA's sole and absolute property.
- 14.5. The Supplier warrants and represents to SA that:
 - 14.5.1. SA's receipt, utilisation (including that of its affiliates) and/or exploitation of any Goods shall not infringe any third party IPR; and
 - 14.5.2. it shall not use SA's IPR for any purpose whatsoever without SA's prior written approval.
- 14.6. The Supplier shall fully indemnify SA against all liabilities, claims, demands, losses, costs and expenses (including reasonable legal fees and expenses) suffered by SA as a result of any claims by third parties that any use by SA of the Goods infringes any third party IPR.

15. RELATIONSHIP

- 15.1. Nothing in this Agreement shall be construed to make either party an agent, partner or joint venturer of the other party.

16. INDEMNITY AND INSURANCE

- 16.1. The Supplier shall fully indemnify SA from any and all losses of whatever nature arising out of or in connection with:
 - 16.1.1. death, illness or personal injury suffered by SA, its Personnel or any third party which is caused by the Goods, the Supplier and/or its personnel;
 - 16.1.2. any and all physical damage caused to any third party's property caused by the Supplier and/or its personnel;
 - 16.1.3. any claims, demands, proceedings and causes of action arising out of or in connection with any act or omission on the part of the Supplier, its servants, agents or sub-contractors in the performance of their obligations under this Agreement; or
 - 16.1.4. any defect or fault in or with the Goods (including any liability arising under any product liability legislation applicable from time to time).
- 16.2. Each indemnity in this Agreement is a continuing obligation separate and independent from the Supplier's other obligations and survives termination of this Agreement.
- 16.3. The Supplier shall, at its own cost and expense, maintain sufficient third party product liability and product recall insurance with a reputable insurer acceptable to SA to cover its actual and potential liabilities under this Agreement.

17. MODIFICATION

- 17.1. SA may, in its sole discretion and at any time through writing, suspend the Supplier's performance of, increase/decrease the ordered quantities of Goods and/or make changes to any PO.

172. If any changes made per Clause 17.1 causes an increase or decrease in the cost of and/or time required for performance of a PO, the parties acknowledge and agree that an equitable adjustment shall be made in the PO price and/or delivery schedule; and the PO shall be accordingly modified in writing.
173. A claim by the Supplier for adjustment under Clause 17.2 shall be valid only if asserted within 20 calendar days from the date of receipt by the Supplier of the notification of change provided, subject to extensions granted in writing by SA.
174. Nothing in this Clause shall excuse the Supplier from fulfilling an amended PO.
175. Supplier shall promptly disclose to SA's point of contact any changes to the Supplier's point of contact's information or Supplier's bank account details.

18. APPLICABLE LEGISLATION

181. This Agreement is governed by and shall be construed in accordance with the laws of Dubai and the Federal Laws of United Arab Emirates applicable therein.
182. The parties irrevocably submit to the exclusive jurisdiction of the courts of the Emirate of Dubai, United Arab Emirates in relation to any disputes between them arising out of or in connection with this Agreement.

19. ADVERTISING MATERIAL

- 19.1. The Supplier shall not make any reference to its business relationship with SA in any advertising material without the prior written approval of SA.

20. VARIATION

- 20.1. No variation of this Agreement shall be effective unless in writing and signed by or on behalf of an authorized representative of SA.

21. OWNERSHIP OF PRINTED MATERIALS

- 21.1. The Supplier acknowledges and agrees that ownership in all materials (including electronic files) produced or procured by the Supplier for preparation of artworks for SA shall pass to the latter.
- 21.2. Upon SA's request, the Supplier shall immediately transfer possession of the materials stated in Clause 21.1 to SA.
- 21.3. Unless otherwise agreed in writing, the Supplier shall bear all costs associated with the return of materials to SA.
- 21.4. All materials returned must be properly wrapped and identified by order number.

22. PRINTED MATERIALS SECURITY

- 22.1. The Supplier must take all reasonable precautions necessary to protect SA against the unlawful use and distribution of printed materials produced for SA and any production materials used for their production.
- 22.2. Reference materials retained by the Supplier for audit purposes or as correspondence samples must be hole punched or similarly voided to assure non-use.

23. CONFIDENTIALITY

- 23.1. This Agreement and any information disclosed to the Supplier by SA in relation to the same is confidential and the Supplier shall not divulge or disclose it to any third party without prior express consent in writing from the SA.

24. DATA PROTECTION

- 24.1. The Supplier shall at all times comply with relevant data protection and privacy legislation and with SA's internal data protection policies as may be communicated to it.

25. ANTI-BRIBERY AND CORRUPTION

- 25.1. The Supplier shall at all times comply with and shall procure that its personnel comply with SA's anti-bribery and corruption policy (as amended from time to time) and anti-corruption measures required by applicable laws.

26. AUDIT

- 26.1. SA may, at its own cost and at any time, audit or inspect the performance of the Supplier's obligations under this Agreement in accordance with this Clause 26 upon giving '14 calendar days'

notice.

- 26.2. The Supplier shall maintain a complete audit trail of all financial and non-financial transactions relating to the performance of its obligations under or in connection with this Agreement.
- 26.3. The Supplier shall keep such books, systems, reports, practices, data, records and documents in its possession, custody or control relating to its (or its approved sub-contractors') performance of its obligations under or in connection with this Agreement (the "Audit Items") as are necessary to comply with its obligations under this Clause 26, applicable laws and any reasonable written requests made by SA and its auditors.
- 26.4. The Supplier shall fully co-operate with SA and its auditors and promptly provide such auditors with reasonable access to the Audit Items.