

# General Terms and Conditions of Purchase of the Strathos Pharma Group

## **I. Scope of application**

- (1) The present general terms and conditions of purchase ("Purchasing Terms") shall apply to all business relations with business partners and suppliers ("supplier") of a Strathos Pharma Group company with regard to the delivery of movable goods ("goods" or "product (s)") and/or services, regardless of whether the supplier provides the service themselves or purchases it from subcontractors. The terms and conditions of purchase apply only if the supplier is an entrepreneur (section 14 BGB (German Civil Code)), a legal person under public law or special fund under public law.
- (2) The purchasing terms in their respective versions shall also apply as a framework agreement for future contracts for the sale and/or delivery of movable goods and/or services with the same supplier, without the Strathos Pharma Group having to refer to them in each individual case; The current version of the purchasing terms of can be found under <http://www.strathos-pharma.com/geschaeftpartner>.
- (3) These terms and conditions of purchase apply exclusively. Deviating, contradictory or supplementary general terms and conditions of the supplier shall only be part of the contract in so far as the Strathos Pharma Group has expressly consented to their applicability in writing. This consent requirement applies in any case, for example, even if Strathos Pharma Group accepts the supplier's deliveries without reservation in the knowledge of the supplier's general terms and conditions.
- (4) The individual contract for deliveries or services, as well as any amendments, declarations to terminate them, and other declarations and communications must be in text form, unless otherwise specified in these conditions.

## **II. Conclusion of contract**

- (1) An order from a company of Strathos Pharma Group shall be deemed to be binding at the earliest with written declaration or confirmation. Deliveries for which no written orders are available will not be accepted.
- (2) The supplier is obliged to confirm the order within a period of one (1) week from the date of the order in writing stating the order number and article number, or to carry it out immediately and without reservation.
- (3) Offers, designs, samples and templates of the supplier are free of charge for Strathos Pharma Group. Upon request from a Strathos Pharma Group company, the supplier shall take them back immediately at its own expense.

## **III. Delivery time and delay of delivery**

The delivery time specified by Strathos Pharma Group in the order is binding. The supplier is obliged to notify Strathos Pharma Group immediately in writing stating the reasons for and the extent of the anticipated delay, if it is foreseeable that agreed delivery times will not be met. Part deliveries or premature deliveries are only permitted with the prior written consent of Strathos Pharma Group.

## **IV. Delivery, risk transfer, acceptance delay, packaging**

- (1) Unless otherwise agreed in the individual case, deliveries shall be made DDP (INCOTERMS 2010) to the place indicated in the order. If the destination is not specified and nothing else has been agreed upon, the delivery shall be made to the place of business of Strathos Pharma Group in Germany, 56130 Bad Ems Arzbacher Str. The respective destination is also the place of performance (in the event of a debt to be collected at the debtor's address).
- (2) The goods ordered by the Strathos Pharma Group must be packed in a clean and suitable way - according to our order. Coverings and pallets for chemical raw materials must comply with the GMP regulations valid at the time of the order.
- (3) The statutory provisions shall apply in the event of default of acceptance on the part of Strathos Pharma Group. The supplier must also explicitly offer their service to the Strathos Pharma Group even if a specific or determinable calendar time has been agreed for an action or participation of Strathos Pharma Group. If Strathos Pharma Group is in default of acceptance, the supplier may demand compensation for their additional costs, in accordance with the statutory provisions.

## **V. Acceptance of works**

- (1) After its completion, the acceptance of work will be carried out formally by Strathos Pharma Group by way of counter-signature on an acceptance report. In the case of services which cannot be subsequently examined and tested due to the further execution, the supplier must promptly request Strathos Pharma Group in writing to examine such services. Any presumption of acceptance by silence on an acceptance request of the supplier, by payment or by actual use is excluded.
- (2) The supplier must arrange any officially prescribed inspections of any kind, in particular, acceptance by recognized experts, before the acceptance of the work and at their own expense, unless this service is expressly excluded from the scope of services. Official certificates of defect-freeness and possible official acceptances are to be forwarded to us in good time before the acceptance of the work.

## **VI. Information requirements, subcontractors**

- (1) In the event of changes in manufacturing processes, changes in materials, parts for products or services, relocation of production sites, or before changes to procedures or equipment for the examination of the products and materials or other quality assurance measures, the supplier must inform Strathos Pharma Group in good time and in writing. The

Strathos Pharma Group is entitled to check to the extent necessary whether the changes could adversely affect the product. On request, the supplier shall provide the necessary documents in this respect and enable audits to the extent required.

(2) The use of subcontractors, freelancers, subsupplier and other third parties (jointly "agents") who are not employees of the supplier in the context of the provision of services owed to Strathos Pharma Group shall be notified to Strathos Pharma Group in writing. The supplier shall have a contractual relationship with the agent to ensure that all services are executed in full and in a proper manner, the proper provision of services can be comprehensively controlled by appropriate documentation as well as regular audits of Strathos Pharma Group and to ensure that the obligations arising from the contractual relationship with Strathos Pharma Group also apply in the relation to the agent.

(3) Agents shall be regarded as vicarious agents of the supplier. Failures, delays, malfunctions, bad performances or other errors in the deliveries and services of the agents, irrespective of the reasons for such failures, shall not release the supplier from their service obligation pursuant to the contract concluded with Strathos Pharma Group.

#### **VII. Prices, invoices, terms of payment, set-off and retention**

1) The price stated in the order is binding. All prices are in EURO exclusive of the statutory value added tax at the respective time, even if this is not separately indicated. This also applies to possible ancillary services to be rendered by the supplier.

(2) Unless otherwise agreed in the individual case, the price includes all services and ancillary services of the supplier, as well as all ancillary costs (including proper packaging, customs duties, import charges, transport and liability insurance, as well as loading and unloading costs).

(3) Invoices shall be sent as a single copy in original form to the Strathos Pharma Group, stating the invoice number, order number, quantity, price and other allocation characteristics (in particular, article number). The invoices are to be sent separately from the goods delivery. In the case of deliveries from areas outside the customs territory of the EU, an invoice copy or a pro forma invoice must be enclosed with the goods delivery.

(4) Payments are made according to the individually agreed payment conditions. Unless otherwise agreed in writing, payments shall be made within 14 days from the date of delivery and invoice receipt with a 3% discount or within 30 days after invoice receipt net. In the case of a bank transfer, the payment shall be deemed to be made in good time if the transfer order from Strathos Pharma Group is received by the Bank of Strathos Pharma Group before the end of the payment period; The Strathos Pharma Group is not responsible for delays caused by the banks participating in the payment transaction. Payment is made subject to the examination of the invoice.

(5) Strathos Pharma Group is not liable for any interest on maturity. The default interest is five (5) per cent points above the base rate. The statutory provisions apply in the event of delay by Strathos Pharma Group. In any case, however, a written reminder by the supplier is required.

(6) Strathos Pharma Group is entitled to set-off and retention rights, as well as objection due to non-fulfilment of the contract to the legal extent. Strathos Pharma Group is particularly entitled to withhold due payments as long as Strathos Pharma Group still has claims due to incomplete or defective services against the supplier.

(7) The supplier has a right of set-off or retention only on the basis of legally established or undisputed counter-claims.

#### **VIII. Reservation of proprietary rights and provision**

(1) Transferring the goods to the Strathos Pharma Group must be carried out without prejudice to payment of the price. If, however, in individual cases Strathos Pharma Group accepts the supplier's offer for transfer by way of the purchase price payment, the supplier's retention of title ceases at the latest upon payment of the purchase price for the delivered goods. Any prolonged or extended retention of title of the supplier is excluded.

(2) The supplier shall process, mix or connect the Strathos Pharma Group's provided products on behalf of the Strathos Pharma Group. It is understood that the Strathos Pharma Group will become a co-owner of the products manufactured using the products supplied, in proportion to the value of the products provided to the value of the total product; which is held for the Strathos Pharma Group by the supplier until the date of delivery.

#### **IX. Confidentiality, documentation and reference**

(1) All business and technical information made available to through the Strathos Pharma Group, if and to the extent it is not public knowledge, is to be kept secret from third parties and may only be made available to such persons in the supplier's business who are necessarily involved for the purpose of delivery to the Strathos Pharma Group and who are also obliged to maintain secrecy.

(2) Strathos Pharma Group reserves the right to property and copyrights of all provided documents and tools, particularly drawings, illustrations, designs, calculations, descriptions, plans, models, samples, technical specifications, data carriers, other documents, tools, parts and materials provided to the supplier for execution of an order from Strathos Pharma Group. Such documentation and tools shall be used exclusively for the contractual performance and returned to Strathos Pharma Group completely (including copies or records, if any) after completing the contract. Products manufactured according to documents and tools of Strathos Pharma Group may not be used by the supplier, nor offered to or supplied to third parties.

(3) Technical documents, documents, drawings, diagrams, schemata, graphics, photographs, layout templates and other documentation produced by the supplier in the context of the execution of the order - whether on data carriers, in printed form or as material for prepress preparation or printing, as well as tools, materials and other resources will become the property of Strathos Pharma Group upon their provision. In addition, Strathos Pharma Group shall acquire all property rights, rights of use and exploitation to all aforementioned copyrighted works, to the extent permitted by law. No separate remuneration is payable by Strathos Pharma Group for the transfer of the aforementioned rights; thus is fully included in the prices stated in the orders.

(5) The supplier is prohibited from making any kind of reference to Strathos Pharma Group or the business relationship between the supplier and the Strathos Pharma Group without gaining explicit written consent beforehand.

## **X. Defective delivery**

(1) The statutory provisions apply to the rights of the Strathos Pharma Group in case of material and legal deficiencies of the goods and in the case of other breaches of duty by the supplier, unless otherwise stipulated in the following.

(2) In accordance with statutory provisions, the supplier shall be liable, in particular, for the goods having the agreed characteristics upon the transfer of risk to the Strathos Pharma Group. Agreed characteristics are those in the respective product descriptions - particularly designations or references in the order of the Strathos Pharma Group - which are the subject of the respective contract or which were included in the contract in the same way as these purchasing terms. It makes no difference whether the product description comes from Strathos Pharma Group or the supplier.

(3) The statutory provisions (sections 377, 381 HGB German Commercial Code) shall apply to commercial duties concerning the examination of the goods and giving notice of defects, subject to the following conditions: Strathos Pharma Group's obligation to inspect is limited to deficiencies which can be detected by Strathos Pharma Group during the incoming goods inspection, including the delivery documents, as well as in the quality control of the Strathos Pharma Group in the sampling procedure (for example, transport damage, incorrect delivery and short delivery).

The obligation to give notice of concealed defects remains unaffected. In any case, complaints of Siemens & Co. (notification of defects) are deemed as prompt and timely if notified to the supplier within 10 calendar days.

(4) If the goods are defective, Strathos Pharma Group shall be entitled, at their discretion, to demand the removal of the defect or a new delivery of defect-free goods. The costs for the correction of the defect or the replacement delivery, including any incidental costs, shall be borne by the supplier. If the supplementary performance does not take place within a reasonable grace period specified by Strathos Pharma Group or if such an extended period is unreasonable for Strathos Pharma Group (e.g. due to particular urgency, endangerment to operational safety or imminent occurrence of disproportionate damages),

Strathos Pharma Group is entitled to a reduction of the purchase price or withdrawal from the contract in accordance with statutory provisions. In addition, Strathos Pharma Group is entitled to claims for damages and expenses in accordance with statutory provisions.

(5) In the event that Strathos Pharma Group detects a defect in a product delivered by the supplier or a defect is subsequently determined due to a justified customer complaint, and Strathos Pharma Group has to withdraw and/or block the product for this reason, the supplier is obliged to pay Strathos Pharma Group a processing fee of EUR 100, -. The processing fee is not charged on top of any claim for damages. Strathos Pharma Group can collect deficient articles, in particular, bulk articles, and send them to the supplier in larger units. For each return of defective products, the supplier is obliged to pay a processing fee of EUR 100, -. In this respect, the supplier renounces the objection due to continuation of infringement. In this case, the supplier is also obliged to reimburse Strathos Pharma Group for the costs of the necessary rework and other expenses.

(6) If Strathos Pharma Group is entitled to return products marked with the brand Strathos Pharma Group or such products are not accepted by Strathos Pharma Group, the supplier shall destroy these products and shall not sell them to third parties. A contractual penalty equal to twice the value of the goods, however, at least EUR 15,000, shall be deemed to have been agreed for each case of infringement, subject to exclusion of the continuation of the infringement.

## **XI. Product liability and insurance obligation**

(1) If claims are asserted against Strathos Pharma Group on the grounds of product liability, the supplier shall be obliged to indemnify Strathos Pharma Group from such claims, as far as the damage was caused by a fault in the goods delivered by the supplier. In the case of fault-related liability, however, this only applies if the supplier is at fault. To the extent that the cause of the damage lies within the responsibility of the supplier, they must prove that they are not at fault.

(2) Within the framework of their obligation to indemnify, the supplier assumes all costs and expenses resulting from or in connection with the use of third parties, including recall campaigns carried out by Strathos Pharma Group. Before a recall, Strathos Pharma Group will inform the supplier, allowing them to participate and negotiate an effective course of action. This is not necessary, as far as the information or participation of the supplier is not possible due to special urgency.

(3) The supplier shall also be liable for damages incurred by Strathos Pharma Group due to appropriate preventive measures to protect against claims arising from noncontractual liability which is materially attributable to the supplier (e.g., public advertising measures).

(4) Further legal claims shall remain unaffected.

(5) During the contractual relationship with Strathos Pharma Group, the supplier must always maintain a sufficient product liability insurance at their own expense. The supplier shall provide Strathos Pharma Group with proof of the conclusion and the existence of the product liability insurance upon request.

## **XII. Statute of limitations**

(1) Unless otherwise stipulated in the following provisions of this clause, the claims become statute-barred pursuant to statutory provisions.

(2) Deviating from para. (1), the period of limitation for claims for defects is 3 years from the date of receipt or acceptance (if such is legally or contractually determined), unless a longer limitation period is stipulated by law.

(3) In the event of subsequent performance, the period shall be extended by the time during which the delivery item cannot be used in accordance with the contract. If the supplier complies with their obligation to subsequent performance by way of replacement, the period of limitation for the goods delivered as a replacement begins after their delivery, unless the supplier explicitly and expressly reserves the right to remedy the defect as a goodwill gesture, to avoid dispute or in the interest of the continuity of the delivery relationship.

(4) In the case of defect of title, the supplier shall indemnify Strathos Pharma Group from any claims from third parties, unless the supplier is not responsible for the defect of title. The supplier shall indemnify Strathos Pharma Group from claims of third parties, if and insofar as the damage was caused by a defect of the delivery item supplied by the supplier.

The claim for indemnification applies to the extent that the supplier would be directly liable themselves. In the case of fault-related liability, the obligation to indemnify is only valid if the supplier is at fault.

### **XIII. Export control and customs**

(1) The supplier is obliged to inform Strathos Pharma Group as early as possible prior to the date of delivery in writing of any approval requirements of its products in accordance with applicable German, European (EU), US export, customs and foreign trade law, as well as export, customs and foreign trade law of the country of origin of its products. For this purpose, the supplier shall provide the following information and data: the export list number in accordance with Annex AL to the German foreign trade regulation or similar list items of relevant export lists; the "Export Control Classification Number" according to the "U.S. Commerce Control List"(ECCN), provided that the goods are subject to "U.S. Export Administration Regulations" (EAR); The statistical number (HS/CN code); the country of origin (commercial defence/non-preferential origin), key for origin abbreviations: D = third country / E = EU / F = EFTA; (Long-term) supplier declarations on preferential origin (for EU suppliers) or certificates on preferences (for non-EU suppliers); all other information and data required by Strathos Pharma Group for export and import, as well as in the event of further distribution due to reexportation of the goods. The supplier is obliged to notify Strathos Pharma Group without delay of any changes to the above information and data in writing.

(2) If the supplier violates their obligations pursuant to para. (1), they shall bear all expenses and damages as well as other disadvantages (for example, reclaims of foreign input taxes, fines) which Strathos Pharma Group incurs therefrom. This does not apply if the supplier is not responsible for the breach of duty.

### **XIV. General provisions**

(1) For these purchasing terms and all legal relations between Strathos Pharma Group and the supplier, the law of the Federal Republic of Germany applies under exclusion of international uniform law, in particular, the UN purchase law.

(2) Jurisdiction for all disputes arising out of or in connection with the contractual relationship is Koblenz, Germany. However, Strathos Pharma Group is entitled to sue the supplier at another competent court.

(3) Should one of these provisions be or become invalid, this shall not affect the validity of the other provisions.