

General Conditions of Purchase

I. General

- 1 Unless otherwise agreed upon in writing, these Terms and Conditions apply to all requests, offers, and agreements concerning the delivery of materials ("Purchase Contracts"), whereby Pharmagenerics B.V. acts as the requesting/purchasing party ("Buyer").
- 2 In the event of an inconsistency between any stipulation in these Terms and Conditions and stipulations in the Purchase Contract, the latter shall prevail.
- 3 Under no circumstances will any general terms and conditions of the Seller be part of the Purchase Contract, and their application is hereby expressly rejected by Buyer.
4. No Purchase Contract shall be deemed concluded between the parties until Buyer confirms a Purchase Contract in writing or if Seller starts with the execution of a Purchase Contract as issued by Buyer.
5. A deviation from the Purchase Contract or these Terms and Conditions must be agreed upon in writing.

II. Quality, quantity and delivery

- 1 Seller warrants and guarantees that the materials delivered shall be of the best available design, of the best quality, material and workmanship, be free of any defects, material- and manufacturing errors, comply with all relevant laws and/or other regulations and conform in all respects with the Purchase Contract.
- 2 Buyer has the right to test/inspect the materials delivered or instruct a third party to do the same. If, based on an inspection, Buyer finds the materials to be insufficient, the materials will not be accepted. Materials that are not timely delivered are considered not to be accepted.
3. If materials are not accepted in accordance with paragraph 2 hereof, Buyer has the right, at its sole discretion, to i) give Seller the opportunity to, as yet, deliver in accordance with the Purchase Contract within a reasonable period; or ii) receive re-delivery of the materials; or partially or completely terminate or rescind the Purchase Contract without further notice of default and such without prejudice to all other rights to which Buyer is entitled, including the right to indemnification.
- 4 Delivery of the materials shall also include delivery of all auxiliary materials – such as possible licenses – necessary for the use of the materials, even if they have not been named specifically.
- 3 If the materials are delivered to Buyer in excess of the quantities ordered, Buyer shall not be bound to pay for the excess and any excess shall be and shall remain at Seller's risk and shall be returnable at Seller's expense.
4. Unless otherwise agreed upon in writing, delivery of the materials shall be DDP (DDP as meant in the latest version of the ICC Incoterms) at Buyer's place of business.
5. Unless otherwise agreed upon in writing, the delivery terms stated by and agreed with Seller are deemed to be firm deadlines. If delivery is not made in time or not at all, Supplier is in default by operation of law.

III. Indemnity

- 1 Seller shall indemnify and hold Buyer harmless from all claims of third parties that directly or indirectly ensue from the absence of, or late or incorrect, execution of the Purchase Contract by Seller and/or third parties involved by Seller in the execution of the Purchase Contract and all third-party claims because of product liability ensuing from a defect in the materials which have been delivered by Buyer to a third party and which partly consisted of materials delivered by Seller, except if and insofar as Seller proves that the damage or injury was not caused by those materials.

IV. Intellectual property rights

- 1 Seller warrants and guarantees that the materials delivered shall not in any manner constitute an infringement of industrial and other intellectual property rights of third parties.
- 2 Seller will indemnify and hold Buyer harmless from claims of third parties as a consequence of infringement of industrial and other intellectual property rights of third parties, provided that Buyer informs Seller immediately in writing of the existence and content of the alleged right to claim. The aforementioned obligation to indemnify and hold harmless lapses if and insofar as the concerned infringement is related to modifications in the materials made by Buyer, or by third parties mandated by Buyer.

V. Price and payment

- 1 The price of the materials delivered shall be stated in the Purchase Contract and unless otherwise agreed in writing by Buyer shall be exclusive of V.A.T. but inclusive of all costs and charges in relation to packaging, loading, carriage and insurance.
2. No variation in the price nor extra charges shall be accepted by Buyer.
2. Unless otherwise agreed in writing, Buyer shall pay Seller's invoices within thirty (30) days after the invoice date.

VI. Applicable law and jurisdiction

- 1 The Purchase Contract, and any other contracts made in connection herewith, shall be exclusively governed by the laws of The Netherlands. The United Nations Convention on the International Sale of Goods (CISG, Vienna, 11 April 1980) shall not be applicable.
2. Any disputes which might arise from or in connection with the Sales Contract or orders originating from the Sales Contract, shall be exclusively brought before the competent court of Amsterdam, the Netherlands, without prejudice to Seller's right to summon Seller before the competent court at Seller's domicile.