

ORDER LETTER PURCHASE CONDITIONS OF ELANCO HAYVAN SAĞLIĞI LTD. STI.

("ELANCO" OR "PURCHASER")

August 2020

1. GENERAL

Elanco is an affiliate of Elanco Animal Health USA.

Elanco is entitled to modify or/and amend these "Order Letter Purchase Conditions" at its own discretion and at any time in case of changes in the legal framework or a changed commercial environment without any rights being derived therefrom by the Seller. The changes are deemed to have been approved, if the Seller does not object in writing within four (4) weeks upon receipt of the amendment notification. The modified or amended Purchasing Conditions are valid for all orders that Elanco places with the Seller after the four (4) weeks period.

2. PARTIES AND SUBJECT

This document named "Order Letter Purchase Conditions" stipulates the order and delivery matters between the parties which are specified in the agreement or in the order.

The subject of the agreement is sales and delivery of the product which is ordered by the Purchaser within the context of the agreement, the product which is vested with the qualifications stated in the agreement and of which the purchase price is determined in the agreement. The Purchaser shall accept and declare that he/she is fully informed regarding the products subject to sales such as the basic qualifications, purchase price, payment method, order delivery conditions etc.

In the event that an agreement is executed between the parties, the provisions of such agreement shall be taken into consideration, the provisions of this "Order Letter Purchase Conditions" shall be deemed as supplementary.

3. GENERAL PROVISIONS

The provisions of this order purchase conditions shall be evaluated within the content of the purchase agreement regarding any delivery conditions and limitations which may be predicted or made by the Seller, without any necessity of the objection of the Purchaser.

The validity of the main agreement, modifications and auxiliary agreements and protocols shall depend on the written acceptance of the Purchaser.

The "Order Letter Purchase Conditions" shall generally apply to all future business transactions with the Seller. These "Order Letter Purchase Conditions" shall apply even if the Seller refers to his own purchasing conditions by accepting Elanco's order, unless Elanco has explicitly agreed to the Seller's purchasing conditions in writing. The Seller's purchasing conditions shall also not be binding upon Elanco even if Elanco, despite being aware of conflicting or additional conditions or conditions that differ from Elanco's "Order Letter Purchase Conditions", fails to expressly object to them.

4. PLACEMENT OF ORDER

Only written orders shall be evaluated as orders. The commitments which are received verbally or by other ways shall be performed following the written confirmation.

Each order is required to be confirmed by the Seller in writing.

In the event that the written confirmation fails to be received by the Purchaser within 15 (fifteen) days as of the date of the order letter, then the Purchaser shall be free to cancel the relevant order. This term shall be 10 (ten) days for out-of-Istanbul orders.

The confirmation may also be given by signing and returning the copy of the order letter.

5. DELIVERY TERM AND CONTRADICTION MATTERS

The delivery term shall begin on the receiving date of the order letter. The Seller shall lapse into default automatically without the necessity of any notifications or further transactions in the event the Seller fails to perform within the delivery term. In such a case, the Purchaser shall be entitled to the below stated optional rights:

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5.1. The Purchaser may terminate the agreement by immediate notification or may waive the Performance which became impossible and may make credit entry regarding the suffered damages due to failure of performance.

5.2. The Purchaser may grant reasonable time for subsequent performance and request the fulfilment of the penal clause which is predicted for delayed performance matters.

5.3. In the event that the performance is not completed within the granted reasonable time, the Purchaser, if wishes, may request the performance of the agreement within a re-determined and notified period of time and may request the penal clause to be paid stipulated for the compensation of the loss due to the delay or may use the rights stated in Article 5.1.

6. PARTIAL PERFORMANCE

In the event that the Seller partially performs the delivery within the determined term, the provisions set forth in Article 4 shall apply for the undelivered part.

In the event of consecutive delivery, the Purchaser may apply the provisions set forth in Article 5 to any part of the performance which is unfulfilled in time and to all performance parts of which the turn has not come.

When the Seller comprehends that the responsibilities arising from the agreement cannot be fulfilled partially or in whole, then he/she shall be obliged to immediately inform the Purchaser in writing by stating the reason and period of delay.

7. THE RIGHTS OF THE PURCHASER ARISING FROM THE LAW SHALL BE RESERVED.

The Purchaser shall reserve the rights both arising from the general laws and granted by special arrangements.

8. PENAL CLAUSE IN DELAYED DELIVERY

In the event that the Seller fails to fulfill the performance within the proper term, except the order request document and the force majeure issues stated in the agreement, then he/she shall make a penalty payment in line with the periods (day, week) stated in the order.

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In the absence of a contrary provision, the penal clause shall be 0,5% of the agreement price for each delayed day. In this case the rights of the Purchaser stated in Article 4 shall not be affected.

9. FORCE MAJEURE

The Seller is obliged to obey the delivery term. The states of war, road obstruction, closure or disruption of highway traffic, strike or possibility of strike, lock-out, slowdown strike, riot, orders or restrictions of the government and governmental bodies, expropriation of the government, obedience of the orders and requests of the government, municipality and other governmental entities or any persons who act under the name of the government, are the states which make the performance impossible.

The Seller, following the occurrence of any of such hindrances, shall inform the Purchaser within at least one week regarding the probable exceeding time of the delivery terms. In this case, the delivery terms may be extended for a reasonable period with the mutual consent of the parties. If the Seller fails to inform the Purchaser, he/she may not allege the occurred hindrance against the Purchaser.

10. DISPATCH DOCUMENTS

In each individual delivery, the delivery notice shall be attached to the product. The order number is required to be stated in the delivery note.

11. ORDER AMOUNT AND DELIVERY

The delivery of the Seller shall be fully in line with the amount of the ordered products. The Purchaser shall not be responsible for making a payment for the delivery which exceeds the ordered amount. In the event that the amount of the delivered product is less than the order, the Seller shall be obliged to complete the order within the shortest time.

12. QUALITY CONTROL AND PROVISIONS

The delivery and receipt of the ordered product shall not mean to be accepted until the general properness of quality is determined as a result of the examination made by the control unit of the Purchaser within 5 (five) days following the date of delivery.

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Even if the general properness of quality is determined as a result of the examination made by the control unit of the Purchaser, the notification right regarding hidden defects and defects which may occur during usage shall be reserved.

The Purchaser shall reject the products which are not in accordance with the previously determined specifications and tolerances. In such a case, the Seller shall be responsible for accepting the return of the product by his/her own transportation vehicles within 5 (five) business days as of he/she is informed about such matter. If the Seller fails to discharge such responsibility, he/she shall make a payment of occupancy fee at the amount corresponding to two per thousand of the total amount of the products for each day that the products are kept by the Purchaser and the Purchaser shall also reserve all rights arising from the law.

If the delivered products are unusable and in the event that such products are not accepted and received by the Seller within 5 (five) days as stated above, the Purchaser shall be entitled to dispose of the products on condition of requesting the expenses from the Seller.

The Seller shall bear all costs for the remedy of defects, in particular, but not limited to, the transport, toll, labor or material costs. This also applies to any costs incurred by Elanco due to incoming goods inspection's exceeding normal levels (inspection costs).

The Seller warrants that in the performance of its obligations, Seller shall comply with all applicable laws, applicable Elanco policies and professional or good practice standards or codes

applicable to the nature of the services or goods provided, including but not limited to:

- (a) Applicable provisions of the anti-bribery commitments for Elanco contracts as revised by Elanco from time to time and published at <http://suppliers.elanco.com> or otherwise made available;
 - (b) Applicable provisions of Elanco's Supplier Privacy Standard as revised by Elanco from time to time and available at <http://suppliers.elanco.com>, or otherwise made available to Seller;
 - (c) Applicable provisions of Elanco's Information Security Standard as revised by Elanco from time to time and available at <http://suppliers.elanco.com>, or otherwise made available to Seller;
- and

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- (d) Applicable provisions of Elanco's Animal Care and Use Requirements for Animal Researchers and Suppliers as revised by Elanco from time to time and published at <https://www.elanco.com/suppliers> or otherwise made available. Seller will report to Elanco any animal welfare issues or concerns that may adversely affect the welfare of animals or validity of the testing being conducted. Examples include any animal illness, disease outbreaks, or any significant (i.e., reportable to a Governmental Authority) non-compliance with any country or local animal welfare laws, regulations, or standards.

13. GUARANTEE

Within one year as of the recovery of the defects which are notified following the actualization of the delivery and regardless of defect notification is made on time, in the event of the occurrence of defects which minimalize or prevent the usage of products or in the event that such product does not bear the qualifications which are undertaken by the Seller, then the Seller is responsible for recovering such defects.

14. INSURANCE

The Seller shall accept, declare and undertake to sufficiently insure the product and service to be sold, against all kinds of losses and damages which may occur until the time of delivery, otherwise the Purchaser may not be held responsible for the losses and damages which may occur. In the event that the Purchaser is held responsible by the third parties for a hidden or clear defect on a sold product caused by the Seller, then the Seller shall accept, declare and undertake to cover all present and future losses of the Purchaser.

14. INTELLECTUAL PROPERTY RIGHTS

In the event that sold product or service is used by the Purchaser for manufacturing, then the Seller shall accept, declare and undertake that all intellectual property rights regarding the products manufactured by the Purchaser shall belong to the Purchaser and no rights may be claimed on such products under any name.

The Seller shall accept, declare and undertake that the products and services which are sold within the context of this order letter purchase conditions are his own intellectual product and all intellectual property rights arising from such products and services are under protection. In the event that the Purchaser is held responsible by third parties by claiming that the said products

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and services are the products of such third parties, the Seller shall accept, declare and undertake to protect the Purchaser from all present and future losses, damages and compensation claims.

15. DELIVERY CONDITIONS

The INCOTERM rules shall apply regarding the dispatch and delivery of the product to be sold.

The Purchaser shall also state in the order letter his/her request regarding the conditions of the dispatch and delivery of the product.

16. PAYMENT

The payment term shall commence as of the date that the invoice is received by the Purchaser provided that the product is delivered and accepted by the Purchaser in the intended period of time.

The payment shall not mean to be the acceptance of the conditions and the prices. The payment term shall not affect the responsibilities of the Seller and the rights of the Purchaser regarding the notification of defects. Unless otherwise stated in the Purchase Order standard payment terms is applied.

17. PLACE OF PERFORMANCE

The order shall be performed in the place specified by the Purchaser. The Seller shall accept and undertake that the place specified by the Purchaser shall be deemed as the place of performance.

18. INDEMNIFICATION

If Elanco is held liable for a breach of the rules or provisions relating to the deliveries and services of the Seller – for whatever legal reason –, the Seller shall indemnify Elanco as well as its employees, agents, customers, successors and assignees against all costs, expenses, losses or

other damages arising from this infringement to the fullest extent permitted under the applicable law and without prejudice to any of Elanco's other rights and remedies, unless the Seller proves that he is not responsible for the respective infringement.

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Furthermore, the Seller shall indemnify Elanco to the fullest extent permitted under the applicable law against any liability, losses, costs (including lawyer's and further legal expenses, recall costs and costs for employees), damage to property or personal injury which have been caused by (i) a defective delivery or service, (ii) a breach of contract by the Seller or his subcontractors (including delayed deliveries or services), or (iii) negligence, willful default or wrongful act or omission of the Seller or his subcontractors.

19. CONFIDENTIALITY

All commercial or technical information made available by Elanco (including characteristics that may be taken from items, documents or software that may have been handed over as well as other expertise or experiences) must be kept secret towards third parties unless such information has verifiably been known to the Seller prior to receipt or, irrespective thereof, becomes otherwise lawfully known to him or is in the public domain after receipt; the Seller may only divulge such information to those who, due to the use of said information for the purpose of delivery to and performance for Elanco, are unavoidably involved and who are also bound by an obligation of confidentiality; Elanco shall remain the exclusive owner of the said information. Without Elanco's prior written consent, such information must neither be copied nor used – except for deliveries to or performances for Elanco or to third parties contracted by Elanco. At Elanco's first request, all information originating from Elanco (including any hard or electronical copies, or records made thereof) and any items made available by Elanco on a loan basis must be returned entirely to Elanco forthwith or be destroyed. Elanco has the right to request a written confirmation of the destruction of such documents. The Seller does not have a right of retention unless the claim, on which the right of retention is based, is undisputed, has been legally established or is ready to be adjudicated upon.

Elanco shall reserve all rights to such information (including copyrights and the right to register intellectual property rights such as patents, utility models, semi-conductor protection etc.). As far as said information has been made available to Elanco by third parties, this reservation of rights also extends to such third parties.

Elanco does not warrant the accuracy and completeness of the information and shall not be held liable for its suitability for the purpose of the order.

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Products that have been made with the help of documents designed by Elanco such as drawings, models etc. or products that have been produced based on confidential information provided by Elanco or with the help of Elanco's tools or replicated tools, shall neither be used by the Seller himself nor offered, supplied or otherwise made available to third parties. This applies mutatis mutandis also to Elanco's print orders.

When advertising, the Seller shall not refer to his business relationship with Elanco until he has received Elanco's prior written consent.

20. SAMPLES / REFERENCE STANDARDS

Elanco shall remain the sole owner of any and all samples and/or reference standards furnished to Seller under a particular project. Seller's right to retain possession of the aforementioned materials after completion of the project is expressly excluded.

Seller acknowledges that:

(a) information regarding the samples and/or reference standards (including the identity, description, and properties of any samples and/or reference standards and any information that Seller acquires from its processing, study, use, or handling thereof) is Elanco's confidential information.

(b) Seller shall contact Elanco for instructions on the retention or disposal of materials.

Samples and/or reference standards shall be disposed free of charge unless prior written instructions have been received from Elanco regarding shipment of the samples and/or reference standards to Elanco. Seller shall provide evidence of the disposal upon request of Elanco. On no account shall materials be disposed of without Elanco's prior written permission.

(c) Seller shall dispose of any waste generated from Seller's possession of the samples and/or reference standards in accordance with applicable laws.

(d) Seller shall follow written Elanco procedures describing the receipt, storage and handling of such samples and/or reference standards (if any).

(e) Seller shall inform Elanco in less than twenty-four (24) hours of receipt of notification of any suspected death in humans, adverse event or product quality complaint whether in humans or animals, counterfeiting or tampering or any enquiry related to the sample/reference standards

supplied by Elanco.

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(f) Seller shall communicate such information, in English, by electronic mail to the following address: Adverse_Events_Elanco@elanco.com. Seller shall fully cooperate with Elanco in answering any questions that Elanco may have so that Elanco can take the appropriate measures related to such occurrence.

(g) In the event of a recall (the rapid recovery from the market of any lot or batch of a known or suspected defective Product (Elanco product and/or any new product containing Elanco Product) ordered by a government agency or by Elanco of any of the Products) (the "Recall"), Elanco and the Seller shall cooperate fully with one another in conducting the Recall. In case of recall of the Products, Elanco will be responsible for the Recall except as required by law and agreed upon in writing by Elanco. Where the Recall is caused by any action of the Seller in violation of its contractual or legal obligations, the Seller shall pay all costs and expenses of any Recall. If the Recall is caused by reasons other than an action of the Seller in violation of its contractual or legal obligations, Elanco shall pay all of the costs and expenses for such a Recall.

21. WARNINGS AND NOTICES

The warnings and notices of the Parties, shall be made in writing and be sent to the below stated addresses of the parties by registered and reply paid letter or via notary public.

22. GOVERNING LAW, VENUE

In the event of any disputes, Istanbul (Central) Courts and Execution Offices shall be the competent bodies. The book records of the Parties shall be deemed as conclusive and exclusive evidence.

The legal relationships of the parties are in all respects subject to the laws of Turkey excluding the provisions set forth in the "United Nations Convention on Contracts for International Sale of Goods" (UN sales law).

23. SEVERABILITY

If a provision or a part of a provision of the aforementioned regulations or of the additional written arrangements entered into upon contract conclusion were to be or become ineffective or

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unenforceable, the effectiveness of the remaining contractual arrangements shall not be affected thereby. The ineffective provision shall be replaced by a legally valid provision.

24. MODIFICATIONS AND AMENDMENTS

Any changes and additions to the aforementioned conditions and to the additional written arrangements entered into upon contract conclusion must be made in writing. The same applies to any changes to the written form requirement.

25. USE OF PERSONAL INFORMATION

25.1 Information Elanco Collects and How Elanco Uses It.

Sellers personal information, including but not limited to name, contact information, bank details and information provided for the business transaction, etc. will be used by Elanco, or third parties acting on Elanco's behalf, in order to set up the business transaction. Elanco values Sellers input about the quality of the business transaction Seller receives and may also contact Seller to ask for Sellers opinion. Elanco may also use the information to meet legal or regulatory obligations, inclusive of company record retention that are in the legitimate interest of Elanco.

Sellers information will be processed electronically in order to process the business transaction. Seller may object to profiling via automated decision making by contacting Elanco using the information in the "How to Contact Elanco" section below.

Seller does not have to share Sellers information with Elanco, but if Seller chooses not to share Sellers information, Elanco will not be able to fulfill its obligations under the Agreement.

25.2 Reasons Elanco Shares Sellers Information. Elanco may share Sellers personal information with third parties including but not limited to transport companies, payment departments for purposes consistent with those identified in these Purchasing Conditions. All third parties that have access to Sellers information have agreed to protect the information and to use it only as directed by Elanco.

Elanco may also be required to disclose Sellers information in response to lawful requests by public authorities, including to comply with national security or law enforcement requests.

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25.3 Where Elanco Stores and Works With Sellers Information. Elanco may transmit personal information about Seller to other Elanco affiliates worldwide. These affiliates may in turn transmit personal information about Seller to other Elanco affiliates. Some of Elanco's affiliates may be located in countries that do not ensure an adequate level of data protection. Nevertheless, all of Elanco's affiliates are required to treat personal information in a manner consistent with this notice. To obtain additional information regarding the basis for transfers and safeguards that

Elanco has in place for cross-border transfers of personal information, please contact Elanco at privacy@elanco.com or visit <https://www.elanco.com/privacy>

25.4 How Long Elanco Keeps Sellers Information. Sellers Information will be saved for a period of time needed to fulfill legitimate and lawful business purposes in accordance with Elanco's records retention policies and applicable laws and regulations.

25.5 How Elanco Secures Sellers Information. Elanco provides reasonable physical, electronic and procedural safeguards to protect information Elanco works with and maintains. Elanco limits access to Sellers information to authorized employees, agents, Sellers, vendors, affiliates, and business partners, or others who need such access to information to carry out their assigned roles and responsibilities on behalf of Elanco. Please be aware, although Elanco tries to protect the information Elanco works with and maintains, no security system can prevent all potential security breaches.

25.6 Sellers Privacy Rights. Seller has the right to request information from Elanco on how Sellers personal information is being used and with whom that information is being shared. Seller also has the right to request to see and get a copy of the personal information that Elanco has about Seller, request its correction or request its erasure.

Seller also has the right to have Sellers information transmitted to another entity or person in a machine-readable format, in limited circumstances.

There may be limitations on our ability to comply with Sellers request.

25.7 How to Contact Elanco. Seller may make any of the above requests by contacting Elanco at:

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Elanco Hayvan Sağlığı Limited Şirketi, Ethics & Compliance, Barbaros Mahallesi Kardelen Sokak Palladium Tower No:2 K:10 Ataşehir/İstanbul

25.8 How to Submit a Complaint. If Seller wish to raise a complaint on how Elanco has handled Sellers personal information, Seller can contact Elanco's Data Protection Officer at privacy@elanco.com who will investigate the matter.

If Seller is not satisfied with Elanco's response or believes Elanco is working with Sellers personal information not in accordance with the law Seller can register a complaint with a Data Protection Authority (DPA).