

GENERAL TERMS AND CONDITIONS OF PURCHASE FOR ELANCO NEDERLAND BV
Van Deventerlaan 31, 3528 AG Utrecht, The Netherlands

Version 1 dtd 25-06-2020

1. Definitions

1.1. In these General Terms and Conditions of Purchase ("Terms"), unless the context otherwise requires:

- a) "Elanco" shall mean Elanco Nederland BV that places an Purchase Order to purchase Goods or to obtain Services from the Supplier. Elanco is an affiliate of Elanco Animal Health, a global research based pharmaceutical corporation that develops, manufactures and sells animal health products.
- b) "Supplier" shall mean the party supplying the Goods or the Services to Elanco.
- c) "Purchase Order" shall mean the purchase order quoting the Purchase Order Number and any other specifications of the Goods or the Services.
- d) "Goods" shall include both tangible and intangible goods, including software and documentation that may accompany the Goods.
- e) "Services" shall include, but are not limited to, general services and any deliverables being part of the performance of the Services.
- f) "Electronic Invoicing System" means Elanco's web portal for electronic Purchase Orders and electronic invoicing through which Supplier can invoice Elanco, either by way of (1) visiting the web portal on the internet, create an invoice in accordance with the instructions on the web portal, and invoice Elanco through the web portal, or (2) by way of being an integrated supplier meaning that Supplier's invoicing system and Elanco's concerned web portal have been integrated and Supplier in such case can invoice Elanco through the web portal directly from its own invoicing system..

2. Scope

- 2.1. Unless otherwise has been agreed in writing between the Parties or if it's not in accordance with the law, these Terms shall govern exclusively all Purchase Orders placed by Elanco for the supply of Goods and/or Services by Supplier and shall constitute the entire agreement between the Parties. No variation to these Terms is valid unless accepted in writing by the Elanco.
- 2.2. For avoidance of doubt, acceptance or payment of supplied Goods or Services by Elanco without expressly objecting to any terms and conditions of Supplier will not be regarded as recognition of such terms and conditions and shall not in any way be binding on Elanco.
- 2.3. Elanco may vary or replace these Terms by notifying the Supplier in writing, including by e-mail. Any variation takes effect from the date of the Elanco's next Order.

3. Conclusion of Contract

- 3.1. Suppliers invoice shall be submitted to Elanco Nederland BV . in one of the following two ways:
 - 3.1.1. by forwarding the original invoice to Elanco Nederland BV., c/o Urzad Pocztowy, PO Box 166, Ul. Powstanców Slaskich 50, 53-350 Wroclaw 15, Poland or by mail to: AP_PLMAIL-BENELUX@ELANCO.COM ; or,
 - 3.1.2. by electronic PO invoice submission using eConnect and hosted by Direct Commerce.Supplier will be notified which of the above two methods they are requested to follow in order to submit invoices.
- 3.2. All oral or written communication (including invoices, transportation documents etc) between the Parties must quote Elanco's Purchase Order Number (as stated in the Purchase Order).
- 3.3. The acceptance of a Purchase Order by the Supplier includes acceptance of these Terms, except when contractually agreed otherwise or if it's not in accordance with the law. Acceptance by Supplier of a Purchase Order may be evidenced by (a) Supplier's electronic acceptance of the Purchase Order in the Electronic Invoicing System, (b) by written or verbal confirmation of the Purchase Order, (c) Supplier's delivery of Goods or Services, or (d) other conduct by Supplier or its representative consistent with acceptance of the Purchase Order.

4. Specifications and Standards

- 4.1. The Supplier warrants that the Goods and Services (i) will be of satisfactory quality and suitable for the intended purpose, (ii) are free from defects in design, materials, construction and workmanship and (ii)

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will conform with any agreed specifications, industry standards, samples or descriptions provided by Elanco and all other requirements of the agreement.

- 4.2. Supplier shall supply the Goods and Services with due care and skill and in compliance with applicable laws, regulations, industry codes and, if notified, policies of Elanco.
- 4.3. Supplier must only use appropriately skilled and experienced employees, agents or Contractors ("Supplier's Personnel") and Elanco reserves the right to reject any Supplier's Personnel it considers unsuitable to supply the Goods or Services.
- 4.4. Supplier's Personnel will be deemed Supplier's employees and in no event shall be considered employees of Elanco. Supplier assumes full responsibility for the actions of such Personnel while performing the Services and shall solely be responsible for all obligations arising out of its employment of its Personnel.

5. Delivery

- 5.1. The Goods shall be delivered to, and the Services shall be provided at, the delivery address specified in the Purchase Order, at the date and time or within the time-schedule stated in the Purchase Order or otherwise agreed between the Parties. Deliveries shall be made during Elanco's usual business hours.
- 5.2. Each delivery shall include a packing list identifying the Purchase Order Number (as stated in the Purchase Order), description and quantity of the Goods and date of shipment.
- 5.3. The Goods shall be appropriately packaged and labelled in such manner as to prevent damage during transport and carry all instructions necessary for the safe use of the Goods.
- 5.4. Elanco shall not be deemed to have accepted any Goods or Services until Elanco has had a reasonable time to inspect them following delivery or, where relevant, following installation.
- 5.5. If the Purchase Order relates to performance of Services or installation or commissioning of Goods, delivery will be accepted only upon confirmation by Elanco in writing that performance of the Services or installation and commissioning meet the agreed specifications. Elanco's payment or acceptance of any Goods or Services shall not relieve Supplier of any of its obligations under these Terms.
- 5.6. If Supplier for any reason anticipates any difficulty in complying with any agreed delivery date or otherwise in accordance with any requirements of the agreement, Supplier must promptly notify Elanco.

6. Delays

- 6.1. In case of the Goods or Services are not delivered or supplied on or before the agreed delivery date or within the time-frame agreed, Elanco shall be entitled to liquidated damages (penalty). The penalty shall be 1 % of the whole contractual sum (related to the Purchase Order) per commenced "delay" week from the agreed delivery date, not exceeding a total of 25 % of the whole contractual sum.
- 6.2. If the Goods or Services have not been delivered within a reasonable and final deadline given by Elanco, Elanco shall be entitled to rescind or cancel the Purchase Order by notifying Supplier. If the Purchase Order is rescinded, Supplier shall compensate Elanco for any direct loss or damage arising as a result of the delay.

7. Deficiencies

- 7.1. If the Goods or Services do not comply with Clause 4 above or otherwise do not comply with the requirements under the agreement (hereinafter referred to as "Deficiencies in the Goods or Services), Supplier shall at first hand, upon notification from Elanco, rectify the Deficiencies, through correction or replacement of the defective Goods or re- performance of the Services, at its own cost and risk, to the reasonable satisfaction of Elanco and with the expedience required by the circumstances.
- 7.2. If the Deficiencies are not rectified or replaced/re-performed with the expedience required by the circumstances, Elanco may give Supplier a reasonable and final deadline for rectification. If the Deficiencies have not been rectified when the deadline has expired, Elanco shall (i) be entitled to a price reduction to be reasonable determined by Elanco, or (ii) if the Deficiencies are of material significance for Elanco, be entitled to immediately terminate the agreement. If the agreement is terminated, Supplier will accept the return of defective Goods, at its own risk and cost, and provide for repayment of any part of the price which has been paid in relation to the Goods or Services.
- 7.3. Elanco must notify Supplier within a reasonable time after having noticed a Deficiency in the Goods or Services. Supplier shall only be liable for Deficiencies indicated by Elanco within six (6) months from the acceptance of delivery.

7.4. In addition to what is stated above, Supplier shall compensate Elanco for any direct loss or damage arising as a result of the Deficiencies.

8. Risk and Title to Goods

8.1. Risk and title to the Goods shall pass to Elanco upon Elanco's acceptance of the delivery, unless otherwise has been agreed in writing.

9. Installation and Commissioning

9.1. Where the agreement provides for installation and/or commissioning or any other work to be carried out by Supplier, Supplier shall, at no additional costs, install and fully commission the Goods at the delivery address in accordance with generally applicable local laws and regulations, including but not limited to health and safety legislation.

10. Pricing and Payment

- 10.1. The price of the Goods or Services shall be as stated in the Purchase Orders, unless otherwise specified in writing between the Parties. Prices shall be exclusive of any applicable value added tax (VAT) and shall include packaging, insurance, delivery and where relevant, installation and commissioning of the Goods to the delivery address.
- 10.2. Unless otherwise agreed, prices for Services shall include all expenses, fees, disbursements incurred by the Supplier in supplying the Services.
- 10.3. Unless agreed otherwise between both Parties, payment shall be made within sixty (60) days from date of invoice provided Elanco has accepted the delivery of the Goods, the Services and any commissioning or installation as appropriate. Elanco is entitled to set off against the price invoiced any sums owed by Supplier.
- 10.4. Invoices must quote the Purchase Order Number (contained in the Order), Elanco's reference person and a specification of the Goods or Services.

11. Warranty

- 11.1. Supplier warrants that that it has the skills, resources, expertise, licenses, permits or other authorizations necessary or required to supply the Goods or Services.
- 11.2. Supplier warrants that the Goods or Services, and the use hereof by Elanco will not infringe any Intellectual Property rights or other rights of any third parties nor any applicable laws, regulations or industry codes.

12. Indemnification

- 12.1. Supplier shall indemnify Elanco against any liability, costs and expenses (including legal expenses) which results from any actions or claims made against Elanco and against any damages or losses suffered by Elanco as a result of Supplier's, its agents, employees or sub-contractor's, defaulting of Supplier's obligations under the agreement or as a result of their acts of wilful misconduct, except to the extent that any such loss or expenses are attributable to the negligence of Elanco.
- 12.2. Neither party shall in any event be liable to the other party for any incidental, indirect or consequential damages.
- 12.3. Supplier undertakes and agrees to take out and maintain adequate insurance to cover its liabilities hereunder.

13. Intellectual property rights

- 13.1. All drawings, methods of analyses, standards or other materials and documents provided to Supplier by Elanco shall remain the property of Elanco and must not be made available to third parties by Supplier without prior written consent of Elanco.
- 13.2. All intellectual property rights discovered or generated by Supplier as a result of its performance of the Purchase Order shall vest in Elanco and Supplier hereby assigns and will procure its Personnel to assign to Elanco all such intellectual property rights.
- 13.3. With respect of any software which is or forms part of the Goods and/or Services ("Software"), Supplier must ensure that the Software contains no harmful codes and that the Software is free and unencumbered or that it has the right, power and authority to license the same upon these terms and

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the Supplier hereby grants Elanco a non-exclusive, royalty free, worldwide license to use the Software for the intended purpose of the Purchase Order.

14. Confidentiality

- 14.1. The Parties shall treat all information and documents received from the other Party as confidential and shall not use such information, or disclose it to any third party, except insofar as strictly necessary for the performance of the Parties' obligations towards each other. This undertaking shall not apply to information lawfully received from other source than the disclosing Party or if disclosure is required by law or to the extent information becomes generally available to the public other than through a breach of this agreement.
- 14.2. The Parties will ensure its Personnel shall adhere to this confidentiality undertaking.
- 14.3. Supplier shall at Elanco's request either return or destroy information as received from Elanco relating to the Purchase Order, including copies thereof.
- 14.4. The Supplier will ensure that they have security measures in place with respect to the confidentiality, integrity and availability of Information.

15. Personal Information

- 15.1. Personal Information means any information provided by Elanco or collected by the Supplier for Elanco relating to an identified or identifiable individual; an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his physical, physiological, mental, economic, cultural or social identity. Personal Information can be in any media or format, including computerized or electronic records as well as paper-based files.
- 15.2. The Supplier will not be processing Personal Information on behalf of Elanco. In case the Supplier processes or handles Personal Information on behalf of Elanco, the Supplier undertakes to comply with all applicable privacy laws and there must also be an agreement on the content of the Elanco's 'Supplier Privacy Standard (SPS)' which also must be signed by the Supplier (including completion of Exhibit A from the SPS) as well as the Elanco 'Information Security Standard' (ISS). Elanco's ISS and SPS can be found on Elanco's global supplier portal under the following link:
<https://www.elanco.com/suppliers>.

16. Force Majeure

- 16.1. The Parties shall not be responsible or shall not be considered in default for the unsuccessful or delayed performance of any of the obligations foreseen by the present agreement due to circumstances beyond reasonable control of either one of the Parties, as for example national strikes, blockades, fires, explosions, floods, earthquakes or other natural catastrophes.

17. Termination

- 17.1. Either Party may terminate the agreement with immediate effect by giving written notice to the other Party, at any time, and without any liability for compensation if (i) the other Party commits a material breach of any of its obligation under the agreement and has failed to remedy such breach within 30 days from written notification hereof or (ii) the other Party becomes subject to any form of insolvency or bankruptcy proceedings.
- 17.2. Elanco may terminate the agreement at any point of time, and without any liability for compensation, by giving Supplier 30 days' prior written notice, whereupon Elanco shall pay for all Services properly supplied by Supplier up to the date of termination. Supplier shall use its best endeavours to minimize any costs incurred between the date when notice of termination is given and the date of termination.

18. Anti-Corruption

- 18.1. Compliance with Laws: Supplier understands that Elanco is subject to the U.S. Foreign Corrupt Practices Act of 1977 ("FCPA"), as amended. Supplier agrees to comply with, and to avoid taking any action that would prevent Elanco from complying with, all applicable local, national, and international laws, regulations, and industry codes dealing with government procurement, conflicts of interest, corruption or bribery, including the FCPA, if applicable, and laws enacted to implement the Organisation of Economic Cooperation and Development ("OECD") Convention on Combating Bribery of Foreign Officials in International Business Transactions.

- 18.2. No Improper Influence: Supplier confirms that it is unaware of any improper benefit requested or received by any party in connection with these Terms.
- 18.3. Early Termination: The Parties agree that breach of this section of these Terms shall be considered a material breach of the agreement and that Elanco may immediately seek all remedies available under law and equity, including termination of the agreement, if it believes, in good faith, that Supplier has breached the provisions of this section of these Terms.

19. Use of Personal Information by Elanco

19.1. Information Elanco Collects and How Elanco Use's It:

Supplier's 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 Supplier's input about the quality of the business transaction Supplier receives and may also contact Supplier to ask for Supplier's 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.

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

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

19.2. Reasons Elanco Shares Your Information:

Elanco may share Supplier's personal information with third parties including but not limited to transport companies, payment departments for purposes consistent with those identified in these Terms. All third parties that have access to Supplier's information have agreed to protect the information and to use it only as directed by Elanco.

Elanco may also be required to disclose Supplier's in-formation in response to lawful requests by public authorities, including to comply with national security or law enforcement requests.

19.3. Where Elanco Stores and Works With Supplier's Information:

Elanco may transmit personal information about Supplier to other Elanco affiliates worldwide. These affiliates may in turn transmit personal information about Supplier 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>

19.4.

19.5. How Long Elanco Keeps Supplier's Information:

Supplier's 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.

19.6. How Elanco Secures Supplier's Information:

Elanco provides reasonable physical, electronic and procedural safeguards to protect information Elanco works with and maintains. Elanco limits access to Supplier's information to authorized employees, agents, contractors, 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 in-formation Elanco works with and maintains, no security system can prevent all potential security breaches.

19.7. Supplier's Privacy Rights:

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

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Supplier also has the right to have Supplier's 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 Supplier's request.

19.8. How to Contact Elanco:

Supplier may make any of the above requests by contacting Elanco at: Chief Privacy Officer, Elanco Animal Health Inc., 2500 Innovation Way, Greenfield, IN 46410, U.S.A.

19.9. How to Submit a Complaint:

If Supplier wish to raise a complaint on how Elanco has handled Supplier's personal information, Supplier can contact Elanco's Chief Privacy Officer at privacy@elanco.com who will investigate the matter.

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

20. Animal Welfare

Supplier 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.

21. General

If any provision of these Terms is unenforceable, illegal or void, that provision is severed and the other provisions of these Terms remain in force. Supplier shall not without Elanco's prior written consent assign or transfer or subcontract any of its rights or obligations under these Terms.

The present Terms shall be governed by and construed in accordance with the laws of the Netherlands and the Supplier agrees to submit to the exclusive jurisdiction of the Dutch courts.