

## CONDITIONS OF PURCHASE ("Conditions")

### 1. Definitions

In these Conditions:

- 1.1. "Purchaser" means Eli Lilly and Company Limited (Company Number 0284385) of Lilly House, Priestley Road, Basingstoke, Hampshire, RG24 9NL; and
- 1.2. "Supplier" means the party supplying the Goods or the Services to Purchaser.

### 2. Basis of Purchase

- 2.1. These Conditions shall apply to the contract resulting from the acceptance by Supplier of the Order and the Conditions and Order together shall be the "Contract" to the exclusion of any other terms and conditions on which any quotation has been given to Purchaser or subject to which the Order is accepted or purported to be accepted by Supplier. Without limiting the foregoing, Lilly will not be bound by any standard printed or other terms furnished by Supplier.
- 2.2. Supplier shall perform any variation to the Order required by Purchaser, which may include additions to, or reductions in the scope of the Order. When Purchaser is contemplating a variation, it shall give Supplier notice in writing, and Supplier shall promptly advise Purchaser in writing of its reasonable effect on Price and delivery date. No variation to the Order, the Contract or these Conditions shall be binding unless agreed in writing by Purchaser and Supplier prior to implementation of that variation.

### 3. Specification

The quantity, quality and description of the goods ("Goods") and the services ("Services") as described in the Order shall, subject to these Conditions, be as specified in the Order and/or in any specification agreed to in writing by Purchaser and Supplier ("Specification").

### 4. Labelling and Packaging

The Goods shall be marked in accordance with Purchaser's instructions, any applicable regulations and any requirements of the carrier, and properly packed and secured so as to reach their destination in an undamaged condition in the ordinary course and in accordance with applicable law. The name of the contents shall be clearly marked on each container and all containers of hazardous goods shall bear prominent and adequate warnings which shall fully comply with the Regulation (EC) No 1272/2008 on classification, labelling and packaging of substances and mixtures or similar applicable laws of the country where Supplier has its principal place of business, and any replacement regulations thereof and, if appropriate, such international codes of regulations which may from time to time apply.

### 5. Price of the Goods and Services

The price of the Goods and the Services shall be as stated in the Order ("Price") and, unless otherwise stated, shall be:

- 5.1. exclusive of any applicable value added tax (which shall be payable by Purchaser subject to receipt of a VAT invoice);
- 5.2. inclusive of all charges for packaging, packing, shipping, carriage, insurance, delivery and (where relevant) installation and commissioning, of the Goods to the delivery address and any duties, imposts or levies other than VAT; and
- 5.3. inclusive of all fees, costs, expenses, disbursements, parts, materials and labour.

### 6. Terms of Payment

- 6.1. Unless otherwise stated in the Order, Purchaser shall pay the Price of the Goods and/or the Services at the end of net sixty (60) calendar days following the date of receipt by Purchaser of a valid undisputed invoice (which must reference the Order number) to be issued following the later of:
  - 6.1.1. acceptance of the Goods or Services by Purchaser; or
  - 6.1.2. all the Goods operating in accordance with the Specification for a continuous period of fourteen (14) working days at the delivery address ("Successful Commissioning").
- 6.2. Purchaser shall be entitled to set off against the Price any sums owed to Purchaser by Supplier.
- 6.3. The Parties agree that statutory interest (under the Late Payment of Commercial Debts (Interest) Act 1998) shall not apply in relation to obligations under this Contract and that a party that fails to pay any sum payable by it under this Contract on the due date for payment shall pay interest on such sum for the period from and including the due date up to the date of actual payment at the lower of:
  - 6.3.1. the rate which is the aggregate of 1% per annum and the base rate from time to time of Barclays Bank plc; or
  - 6.3.2. a rate equivalent to the rate of statutory interest which would otherwise apply.
- 6.4. Suppliers invoice shall be submitted to Eli Lilly and Company Limited in one of the following two ways:
  - 6.4.1. by forwarding the original invoice to Eli Lilly and Company Limited, c/o Urzad Pocztowy, PO Box 152, Ul. Powstancow Slaskich 50, 53-350 Wroclaw 15, Poland; or,
  - 6.4.2. by electronic PO invoice submission via Ariba.Supplier will be notified which of the above two methods they are requested to follow in order to submit invoices. Invoice/Credit notes submitted via invoicing platform will be the document of record for tax purposes

### 7. Delivery

- 7.1. The Goods shall be delivered to, and the Services shall be performed at, the delivery address specified in the Order at the date and time or within the period stated in the Order, in either case during Purchaser's usual business hours (the "Delivery" or, where the context requires, "Deliver" or "Delivered").
- 7.2. The time of Delivery of the Goods and of performance of the Services is of the essence of the Contract and where it is agreed that Supplier shall unload the goods on Purchaser's site; such activity will be construed as Services for the purpose of the Order.
- 7.3. If the Goods are to be Delivered by instalments, or the Services are to be performed over a period of time, the Contract will be treated as a single contract and not severable.

- 7.4. Purchaser shall be entitled to reject any Goods Delivered or (where relevant) installed or Services performed which are not in accordance with the Contract, and shall not be deemed to have accepted any Goods until Purchaser has had a reasonable time to inspect them following Delivery or, where relevant and where later, following installation, or if later, within a reasonable time after any latent defect in the Goods has become apparent.
- 7.5. If the Goods are not Delivered or the Services are not performed as specified in the Order or are rejected pursuant to clause 7.4, then without prejudice to any other remedy to which Purchaser may be entitled, Purchaser shall be entitled to deduct from the Price or (if Purchaser has paid the Price) to claim from Supplier by way of liquidated damages for delay the sum (if any) specified in the Order for each week's delay (the Parties agreeing that this is a genuine and reasonable pre-estimate of the loss which will be suffered by Purchaser for each week of delay).

### 8. Installation and commissioning

- 8.1. Where installation and/or commissioning forms part of the Order, Purchaser, where appropriate, shall make available at the Delivery address service utilities in accordance with the details supplied by Supplier and Supplier at no additional cost to Purchaser shall install and fully commission the Goods at the Delivery address.
- 8.2. During installation and commissioning, Supplier shall ensure that it and its employees, agents and sub-contractors (if any):
  - 8.2.1. take all reasonable precautions to ensure the health and safety of its and Purchaser's employees while on Purchaser's premises in accordance with the Health and Safety at Work etc Act 1974 or similar applicable laws of the country where Supplier has its principal place of business (as amended or re-enacted from time to time), and without prejudice to the generality of the foregoing, shall provide health and safety data sheets as may be required to be provided to comply with all relevant national and European legislation;
  - 8.2.2. comply with all of Purchaser's policies and guidelines in place at the Delivery address, including in particular those pertaining to health and safety; and
  - 8.2.3. obey the instructions of Purchaser or its supervising representatives.

### 9. Risk and Property

- 9.1. The risk in the Goods Delivered to the Purchaser shall pass to the Purchaser on Delivery in accordance with the Contract.
- 9.2. Subject to clause 9.3, property in the Goods shall pass to Purchaser upon delivery to Purchaser in accordance with the Contract.
- 9.3. If the Goods are fully paid for prior to delivery, then property in the Goods shall pass to Purchaser as soon as full payment has been made.

### 10. Warranties and Liabilities

- 10.1. Unless otherwise stated in the Order, Supplier warrants to Purchaser that:
  - 10.1.1. the Goods will be of satisfactory quality and fit for any purpose held out by or made known to Supplier in writing at the time the Order is placed and will remain so for twelve (12) months following Successful Commissioning (the "Warranty Period"), provided that the Warranty Period will be extended by any delay in Successful Commissioning which is attributable to any act or omission of Supplier;
  - 10.1.2. the Goods will be free from defects in design, materials and workmanship and will remain so throughout the Warranty Period;
  - 10.1.3. the Goods will correspond with the Specification or relevant sample;
  - 10.1.4. the Goods will comply with all statutory requirements and regulations relating to the sale of the Goods;
  - 10.1.5. title in the Goods is vested absolutely in Supplier before the transfer to Purchaser under clause 9 above; and
  - 10.1.6. if Supplier repairs or replaces the Goods or any part of the Goods during the Warranty Period and such Goods or part fail again Supplier shall promptly at its cost replace the Goods or part with brand new material and such replacement shall have the benefit of a further twelve month warranty from the date that replacement shall begin to function satisfactorily for Purchaser.
- 10.2. Supplier warrants to Purchaser that Supplier will at all times:
  - 10.2.1. perform its obligations hereunder in accordance with all applicable laws, regulations and codes applicable; and
  - 10.2.2. have all necessary licences, permissions, consents and authorisations in full force and effect to enable Supplier to perform its obligations hereunder.
- 10.3. Supplier warrants to Purchaser that the Services will comply with all applicable law and be performed by appropriately qualified and trained personnel, with due care and diligence and to such high standard of quality as it is reasonable for Purchaser to expect in all the circumstances.
- 10.4. Supplier warrants that it has title to and property in any software which is or forms part of the Goods and/or Services ("Software") and that the same is free and unencumbered or that it has the right, power and authority to license the same upon the terms and conditions of this Contract and Supplier hereby grants Lilly a non-exclusive royalty free licence to use the Software (and where appropriate any documentation) and to possess and refer to all the programme documentation in relation hereto (the "Licence"). The Licence shall allow multiple user access to the Software and the documentation and shall allow copies of the Software to be made for back-up purposes. Supplier will supply Software enhancements or upgrades free of charge as they become available.
- 10.5. Without prejudice to any other remedy and notwithstanding clauses 7.4 and 7.5, if any Goods or Services are not supplied or performed in accordance with the Contract, Purchaser shall be entitled:
  - 10.5.1. to require Supplier to supply free of charge replacement Goods or Services in accordance with the Contract within seven (7) calendar days; or
  - 10.5.2. at Purchaser's sole option, and whether or not Purchaser has previously required Supplier to supply replacement Goods or Services, to treat the Contract as discharged by its breach and require the repayment of any part of the Price which has been paid.

- 10.6. Supplier shall indemnify Purchaser in full against all liability, loss, claims, damages, costs and expenses (including legal expenses) awarded against or incurred (directly or indirectly) or paid by Purchaser as a result of or in connection with:
- 10.6.1. breach of any warranty given by Supplier in relation to the Goods or the Services;
- 10.6.2. any claim that the Services infringe or the Goods infringe, or their importation, use or resale, infringes, any patents, trade marks, copyright, design right (registered and unregistered), confidential information and other types of similar or equivalent protection anywhere in the world, and applications therefor ("Intellectual Property Rights") of any other person;
- 10.6.3. any liability under the Consumer Protection Act 1987 (as amended, re-enacted or substituted from time to time) in respect of the Goods;
- 10.6.4. any act or omission of Supplier or its employees, agents or sub-contractors in supplying, delivering, installing, commissioning and repairing the Goods; and
- 10.6.5. any act or omission of any of its employees, agents or sub-contractors in connection with the performance of the Services.
- 10.7. Supplier undertakes and agrees to take out and maintain adequate insurance cover with an insurance office of repute to cover its full liabilities under this clause 10 and agrees that Supplier will at Purchaser's request produce a copy of the insurance policy or policies and the relevant renewal receipts for inspection by Purchaser.

## 11. Termination

- 11.1. Purchaser shall be entitled to terminate the Contract with immediate effect by giving notice to Supplier at any time if:
- 11.1.1. Supplier commits a breach of the Contract which is not remedied within thirty (30) calendar days of notice in writing to Supplier calling on Supplier to remedy the same;
- 11.1.2. Supplier makes any voluntary arrangement with its creditors or (being an individual or firm) become bankrupt or (being a company) become subject to an administration order or go into liquidation (otherwise than for the purpose of amalgamation or reconstruction); or
- 11.1.3. a creditor or encumbrancer takes possession, or a receiver is appointed, of any of Supplier's property or assets ; or
- 11.1.4. Supplier ceases, or threatens to cease, to carry on business; or
- 11.1.5. Purchaser reasonably apprehends that any of the events mentioned above is about to occur in relation to Supplier and notifies Supplier accordingly; or
- 11.1.6. Purchaser obtains sufficient evidence that Supplier may not be able to deliver the Goods according to the Contract; or
- 11.1.7. Purchaser wishes to transfer the Order to a leasing company, provided that the leasing company has already placed an order for the same Goods and Services with Supplier for delivery to Purchaser; or
- 11.1.8. Purchaser reasonably suspects that Supplier or its employees, agents or sub-contractors have failed to comply with the anti-corruption conditions set out at clause 16 and Supplier cannot reasonably demonstrate to Purchaser that it has so complied with the said conditions.
- 11.2. Purchaser shall be entitled to terminate Supplier's obligation to supply Services hereunder by giving Supplier five (5) working days' notice in writing at any time, such notice to be sent to Supplier's address above and to be deemed effective two (2) working days after posting, in which event:
- 11.2.1. Purchaser shall pay for all Services properly supplied by Supplier up to the date of termination together with all unavoidable costs incurred by Supplier pursuant to the Contract prior to its termination; and
- 11.2.2. Supplier shall, without cost to Purchaser, use its best endeavours to minimise any costs incurred between the date upon notice of termination is given and the date of termination.
- 11.3. On termination of this Contract pursuant to clauses 11.1 and 11.2, the following clauses shall survive and continue in full force and effect: clauses 10, 11.3, 13, 14 and 18.4. Termination of this Contract shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination.

## 12. Force Majeure

- 12.1. Either party may totally or partially cancel an Order or delay delivery or performance during any period which:-
- 12.1.1. its performance is prevented or hindered by circumstances beyond its reasonable control including but not limited to requisitions by government authority, war, strike, lock-out, plant break-down, unavailability of raw materials, terrorism, riots, disease, act of god, storm, failure of public utilities or common carrier, or
- 12.1.2. the need to comply with legislation or reasonably anticipated legislation has the effect of preventing or hindering the free manufacture, sale, delivery, use or supply of the goods or services or of materials to be made by Purchaser from or incorporating the goods.

## 13. Data Protection

- 13.1. Notwithstanding any other provision of the Contract the Supplier shall:
- 13.1.1. observe and comply with such of the provisions of all relevant data protection legislation including, without limitation, the Data Protection Act 1998 (as amended, re-enacted or substituted from time to time) as shall apply to any and all personal data which may be disclosed to or as a result of the provision of the Services;
- 13.1.2. ensure that all such personal data is only processed for the provision of the Services under the Contract and that the Supplier is authorised under the appropriate legislation for such purpose;

- 13.1.3. ensure that all such personal data is adequate, relevant and not excessive in relation to the purposes for which it is processed, such purpose being necessary for the purposes of the Services and, insofar as is practicable, shall ensure that the data is accurate;
- 13.1.4. not transfer personal data outside of the European Economic Area without the express prior written consent of Purchaser;
- 13.1.5. exercise appropriate security and other measures to prevent unauthorised access to or accidental or unauthorised alterations, disclosure, destruction or loss of such personal data; and
- 13.1.6. comply with the Supplier Privacy Standard ("SPS") and Information Security Standard ("ISS") published on the Internet at <http://supplierportal.lilly.com> and all instructions of Lilly in relation to such personal data and the processing of the same.

## 14. Confidentiality

- 14.1. In the course of the performance of this Contract, Supplier may acquire information that Purchaser deems confidential, including any samples, drawings, trade secrets and unpublished technical information and data within the Specification or otherwise to which Purchaser (or companies affiliated with Purchaser) has proprietary rights. Confidential information shall also include information of a third party, which Purchaser is under an obligation to maintain in confidence. All such information is referred to in this Contract as "Confidential Information". Supplier shall retain such Confidential Information in strict confidence and shall not use it for the benefit of Supplier or others or communicate it to others without Purchaser's prior written agreement. Supplier shall not take photographs of any portion of Purchaser's facilities or duplicate any documents, or permit others to do so, without the prior written approval of Purchaser. Documents made available to Supplier by Purchaser shall remain the property of Purchaser and shall be delivered along with copies thereof to Purchaser upon request or upon termination of this Contract, whichever is earliest. Nothing in this Contract shall prevent the communication to others of any Confidential Information which Supplier can show was known to it or its representatives prior to its receipt from Purchaser hereunder; was lawfully obtained by Supplier and its representatives other than directly or indirectly from Purchaser; or became public knowledge through no fault of Supplier. Should Supplier use as consultant or subcontractor for performance of any Services under this Contract, Supplier shall require the subcontractor to execute a confidentiality and nondisclosure undertaking.
- 14.2. Supplier shall neither disclose Purchaser's Confidential Information except as authorized below or by Purchaser in writing, nor use Purchaser's Confidential Information for any purpose other than the purpose of this Contract.
- 14.3. Supplier may only disclose Purchaser's Confidential Information:
- 14.3.1. to its representatives or to its affiliates, subcontractors, and their respective representatives who need to know the information solely for the purpose of performing Supplier's obligations under this Contract and who have contractual obligations that prohibit any disclosure and use of Purchaser's Confidential Information prohibited by this Contract. Supplier is responsible to Purchaser for any unauthorized disclosure or use of Purchaser's Confidential Information by Supplier's representatives;
- 14.3.2. to the extent compelled by applicable law. If permitted by applicable law, Supplier shall give Purchaser reasonable advance notice of the disclosure; and
- 14.3.3. in communications to its legal advisors or accountants who have a professional obligation to maintain such information in confidence. Supplier is responsible to Purchaser for disclosure or use by any such persons of Purchaser's Confidential Information not authorized by Purchaser.
- 14.4. Promptly upon termination, expiration, or cancellation of this Contract, Supplier shall destroy all records of Purchaser's Confidential Information in Supplier's possession or control that are not Purchaser's property and shall return to the Purchaser any property of the Purchaser. For the purposes of electronic records, "destroy" includes destroying the physical medium on which a record is stored or completely and permanently removing a record from its storage medium. On the Purchaser's request, the Supplier shall certify in writing to the Purchaser that it has complied with the requirements of this clause 14.4.
- 14.5. The prohibitions on disclosure and use of Purchaser's Confidential Information survive for five (5) years after expiration, termination, or cancellation of this Contract or after Supplier returns or destroys all records of the relevant Confidential Information in its possession or control, whichever is later.

## 15. Intellectual Property Rights

- 15.1. All Intellectual Property Rights discovered or generated by Supplier as a result of its performance of the Contract shall belong to Purchaser and Supplier hereby assigns such Intellectual Property Rights to Purchaser.

## 16. Anti-corruption

- 16.1. Each party shall ensure that it and its activities under this Contract shall at all times comply with all applicable laws, regulations and industry codes and furthermore represents that any funds paid to the other pursuant to this Contract are not proceeds of any illegal activity. The Supplier shall comply with the Purchaser's Anti-Corruption Commitment for Suppliers published on the Internet at <http://supplierportal.lilly.com>.
- 16.2. Supplier shall provide Purchaser with immediate notice of any governmental or regulatory review, audit or inspection of its facility, processes, or products that might relate to the subject matter of this Contract. Supplier shall provide Purchaser with the results of any such review, audit or inspection. Purchaser shall be given the opportunity to provide assistance to Supplier in responding to any such review, audit or inspection relating to the Products.
- 16.3. During the term of this Contract and for a period of 5 years thereafter, the records of each party relating to the performance of its duties and obligations under this Contract shall be open to inspection and subject to audit and reproduction by the other party or other party's agent or representative.
- 16.4. In connection with the Goods Supplier will provide under this Contract and in connection with any other business involving Purchaser, Supplier confirms that Supplier has not given or promised to give, and will not make, offer, agree to make or authorize any payment or transfer anything of value, directly or indirectly, (i) to any Government or Public Official, as defined herein; (ii) any political party, party official or candidate for public or political office; (iii) any person while knowing or having reason to know that all or a portion of the value will be offered, given, or promised, directly or indirectly, to anyone described in items (i) or (ii) above; or (iv) any owner, director, employee, representative or agent of any actual or potential customer of Purchaser. The parties agree to comply with all applicable anti-bribery laws in the countries where the parties have their

principal places of business and where they conduct activities under this Contract. Additionally, Supplier understands and agrees to comply with the U.S. Foreign Corrupt Practices Act (as amended, re-enacted or substituted from time to time) ("US FCPA"), as well as similar applicable laws of the country where Supplier has its principal place of business and where Supplier conducts activities under this Contract including the UK Bribery Act 2010 (as amended, re-enacted or substituted from time to time), and to take no action that might cause Purchaser to be in violation of the US FCPA, and similar applicable laws of the country where Supplier has its principal place of business and where Supplier conducts activities under this Contract. Additionally, the parties will make reasonable efforts to comply with requests for information, including answering questionnaires and narrowly tailored audit inquiries, to enable the other party to ensure compliance with applicable anti-bribery laws. For purposes of this Contract, "Government or Public Official" is any officer or employee or anyone acting in an official capacity on behalf of: a government or any department or agency thereof; a public international organization (such as the United Nations, the International Monetary Fund, the International Red Cross, and the World Health Organization), or any department, agency or institution thereof; or a government-owned or controlled company, institution, or other entity, including a government-owned hospital or university.

- 16.5. Supplier represents that neither it nor any of its owners, directors, employees, agents, or consultants is a Government or Public Official, as defined in clause 16.4 or political party official or candidate for public or political office. In the event that during the term of this Contract there is a change in the information required to be disclosed in this paragraph, Supplier agrees to promptly notify Purchaser.
- 16.6. The Supplier agrees that any breach of this clause 16 shall constitute a material breach of this Contract and the Purchaser may immediately seek all remedies available under law and equity including immediate termination of the Contract. In the event that the Purchaser terminates the Contract in accordance with this clause 16, Supplier shall not be entitled to claim compensation or any further remuneration, regardless of any activities or agreements with additional third parties entered into before the termination of the Contract. Furthermore, Supplier shall be liable for the costs and any damages or fines ensuing from any related legal proceedings involving Purchaser.

#### **17. Publicity**

- 17.1. Supplier shall not disclose any information concerning any Order or the Contract of sale resulting from the acceptance thereof, including its existence, without the prior written consent of Purchaser. Supplier shall not use the name of Purchaser, any employee of Purchaser or any product or service of Purchaser in any press release, advertising or materials distributed to prospective or existing customers or any other public disclosure, except as required by law or allowed in this clause. If required by law, Supplier shall provide copies of the disclosure for the prior review and comment by Purchaser's external corporate communications (public relations) department no less than ten (10) working days prior to disclosure. In no event will Supplier: (i) represent, directly or indirectly, that any Goods or Services provided by Supplier has been approved, recommended, certified or endorsed by Purchaser; or (ii) use Purchaser's logos or other trademarks without the prior written consent of Purchaser.

#### **18. General**

- 18.1. Supplier shall not without the prior written consent of Purchaser (which consent Purchaser may in its absolute discretion refuse) assign or transfer or purport to assign or transfer to any other person any of its rights or obligations under the Contract or sub-contract any of its obligations under the Contract.
- 18.2. The Contract constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
- 18.3. Any notice required or permitted to be given by either party to the other under the Contract shall be in writing addressed to that other party, if a company at its registered office or if an individual or firm at his, her or its principal place of business or such other address as may at the relevant time have been notified pursuant to this clause to the party giving the notice.
- 18.4. Any right of Purchaser may only be waived in writing and no other conduct of Purchaser (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of the right. A waiver of a right on one or more occasions does not operate as a waiver of that right if it arises again.
- 18.5. The parties hereby confirm that, notwithstanding any other provision of this Contract, nothing in this Contract is intended to confer on any person any right to enforce any term of this Contract which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.
- 18.6. The Contract and any dispute or claim arising out of or in connection with it or its subject matter or formation, including any non-contractual dispute or claim ("Disputes") shall be governed by and construed in accordance with the laws of England and Wales. Supplier irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any Disputes.