

PCI Pharma Services

Terms and Conditions for the Purchase of Goods and Services

Where referred to herein, it shall be understood that the following terminology applies:

Buyer: PCI Pharma Services affiliates. "Affiliate" means any company or person that is directly or indirectly controlled by or under common control with Company, as the case may be. Company's Affiliates include, but is not limited to, those companies and/or persons listed on Addendum A attached hereto.

Seller: The person or company selling the goods described in the attached purchase order.

- 1. CONTRACT FORMATION.** Buyer's purchase order, communicated by any means, constitutes Seller's acceptance of all Buyer's Terms and Conditions of sale which are set forth on Buyer's purchase order or order acknowledgment. Buyer's acceptance, whether by acknowledgment or performance, is expressly made conditional on Seller's assent to Buyer's Terms and Conditions which assent is manifested by Seller's order entry by whatever means used by Seller. In the event Buyer's purchase order or order acknowledgment constitutes an offer, Seller's acceptance is expressly limited to Buyer's Terms and Conditions of sale which acceptance is manifest by order entry by whatever means used by Seller. Buyer's Terms and Conditions of sale take precedence over and supersede any conflicting, different, inconsistent or additional terms contained in any of Seller's documentation or electronic transmissions, and any such conflicting, different, inconsistent or additional terms are hereby objected to and rejected by Buyer.
- 2. CONDITIONS OF SALE.** All purchase orders shall be subject to the Terms and Conditions of sale set forth herein, and none of these Terms and Conditions may be added to, modified, superseded or otherwise altered except by a written instrument signed by an authorized executive officer of Buyer. No oral statements or understandings shall be deemed a part of the agreement. Failure of Buyer to object to any terms or conditions that may be contained in any acknowledgment, invoice or other form of Seller shall not be construed as a waiver of these Terms and Conditions nor an acceptance of any such provision.
- 3. ASSIGNMENT AND SUBCONTRACTING.** The Seller shall not without PCI's prior written consent assign or transfer the Contract or any of its rights or obligations thereunder to any other person, firm or company.
- 4. PRICES.** Seller represents that the price of goods are comparable to or better than those offered to any other customer purchasing the same or similar quantity of goods. If Buyer places an order for a customer who is receiving more favorable net pricing from Seller (after any discounts, rebates or allowances), Seller shall extend the same pricing to Buyer. All deliveries of goods which become subject to any lower ceiling price will be billed at the lower ceiling price.
- 5. TAXES.** The price of goods shall include all applicable federal, state and local taxes, duties and fees, unless otherwise specified in a purchase order. Seller shall accept any tax exemption certificates provided by Buyer.
- 6. PAYMENT TERMS.** Seller shall invoice Buyer concurrently with any shipment of goods. Unless otherwise specified, payment terms for goods shall be net ninety (90) days after receipt of goods. If the date for any payment under this purchase order falls on a Saturday, Sunday or legal holiday, payment shall be made as specified on the next following business day
- 7. SHIPMENT.** Unless otherwise specified on the Purchase Order all shipments using Buyer's carrier shall be FCA incoterms, and all shipments using Seller's carrier shall be DDP Incoterms. Seller shall invoice Buyer only the amount charged by the freight carrier to Seller, including any discounts negotiated between the freight carrier and Seller. Risk of loss to the goods shall pass to Buyer upon delivery to Buyer. Title to delivered goods shall pass upon acceptance of the goods by Buyer. Where cost of transportation is prepaid by Seller, a copy of the paid freight bill and the bill of lading, both complete with purchase order number, will be included with the invoice containing the transportation charges. Goods received without invoice shall be held at Seller's risk and expense. All goods shall be suitably packed and prepared for shipment to insure safe transportation. Packing lists shall accompany the goods and shall include the order number, description of items shipped and

any other information called for in the purchase order. All shipments must be clearly marked, giving complete shipping information including any person's name which appears with the ship to instructions.

- 8. INSPECTION TESTING AND SAMPLES.** If so required by PCI the Seller shall submit samples of the Goods for PCI's approval before the Goods are delivered or before the Services are performed (as the case may be). Such samples of Goods should be marked by the Seller clearly and appropriately for identification. PCI shall be entitled to inspect and test the Goods during manufacture, processing and storage and the Seller shall at its own cost provide or shall procure the provision of all such facilities as may be reasonably be required by PCI therefore. If as a result of any inspection or test PCI's representative is of the reasonable opinion that the Goods or the Services do not comply with the Specifications or any other aspect of the Contract or are unlikely on completion of manufacture or processing so to comply he may inform the Seller accordingly and the Seller shall promptly take such reasonable steps as may be necessary to ensure such compliance.
- 9. DELIVERY.** Where the Seller is required to perform the Services or part thereof at PCI's premises or such other premises as are detailed in the Purchase Order, the Seller undertakes to ensure that its employees, officers, agents and sub-contractors shall comply with all health and safety, security, environmental and any other standards or requirements detailed in any statute, order, industry Code of Practice or similar regulation or as required by the owner or occupant of the premises. The Goods shall be DDP (Delivered Duty Paid Incoterm 2010) to the point at the agreed destination specified in the Purchase Order unless otherwise agreed upon. The Goods shall be properly packed and secured in such a manner as to reach their destination in good condition having regard to the nature of the Goods and the other circumstances of the case. Delivery times are of the essence, and Seller shall promptly notify Buyer's Purchasing Department (by telephone, facsimile or email) if for any reason this purchase order cannot be filled promptly, or on date specified. Seller shall arrange for delivery on the delivery date indicated on the purchase order, and no earlier than 2 days prior the delivery date. If any delivery exceeds Buyer's purchase order by more than 5%, Buyer may at its option reject and return such surplus goods at Seller's expense. Any delivery of less than all goods required by a purchase order constitutes a material default. All Goods, shall be accompanied by a detailed packing slip stating the Purchase Order number and giving full particulars of the Goods supplied and where required pursuant to the Contract, accompanied by a Certificate of Conformance and/or Analysis. Where pursuant to the Contract Goods are delivered to premises other than PCI's premises a copy of the packing slip and the Certificate of Conformance and/or Analysis must be sent to PCI on the day upon which the Goods are delivered.
- 10. ACCEPTANCE OR REJECTION OF GOODS.** Goods shall be deemed accepted upon receipt, unless within 60 days of receipt, Buyer returns any goods which do not comply with the purchase order or product specifications, or in the case of a defect not ascertainable by routine inspection, Buyer notifies Seller within 60 days following discovery thereof; provided, however, such acceptance shall not relieve Seller of obligation with respect to any Defective Good. Goods not conforming to the requirements set forth in paragraph 10, including substitutions not properly approved and authorized, shall be considered defective ("Defective Goods"). Buyer may, at its option, either (i) require Seller, at Seller's sole cost and expense, to correct or replace Defective Goods and ship them to Buyer within a commercially reasonable timeframe or (ii) require Seller to reimburse Buyer for the full cost of acquiring substitute goods from a third party supplier on an expedited basis. Seller shall also be required to reimburse Buyer for all costs and expenses incurred by Buyer in recovering customer product from packaging containing Defective Goods, re-packaging customer product with the replacement goods or substitute third-party goods.
- 11. CHANGE OR CANCELLATION.** Buyer may at any time request in writing changes to a purchase order. If any such change causes an increase or decrease in the costs of or the time required for performance, Seller shall immediately notify Buyer of actual costs, if any, incurred for such change, and Buyer shall pay for all such additional costs. No additional charge or change in the specifications, packing, shipment, quantities, delivery schedules, and other matters will be allowed unless authorized by Buyer in writing. Buyer may cancel this purchase order in whole or part by providing Seller written notice prior to the applicable delivery date, including any portion of this purchase order which remains unfilled after the beginning of any bankruptcy or insolvency proceeding by or against Seller or after the appointment of an assignee for the benefit of Seller's creditors or of a receiver. Buyer's sole liability shall be for goods completed and delivered to Buyer in accordance with the purchase order and for Seller's reasonable costs for any raw materials and work in progress through the date of cancellation, provided that such costs are solely attributable to the purchase

order and not recoverable from other sources. If Buyer cancels a purchase order, in whole or in part, following Seller's delivery of Defective Goods, Buyer shall have no liability whatsoever under such purchase order. Seller shall take all reasonable steps to avoid incurring any additional costs under a cancelled purchase order. In no event will Buyer be liable for indirect, consequential or punitive damages under any circumstance, including without limitation lost revenues or profits.

- 12. FORCE MAJEURE.** PCI shall not be liable to the Seller or deemed to be in breach of the Contract by reason of any delay in performance or any failure to perform any of its obligations in relation to the Goods or the Services, if the delay or failure was beyond its reasonable control including (but not limited to) strikes, lock-outs, accidents, war, fire, reduction in or unavailability of power or breakdown of plant or machinery. If the cause of such suspension shall continue for more than 6 months either party shall have the right to terminate the Contract upon giving not less than 7 days' prior written notice to the other and the only liability of PCI shall be to pay the Seller for Goods received and Services performed in accordance with the Contract prior to the date of such suspension.
- 13. QUALITY.** Seller hereby warrants to Buyer that, at the time of delivery, all goods delivered pursuant to this purchase order shall strictly conform to the applicable specifications (including without limitation functional performance, material content, size, appearance, response times, etc.) presented to and approved by Buyer and the specifications set forth in any quality agreement between Buyer and Seller. Seller further warrants that all goods shall be free from defects in workmanship and material, including latent defects, and free from defects in design. If applicable, Seller agrees that it shall utilize and maintain current industry technology in filling purchase orders, expressly including Vision Inspection capability (in lieu of barcode scanning) to verify printed copy.
- 14. COMPLIANCE.** Seller hereby represents and warrants to Buyer that (i) it shall comply with all applicable federal, state and local laws and regulations in the provision of goods or services hereunder, (ii) it and its representatives and employees will comply with and have not violated, and will not violate, any applicable anti-slavery, anti-corruption or anti-bribery laws and/or regulations, including without limitation the U.S. Foreign Corrupt Practices Act, as amended or supplemented from time to time, and (iii) it has not been and will not be debarred under Section 306 of the Federal Food, Drug and Cosmetic Act, 21 U.S.C §335a(a) or (b), or similar local law and that it will not use in any capacity the services of any individual, corporation, partnership, or association which has been debarred thereunder. In the event that Seller becomes aware of or receives notice of any violation of the foregoing or the debarment of any individual, corporation, partnership, or association providing services to Seller, Seller shall notify Buyer immediately.
- 15. CONFIDENTIALITY.** Each party shall maintain in confidence, and there shall be no disclosures to any third parties, of all confidential or proprietary information disclosed by one party to the other in connection with the subject matter of this purchase order, whether in writing or other tangible form, orally or otherwise (including any drawings, blueprints, specifications, samples or other information provided by Buyer to Seller); provided, however, information in the public domain prior to any disclosure hereunder or which becomes part of the public domain through no fault of the recipient, information in the possession of either party prior to disclosure hereunder and not having been disclosed to the other by either party, information independently developed by either party and not the result of information disclosed hereunder, or information disclosed to either party by a third party having a lawful right to do so shall be excluded from the obligation of non-disclosure. Upon the request of the disclosing party, the recipient shall return confidential or proprietary information to the disclosing party. No rights or license, by implication or otherwise, under any intellectual property rights, including but not limited to, patents, patent rights or trade secrets, is granted by either party to the other.
- 16. INDEMNIFICATION; INSURANCE.** Seller shall indemnify, defend and hold Buyer, its affiliates, and their respective agents, employees, officers, directors, and representatives harmless from and against any and all governmental and third party claims, demands and actions and resulting costs, expenses, liabilities, damages, losses and fees, including reasonable attorneys' fees and costs to the extent arising from (i) Seller's violation of applicable laws and regulations, (ii) Seller's breach of any of its obligations hereunder, (iii) any Defective Goods provided by Seller, and (iv) any claim that the goods, or any means to manufacture the goods, infringe

any patent, trademark, trade secret, copyright, or other proprietary interest. Seller shall maintain public liability, property damage and employee's liability and compensation insurance sufficient to protect Buyer from any claims under any applicable law, statute, or regulation.

- 17. CONTROLLING LAW.** The validity and interpretation of the Order shall be governed by the law of the state shown in Buyers address on the face of the Order, excluding its conflicts of law provisions. The application of the United Nations Convention on Contracts for the International Sales of Goods (1980) is excluded.
- 18. DEFAULT.** In the case of default or breach of Seller in the performance of any or all of the provisions of any agreement arising out of this transaction, Buyer may cancel any outstanding purchase order and shall in addition have all the remedies afforded under the Uniform Commercial Code and any other applicable law. Seller shall in addition be liable for Buyer's expenses incurred in exercising any remedies available to it including reasonable attorney's fees and legal expenses. Any remedies of Buyer set forth herein shall be cumulative and not exclusive and are in addition to any other remedies Buyer may have at law.
- 19. AFFIRMATIVE ACTION.** It is the policy at PCI Pharma Services to provide equal employment and advancement opportunities to all qualified individuals. To achieve this goal, PCI Pharma Services is dedicated to taking affirmative action to employ and advance in employment qualified women, minorities, disabled persons, disabled veterans, and other protected veterans, in compliance with Executive Order 11246, Section 503 of the Rehabilitation Act of 1973 and Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212 (2001) (Section 4212 or VEVRAA) and the implementing regulations. PCI Pharma Services is committed to taking voluntary, positive action in providing affirmative action and equal employment opportunity to women, minorities, disabled persons, disabled veterans, and other protected veterans. All personnel actions, including compensation, benefits, recruitment, hiring, training, and promoting persons in all job titles, will be administered without regard to race, ethnicity, national origin, gender, disability, veteran, or other protected status, and all employment decisions are based solely on valid job requirements. In addition, employees and applicants are protected from harassment, threats, coercion, intimidation, interference or discrimination for: (1) Filing a complaint; (2) Assisting or participating in an investigation, compliance review, hearing, or any other activity under Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212 or any other law requiring equal opportunity for disabled persons, and other protected veterans; (3) Opposing any practice made unlawful by these laws, or (4) Exercising any other right protected by these laws. As a federal government contractor, PCI Pharma Services expects all of its subcontractors, suppliers and vendors to comply with all of their applicable obligations under Executive Order 11246, Section 503 of the Rehabilitation Act of 1973 and Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212 or any other law requiring equal opportunity for disabled persons, and other protected veterans. Further, the equal employment opportunity clauses set forth in 41 CFR 60-1.4(a), 41 CFR 60-250.5(a) and 41 CFR 60-741.5(a) are hereby incorporated by reference into all of the transactions between our companies.

ADDENDUM A
Company Affiliates

1. AndersonBrecon Inc., d/b/a PCI Pharma Services (Rockford, Illinois, U.S.A.)
2. AndersonBrecon (UK) Limited, trading as PCI Pharma Services (Hay-on-Wye, Wales, U.K.)
3. Biotec Services International Limited, trading as PCI Pharma Services (Bridgend, Wales, U.K.)
4. Lyophilization Services of New England, Inc. d/b/a LSNE-Madison, LLC (Madison, Wisconsin, U.S.A.)
5. Lyophilization Services of New England, Inc. d/b/a LSNE-Leon, S.L.U (Leon, Spain)
6. Lyophilization Services of New England, Inc. (Bedford, New Hampshire, U.S.A.)
7. Millmount Healthcare Limited, trading as PCI Pharma Services (Drogheda, Ireland)
8. Penn Pharmaceutical Services Limited, trading as PCI Pharma Services (Tredegar, Wales, U.K.)
9. Packaging Coordinators, Inc, d/b/a PCI Pharma Services (Philadelphia, Pennsylvania, U.S.A.)
10. Packaging Coordinators, Inc d/b/a PCI Pharma Services New England, LLC (Bridgewater, Massachusetts, U.S.A)
11. Pharmaceutical Packaging Professionals Pty Ltd – A PCI Pharma Services Company (Port Melbourne, Victoria, Australia)
12. PCI Pharma Services Canada, Inc. (Toronto, Ontario, Canada) (formerly Bellwyck Pharma Solutions, Inc.)
13. PCI Pharma Services Germany GmbH (Großbeeren, Germany) (formerly Bellwyck-Faller Pharma Services GmbH)
14. Sherpa Clinical Packaging, LLC, d/b/a PCI Pharma Services (San Diego, California, U.S.A.)