

## **PURCHASE ORDER GENERAL TERMS AND CONDITIONS**

### **1. ACKNOWLEDGEMENT AND ACCEPTANCE**

*This Purchase Order ("Purchase Order" or "Order") will govern the purchase by Novartis (Singapore) Pte. Ltd, (hereinafter referred to as "Buyer") of goods and/or services from Seller, as described in this Order. Seller's action in either (a) accepting this Order in writing, (b) delivering any or all goods and/or materials described in this Order, or (c) performing the services described in this Order will constitute Seller's unqualified acceptance of the terms and conditions hereof. Acceptance is to be by conduct specified above. Acceptance of this Purchase Order is expressly limited to the terms of this Order and its terms will govern unless other terms are accepted in writing by Buyer. No oral agreement or other understanding shall in any way modify this Order, or the terms or conditions hereof.*

### **2. PRICE**

*The price of the goods and/or services under this Order shall be stated on the Order, and this Order shall not be at prices higher than those shown on the Order unless such increased prices have been authorized by the Buyer in writing. If no price is stated, the goods or services will be billed at the price last quoted by Seller, or last paid by Buyer, or the prevailing market rate, whichever is lowest.*

### **3. SHIPPING INSTRUCTIONS**

*Unless otherwise agreed upon between the parties, the Seller shall ensure that the goods shall be properly labeled, packed, accompanied by and issued with all required documents and secured as required by all applicable laws and regulations and in such a manner as to reach their destination in good condition under normal conditions of appropriate means of transport. Shipment shall be made via the most economical route and in a single shipment unless otherwise instructed in this Order. Seller shall furnish for each shipment a receipted bill of lading or other receipts from the carrier as well as the corresponding Purchase Order number. No charge shall be made for labeling, packing, crating, storage, insurance, shipping, or delivery expense unless authorized by Buyer in this Order. Buyer reserves the right to return over-shippments or shipments made in advance of the scheduled deliveries at Seller's expense. Buyer's count and weight shall be accepted as final and conclusive if a packing slip is not enclosed with shipment. Time for delivery is of the essence. Buyer reserves the right to cancel this Order and reject the goods if delivery is not made in accordance with either (a) the times stated in this Order, or (b) Buyer's specifications, or (c) the other terms of this Order.*

### **4. PAYMENT**

*All invoices shall state the discount terms, Purchase Order number, applicable item numbers, and any applicable taxes. Upon receipt of the invoice, the Buyer shall make payment within such period as stated on the Purchase Order. Whenever any discount is applicable, freight and similar charges shall be itemized separately. A bill of lading or express receipt must accompany each invoice. Payment of invoice shall not constitute acceptance of goods or services and the invoice shall be subject to adjustment for errors, shortages, defects in goods or services or other failure of Seller to meet the requirements of this Order. Title of the goods shall pass upon acceptance.*

### **5. INSPECTION AND ACCEPTANCE**

*All goods delivered under this Order and work performed by the Seller must be 100% inspected or Seller must prove that the parts leaving its factory are not defective and are of merchantable quality. In addition, all goods or work under this Order shall be subject to inspection, testing and acceptance by Buyer before such goods or work is deemed to be accepted and title to pass to Buyer. In particular, where the Buyer requires the Product be tested to demonstrate proper compliance with the agreed specifications, and/or the proper installation of the Product to the Buyer's satisfaction, until and unless express acceptance is given by the Buyer, the Product shall not be deemed to be accepted. Seller shall not be relieved of its obligations to replace any defective goods or work by reason of any failure on the part of Buyer to direct Seller's attention to any defect. Buyer's acceptance of goods or services will not relieve Seller from its obligations relating to warranties, latent defects, fraud, or such gross mistakes as amount to fraud. If the Buyer, after inspection, identifies any parts that do not conform to the Order specifications, that the parts had any defects, or that they were damaged when received, the Buyer has the right to charge any cost associated with the return of the parts to the Seller. If the Seller is unable to meet the delivery date for the parts, the Buyer reserves the right to correct the defect and charge its costs back to the Seller. In no event will acceptance be deemed to have occurred before Seller completes delivery. Buyer's use of or payment for goods or services during the acceptance period will not constitute acceptance of those good or services.*

## **6. ASSIGNMENT**

*Seller shall not assign this Order or any rights under this Order or any monies due or to become due under this Order without the earlier written consent of Buyer, and no attempted assignment by Seller shall be binding on Buyer without Buyer's prior written consent. Seller shall require that no assignee reveal any information concerning this Order, except to those persons necessarily concerned with the transaction. Payments to an assignee of any claim arising under this Order shall be subject to reduction or set-off for any present or future claim or claims, which Buyer may have against Seller. Seller is not entitled to sublicense or subcontract any of its obligations under this Agreement without the prior written consent of Buyer. In the event that Buyer grants any such approval: (a) the Seller will nonetheless remain fully liable for the performance of its obligations hereunder; and (b) the Seller will be exclusively responsible for all costs associated with any such sublicense or subcontract arrangement.*

## **7. WARRANTY**

*The Seller represents and warrants that:*

*(a) it has full capacity and authority and all necessary consents (including where its procedures so require, the consent of its parent company) to enter into and perform its obligations under the Order and that the Order is executed by a duly authorized representative of the Seller;*

*(b) no claim is being asserted and no litigation, arbitration or administrative proceeding is presently in progress or, to the best of its knowledge and belief, pending or threatened against it or any of its assets which will or might have an adverse effect of its ability to perform its obligations under this Order;*

*(c) it is not subject to any contractual obligation, compliance with which is likely to have an adverse effect of its ability to perform its obligations under this Order;*

*(d) all material or services delivered under this Order will conform to the design and specifications and to drawings, samples or other descriptions referred to in this Order, will conform strictly to the requirements of this Order; will be free from defects and unreasonable hazards in design, material, and workmanship; are of satisfactory quality; are suitable for Buyer's intended uses and purposes to the extent such uses and purposes are known or reasonably should be known to Seller;*

*(e) the Seller and its personnel are suitably qualified, and have the necessary skills, knowledge, expertise and experience to carry out this Order; (f) the use or sale of the goods delivered under this Order will not infringe any patent, trademark or trade secret or any other intellectual property of any third party; and (g) that this Order will be performed in material compliance with all applicable laws and regulations, and Novartis policies, including, without limitation; laws and regulation relating to hazardous materials, health, safety and the environment fair labor practices, unlawful discriminations, bribery and privacy matters, Novartis Code of Conduct, Novartis Third Party Code and the Novartis Policy on Responsible Procurement which can be found at: <http://www.novartis.com/corporate-responsibility/resources/index.shtml>. Seller shall familiarize themselves with these codes, policies and guidelines.*

## **8. SERVICES, INDEPENDENT CONTRACTOR**

*Seller shall perform all obligations under this Order as an independent contractor and not an employee or agent of the Buyer. Seller may not subcontract any parts or rights and obligations of this Order without the prior written approval of Buyer. No such approval shall relieve Seller of its obligations under this Agreement. Seller shall, at its sole expense, obtain, keep in force, and comply with, any and all permits, licenses, qualifications, and approvals required under any applicable laws and regulations with respect to the goods and services provided hereunder and shall comply at all times with Buyer's site rules and regulations when on or in Buyer's premises.*

## **9. INDEMNIFICATION**

*Seller shall be responsible for and shall indemnify Buyer against all losses, costs, claims, expenses or damages (including legal and other professional fees and expenses) out of, incident to, or resulting in any way from any (a) breach by Seller of any of its warranties, duties or obligations hereunder; (b) accident, injury, or damage either to person or property or from death of any persons related to use of the products or services provided under this Order or related to any act or omission of the Seller, its agents, employees, or subcontractors except to the extent that the accident, injury, damage, or death is due solely and directly to the negligence of the Buyer.*

## **10. INSURANCE**

*In addition to the obligations to indemnify Buyer provided hereunder, Seller shall at all times maintain such insurance coverage sufficient to cover its liability that may arise under this Order for commercial general liability, property damage, personal injury, and employee liability insurance to protect Buyer from any or all the foregoing risks. Upon the request of Buyer, Seller will supply certificates satisfactory to Buyer evidencing such coverage.*

## **11. CHANGES**

*Buyer shall have the right to make changes within the scope of this Order. If any change causes an increase or decrease in the price under this Order, or in the time required for performance, an equitable adjustment shall be made and this Order shall be modified in writing accordingly. Any claim for adjustment under this provision must be asserted within a reasonable time not to exceed seven days from the date the change is ordered and the amount of such claim must be stated in writing. Nothing, however, provided herein shall excuse the Seller from proceeding with the Order as changed.*

*Save and except for the above, no changes or variations to the terms and conditions of this Purchase Order are acceptable. This Purchase Order is expressly limited to, and expressly made conditional on, Seller's acceptance of the terms of this order and other terms as referenced herein. If there is a written agreement between the parties ("Agreement") covering this purchase, this Purchase Order shall be subject to the terms and conditions of the Agreement.*

## **12. FORCE MAJEURE / DELAYS**

*Seller is excused from performing its obligations under this Order if, to the extent that, and for so long as:*

- (a) its performance is prevented or delayed by an act or event (other than economic hardship, changes in market conditions, insufficiency of funds, or unavailability of equipment and supplies) that is beyond its reasonable control and could not have been prevented or avoided by its exercise of due diligence (a "Force Majeure Event"); and*
- (b) Seller gives written notice to Buyer, as soon as practicable under the circumstances, of the Force Majeure Event. A force Majeure Event includes: acts of God or the public enemy, acts of civil or military authority, terrorists acts, embargoes, epidemics, war, riots, insurrections, fires, explosions, earthquakes, floods, and labor disputes. If a Force Majeure Event continues for more than 30 days, then Buyer may terminate this Order with no fault to Buyer for undelivered goods or services.*

*In addition, if Seller, for any reason not provided for above, fails to proceed with the performance of this Order or to make deliveries within the time specified in this Order, or if the Buyer shall have reasonable doubt as to Seller's ability to perform its obligations, Buyer in addition to its remedies at law may at its option either approve a revised delivery schedule, appoint a different supplier or service provider (with such additional costs to be borne by Seller) or terminate this Order or such part or parts hereof as to which there has been delay or any doubt without liability to Buyer. In the event of a delay or an anticipated delay, the Seller shall use any means possible to expedite the delivery using the fastest transportation method available at the time of shipping at the Seller's cost. If Seller fails to fulfill the full quantity of any Order for any reason not provided above, Buyer will at any time after such failure of delivery have in its sole discretion the right to terminate the Order with immediate effect or after seven (7) days of such failure, the Buyer shall have the right to apply a five percent (5%) penalty on the invoice amount outstanding thereto for each week delayed.*

## **13. BUYER'S RIGHT TO SUSPEND PERFORMANCE**

*Buyer shall have the right to require Seller at any time to suspend performance of all or part of this Order for an indefinite period of time. In no event shall such period exceed twelve (12) consecutive calendar months. In the event Buyer exercises said right, Seller shall cease performance of this Order, as directed by Buyer. Seller agrees to commence performance of the suspended order within a reasonable time after receiving Buyer's notice to commence the suspended Order. An equitable adjustment in the price and/or in the delivery dates shall be made in the event Buyer requires a suspension of an Order under this Clause.*

#### **14. TERMINATION**

*(a) Without cause. Buyer may terminate this Order with immediate effect in whole or in part at any time for any reason or without cause by serving upon Seller a written notice, and will reimburse the Seller for his reasonable and necessary expenses incurred directly incident to this Order to the date of cancellation, but shall not be liable for any loss of profits on the portion thereof so cancelled. (b) With cause. Time is of the essence of this Order. If Seller fails to make delivery in accordance with the agreed delivery date or schedule, except as provided in Clause 15, or otherwise fails to observe or comply with any of the other instructions, terms, conditions, or warranties applicable to this Order or fails to make progress so as to endanger performance of this Order or in the event of any proceeding by or against Seller in bankruptcy or insolvency or for appointment of a receiver or trustee or an assignment for the benefit of creditors, Buyer may, in addition to any other right or remedy provided by this Order or available at law or in equity, terminate all or any part of this Order with immediate effect by written notice to Seller without liability by Buyer to Seller on account thereof.*

#### **15. SEVERABILITY**

*If any provision of this Order should be determined to be void, illegal or unenforceable in any jurisdiction, the validity and effectiveness of such provision in any other jurisdiction, and the validity and effectiveness of the remaining provisions, shall not be affected, as long (in the latter case) as the material purpose of this Order can be determined and effectuated. In such event the parties shall, by amendment of the Order, properly replace such provision by a reasonable new provision or provisions which, as far as legally possible, shall approximate what the parties intended by such original provision and the purpose thereof.*

#### **16. GOVERNING LAW**

*This Order shall be governed, interpreted and construed in accordance with the laws of Singapore. Seller and Buyer agree that the United Nations Convention on Contracts for the International Sale of Goods of April 11, 1980 (CISG) shall not apply to this Order. Seller and Buyer agree that the courts of Singapore shall have non-exclusive jurisdiction to settle any dispute or claim that arises out or in connection with this Order.*

#### **17. DISPUTES**

*(a) Buyer and Seller shall attempt to resolve any disputes arising out of or in relation to this Order by good faith discussions. In the event of the occurrence of such a dispute, either party may give written notice to the other party requesting resolution by good faith negotiations within thirty (30) calendar days after such notice is received.*

*(b) If the parties are unable to resolve any dispute pursuant to Clause 20(a) within the time period set forth therein, the parties hereby agree to submit the dispute pursuant to Clause 19 to the courts of Singapore.*

#### **18. TAXES**

*Except as may be otherwise provided in this Order, the price shall include all applicable local taxes of any kind in effect on the Order date including but not limited to Goods and Service Tax and Seller will be responsible for all sales, revenue, income, excise, and other local taxes related to Seller's performance under this Order. Buyer may withhold from payments to Seller and pay taxes to the extent required by law including but not limited to withholding taxes.*

#### **19. INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT**

*Seller agrees to indemnify Buyer and hold it harmless from and against all liability, loss, damage and expense, including reasonable counsel fees resulting from any actual or claimed trademark, patent or copyright infringement, or any litigation based thereon, with respect to any part of the goods covered by this Order or their intended use, and such obligation shall survive acceptance of the goods and payment therefore by the Buyer.*

#### **20. THIRD PARTY RIGHTS**

*Affiliates of Buyer shall have the benefit of and the right to enforce all provisions of this Order which benefit and are enforceable by Buyer and notwithstanding any term of this Order, the Seller is deemed to consent to affiliates of the Buyer enforcing all provisions of this Order.*

**21. CONFIDENTIALITY, USE OF BUYER'S DATA**

*Seller shall hold in confidence and shall not, without Buyer's prior written consent, disclose any information, such as without limitation, any drawings, plans, processes, protocols, data, results, specifications, confidential information, intellectual property rights, know-how, discoveries, inventions, production methods and the like (herein referred to as "Technical Information") furnished to Seller by Buyer, or on Buyer's behalf, or perceived by Seller, its personnel, agents and/or subcontractors during the performance of this Order to any person other than personnel of Seller directly concerned with the provision of the ordered goods and/or services and suppliers of items and services required by Seller in the performance of this Order. Seller shall require any of its suppliers performing work or supplying goods under this Order to enter into a similar agreement with confidentiality and non-use obligations at least as strict as those set out in this Order. Without limiting the aforementioned, Seller shall take reasonable precautions and use best efforts against any such Technical Information being accessed by unauthorized persons and/or parties and shall not use any such Technical Information except for any purpose of this Order. The Buyer shall retain title to all such Technical Information and Seller shall, at Buyer's request or upon completion of this Order, delete, remove or return all Technical information to Buyer in a manner consistent with applicable laws and regulations. The term Technical Information as used herein shall not include information which is generally published or lawfully available to Seller from other sources or which was known to Seller prior to disclosure thereof to Seller by Buyer or on Buyer's behalf. Seller shall further not disclose the existence of this Order nor use nor authorize others to use, the name, symbols or marks of Buyer and/or its affiliates in any advertising or publicity material or make reference to Buyer and/or its affiliates in press releases or any other oral or written statements intended for use in the public media or make any form of representation or statement on behalf of Buyer without Buyer's prior express written approval.*

**22. WAIVER**

*Failure of Buyer to insist upon strict performance of any terms and conditions of this Order, or to exercise any right or privilege contained in this Order, or any rights and remedies available at law or in equity, or the waiver of any breach of the terms or conditions of this Order shall not be construed as waiving any such terms, conditions, rights or privileges, and the same shall continue and remain in force and effect as if no waiver had occurred. All rights and remedies reserved under the terms and conditions of this Order shall be cumulative and in addition to any further rights and remedies provided and available at law or equity.*

**23. PERSONAL DATA**

*Seller shall be responsible for complying with its respective obligations under the Singapore Personal Data Protection Act applicable to the collection and / or processing of data relating to individuals ("Personal Data") pursuant to services provided under this Order. If the provision of the services requires transfer of Personal Data from Singapore to another country, a written trans-border data flow agreement complying with the appropriate laws shall be executed before the transfer of such Personal Data.*

**24. COMPLETE AGREEMENT**

*Buyer shall not be bound by any new or different terms of Seller or any other documents of Seller. No course of earlier dealings between the parties and no usage of trade shall be relevant to any of these terms. **NO CHANGE, ADDITION, OR MODIFICATION OF ANY OF THE TERMS OR CONDITIONS HEREOF SHALL BE VALID OR BINDING ON EITHER PARTY UNLESS IN WRITING SIGNED BY AN OFFICER OR DESIGNATED PURCHASING AGENT OF BUYER.** The Specific Terms and Conditions shall apply in priority to the Purchase Order General Terms and Conditions herein. The terms of the Specific Terms and Conditions shall take precedence in the event of conflict between the Purchase Order General Terms and Conditions. For the avoidance of doubt, if this Purchase Order General Terms and Conditions and the Specific Terms and Conditions are issued in addition to any written agreements between the parties, then in the event of conflict between this Order and the said agreement, the terms of the said agreement shall prevail.*



## **25. COMPLIANCE WITH LAW**

*In exercising its rights and performing its obligations under this Agreement, the Seller will:*

*(a.) Not promise, offer, pay, cause to pay, accept payment or induce payment or take any action that could be considered a bribe; (b.) comply with all applicable laws and regulations, including those related to bribery and corruption (such as, but not limited to, the US Foreign Corrupt Practices Act, UK Bribery Act) c.) comply with industry standards;(d.) comply with all policies and guidelines provided to it by Buyer in relation to Seller's activities under this Purchase Order, and as amended from time to time (<http://www.novartis.com/corporate-responsibility/responsible-business-practices/ethics-governance-and-compliance/index.shtml>),. In the event that Buyer issues additional guidelines or policies in relation to Seller's activities under this Agreement, Buyer will provide the Seller with a copy and the Seller will duly comply with such guidelines and policies thereafter. The Seller hereby confirms that it has read and understood the above mentioned Buyer's policies and guidelines; and (e.) Perform its obligations under this Agreement with high ethical and moral business and personal integrity standards.*

*Seller's breach of any obligation set forth in this section shall constitute a material breach of this Agreement, and Buyer shall have the right to terminate this Agreement according to Section 14. Buyer shall have the right, at its cost, at any time upon reasonable prior notice, to audit all of the Seller's records to ensure its compliance with this Agreement.*

## **26. THIRD PARTY RISK MANAGEMENT**

*Buyer has put in place a Third Party Risk Management framework which is aimed at promoting the societal and environmental values of the United Nations Global Compact with specific third parties that Buyer deals with. In connection with the above, Seller shall:*

- *comply with the Third Party Code (and any published updates) which can be viewed and downloaded from <https://www.novartis.com/about-us/corporate-responsibility/resources-news/codes-policies-guidelines> (you may request a copy free of charge from Buyer);*
- *having regard to Clause 10.7 of the Third Party Code, provide information/documentation on reasonable request to Buyer, its affiliated companies and respective representatives to allow Buyer to verify compliance with the Third Party Code in the form requested;*
- *to rectify identified non-compliances with the Third Party Code (where capable of remedy) and report remediation progress to Buyer, its affiliated companies and respective representatives on request;*
- *ensure that where Seller's Affiliates and/or subcontractors/agents of Seller and its Affiliates have been pre-approved by Buyer (in accordance with this Agreement) to provide the goods, services and/or deliverables], that such third parties also comply with the above requirements relating to the Third Party Code.*

*Seller acknowledges and agrees that the Third Party Code forms an integral part of this Agreement and understands that failure to adhere to these standards and/or obstructing/refusing Buyer's audit rights as stated in Third Party Code shall constitute a material breach of this Agreement and entitle Buyer to immediately terminate this Order by written notice without any compensation.*