

General Sales and Delivery Conditions - Fermion Oy

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1. General

These standard sales and delivery conditions shall apply to all sales and deliveries of active pharmaceutical ingredients (herein after referred to as “APIs”) and other products and/or services made by Fermion Oy (herein after referred to as “Fermion”) to its customers (hereinafter referred to as “Customer”). Customer acknowledges that these Standard Conditions, in the form and content they may exist from time to time, shall apply to all sales and deliveries made by Fermion, and to all related contracts with Customer.

These delivery terms shall apply unless otherwise expressly agreed in writing between Customer and Fermion. Any deviations from these Standard Conditions require prior written approval of Fermion. For the avoidance of doubt, it is acknowledged by Customer, that these Standard Conditions shall take precedent over any and all standard terms and/or conditions, purchase or other, of Customer.

2. Contract

The contract for the sale and/or delivery shall enter into force upon the execution of same by both parties or upon Fermion, at its sole discretion, having confirmed in writing Customer’s order at Fermion’s from time to time existing prices and Customer having deposited the required advance payment, if applicable, for a specific order quantity. Any offers furnished by Fermion shall be indicative only and not binding on Fermion to any extent.

3. Prices and Payment Terms

Any price quotes or other price information given by Fermion are non-binding on Fermion, provided nothing to the contrary has been expressly agreed upon in writing. The validity of quotations

shall be limited to a maximum of 30 days, calculated from date when a quotation is given, unless otherwise agreed in writing. The currency shall be Euro, unless otherwise indicated. If the price is given in currencies other than Euro, the price shall be firm for currency fluctuations between the Euro and the currency used within a $\pm 10\%$ bandwidth whereas if it is outside Fermion retains the right to adjust the price for the amount it is outside the bandwidth.

Projects which are invoiced on a time-spent basis shall be invoiced monthly according to progress.

All transactions shall be based on the freight, insurance, customs, duties and tax (including without limitation VAT) rates valid at the time of order confirmation. Fermion shall be entitled to adjust its invoice to account for any changes in these rates with an appropriate surcharge or credit.

Payment shall be made within thirty (30) days from the date of the invoice, unless otherwise expressly agreed upon in writing between Fermion and Customer. Any amount outstanding after said due date, shall bear interest until payment at the rate of ten (10) percent (%) per annum. All payments shall be made in the invoice currency. No off-set by Customer for alleged or proven counterclaims shall be allowed.

4. Delivery; Risk of Loss

Fermion shall use all reasonable efforts to deliver the ordered goods at the agreed delivery date, or if the time of delivery has not been expressly agreed upon or confirmed by Fermion in writing, within a reasonable period of time from the signing of the contract or confirmation of the order, as the case may be. In the event of any delay in delivery appearing likely for Fermion, Customer shall be notified and the parties shall liaise to arrange for a mutually convenient new delivery date.

Unless expressly agreed otherwise in writing, deliveries may be made in full drums, pallets or production batches, as applicable, with a tolerance compared to the ordered amount of \pm ten percent (10%). Partial shipments or partial deliveries shall be allowed.

Fermion shall be entitled to hold back any confirmed delivery, should Customer be in arrears with a payment or should Customer's credit rating be such that it can be reasonably viewed as not solvent.

Risk of loss concerning a particular shipment shall pass to Customer upon delivery. Unless anything to the contrary has been agreed in writing between Fermion and Customer, the delivery term shall be Ex Works, Fermion facility (Incoterms 2000).

5. Retention of Title

Title to the goods shall vest with Fermion until the goods have been paid for in full.

6. Deadlines

Products or Services shall be delivered at the date agreed in Fermion's offer. Fermion shall notify Customer in the event of a serious delay and indicate a new delivery date. If Fermion is unable to meet this new deadline, Customer may cancel order, but is not entitled to claim any damages.

The delivery lead time shall begin when all technical and business issues have been resolved between Customer and Fermion. It shall be extended by a mutually agreed period if Customers'

changes in the information and documentation package require a new adjustment of the delivery time.

7. Audits

Upon reasonable advance written minimum notice (min. 60 days), Fermion shall grant Customer access to the laboratories and plant(s) where a specific order for same Customer was processed. Fermion shall co-operate with Customer on QA/QC-issues and inspections by health authorities. Emergency cases notwithstanding, audits shall be free of charge, as long as they take place once every second year. For audits within earlier intervals, Fermion retains the right to charge according to time spent.

8. Use of subcontractors

Unless otherwise specified, Fermion reserves the right to transfer, assign or sub-contract part or whole of manufacturing of Products to third parties. Fermion shall select sub contractors with comparable standards of quality and confidentiality. However, if a project requires being made under GLP or cGMP, Fermion will abstain from subcontracting, unless otherwise agreed upon.

9. Warranties; Liability

All products (APIs and other) sold by Fermion have been manufactured according to Fermion's specifications, current Good Manufacturing Practice (GMP) and, as applicable, its Drug Master Files ("DMF").

To the maximum extent allowed by law, any and all warranties, including, without limitation, those concerning merchantability, fitness for a particular purpose, non-infringement, suitability for processing, use and or utilization of the goods sold, technical consultation and any other service or information are excluded and Customer is required to make its own examinations and analysis concerning same.

Customer shall inspect and analyze each delivery immediately upon receipt of same by Customer or its designated carrier, whichever is earlier. The delivery shall be deemed accepted by Customer in terms of quantity and quality, unless Fermion has received a written complaint (supported by sufficient documentation evidencing the basis for the complaint) from Customer about insufficiency in quantity or quality giving full details of same within forty (40) calendar days from the date of delivery. Any processing of the goods, for which insufficiencies in terms of quality or quantity have been or are intended to be claimed, shall be at the sole risk and responsibility of Customer.

After receipt of the complaint, Fermion shall be entitled to examine the goods in question and Customer shall render all reasonable access and support reasonably requested by Fermion for making the examination, as well as provide for proper storage of the goods in question.

If the return of goods is agreed upon, then returned goods must be sealed if the Fermion seal has been broken and the return shall be conducted in accordance with instructions given by Fermion. An additional statement from Customer's Quality Assurance department stating that the drum has been opened, sampled and closed under current GMP conditions shall accompany the returned goods.

Unsealed returns shall be destroyed at Customer's expense and Customer shall not be entitled for any refund for such unsealed drums nor reimbursement for the destruction of same..

Fermion's liability for any non-conformity in terms of the above referred to quality and/or of the quantity, and/or for any delay in delivery, shall be limited, at Fermion's discretion, to either (i) Fermion, at its expense, replacing without undue delay the delivered and non-conforming goods, or (ii) Fermion refunding to Customer all, or an appropriate part, of the paid purchase price, which shall constitute Customer's sole remedies for any such non-conformities and/or delays.

For the avoidance of doubt, Fermion shall in no event be liable for any indirect, incidental and/or consequential damage or loss such as lost profits, lost good-will, lost income, unrealized savings incurred by Customer or any third party in relation to any sale or delivery made by Fermion.

10. Hardship

Fermion shall not be responsible for any delay in agreed delivery or failure to deliver, or any other default concerning any goods or service ordered from Fermion to the extent due to any reasonably unforeseeable event whose effect could not reasonably have been avoided, including without limitation act of God, fire, storm, flood, war, act of terrorism, civil disturbance, riot, strike, lockout, government or other official order decree or regulation, lack or shortage of raw materials utilities or labor, delivery delay or failure by supplier, interruption in traffic, or any comparable event. Should any agreed performance by Fermion be delayed on account of such event by more than sixty (60) days, Customer shall be entitled to cancel the order or contract, as applicable.

11. Intellectual Property

Unless otherwise agreed, all results and underlying measurements, drawings, documents, analyses, data, laboratory and process records which are specifically generated by Fermion for Customer in connection with an order issued ("Results") shall become the exclusive property of Customer upon full payment of all fees and expenses. Customer will be responsible for vindication of patents or similar claims, unless agreed in writing.

Unless otherwise agreed, all of Fermion's patents, trade secrets, copyrights, logo, trade names, methods, processes, know how, technical documents, product specifications, software, programs, improvements, inventions, formulae, writings, procedures, engineering information, devices and all other technology, whether or not patentable, or rights or licenses relating to any of the foregoing (collectively "Fermion Property") used in connections with Products shall remain the sole and exclusive property of Fermion.

Unless otherwise agreed, Fermion grants Customer a royalty-free, non-transferable, non-exclusive license to use the Fermion property arising out of the manufacturing of Products to the extent necessary for the commercialization of the results.

12. Confidentiality

Unless otherwise agreed in writing, Fermion and Customer both undertake not to disclose information which is received from the other party in connections with the manufacturing of Products, unless (i) otherwise required by law or judicial order, or (ii) the receiving party can prove that such information has been known to it prior to receipt. Without limitation, each of the parties undertakes:

- a) to use information by authorized persons and for its intended purpose only;
- b) not to divulge it or make it accessible to any third party without the other party's prior written consent;
- c) to return or destroy, subject to compliance with applicable laws and regulations, all files or documents or copies of information stored in electronic or computerized systems containing confidential information or samples, if any, provided by the respective party at the other party's request. However, one copy may be retained for the legal files to determine the respective party's obligations. Neither party may issue press releases or scientific publications containing confidential information without the other party's prior written permission.

13. Permits, etc.

Customer shall obtain all necessary import, operating and other permits and clearances concerning any delivery by Fermion at its own expense and risk (whether or not the need for same arises

after the order confirmation by Fermion), provided nothing to the contrary has been explicitly agreed upon in writing between Customer and Fermion.

14. Cancellation policy

Customer may cancel an Order at any time. If an order is cancelled by Customer, Customer shall reimburse Fermion for its reasonable fees and expenses incurred or committed in connection with the preparation of the manufacturing of Product.

Should Customer cancel an order, Fermion shall take reasonable measure to cease any production and limit further expenses associated with such production related to any open purchase order submitted by Customer which is subject of such cancellation. If Fermion is unable to sell such production to another person or entity, Customer shall pay Fermion for the amount of any lot produced pursuant to purchase order(s) given and for reasonable expenses incurred by Fermion with respect to the remainder of such purchase order prior to the effective date of cancellation.

Such reasonable expenses may include, without limitation, raw materials in-house which cannot be returned to the supplier for full refund, incineration costs for raw materials and/or for goods processed and work costs (variable and fixed) associated with the manufacturing of such goods as well as any cancellation fee(s) for purchased raw material which suppliers charge Fermion with.

A cancellation fee of 10 % of the sales value of cancelled goods may also be imposed by Fermion as compensation for restructuring of production schedules and additional reorganization work.

15. Governing Law; Dispute Resolution

All sales and deliveries by Fermion shall be subject to the laws of Finland, without regard to its conflict of laws provisions. The applicability of the United Nations Convention on the International Sale of Goods is expressly excluded. The place of performance for all of Fermion's obligations shall be Fermion's principal place of business in Espoo, Finland, provided that nothing to the contrary has expressly been agreed upon in writing.

Any and all disputes concerning any delivery or sale by Fermion shall be finally and exclusively settled in binding arbitration by three (3) arbitrators (unless the parties in writing agree to a sole arbitrator) under the Arbitration Rules of the Central Chamber of Commerce of Finland, with the arbitration proceedings to be conducted in Helsinki, Finland, in the English language.

Fermion and Customer may agree in writing to have any dispute examined and ruled over by the lower court of Fermion's domicile. All of the foregoing notwithstanding, Fermion may initiate debt collection proceedings against the Customer for any outstanding payments and/or file any related suit against the Customer in any other place provided by law.

Espoo, August 27, 2010