PURCHASE ORDER TERMS AND CONDITIONS
for
ELANCO BANGLADESH, LTD.
Effective August 1, 2017

1. Application
These Terms and Conditions apply to any purchase order issued by Elanco Bangladesh Ltd., ("Elanco") to you for the provision of goods and/or services ("**Purchase Order**"). These Terms and Conditions shall apply to this Purchase Order and may be amended from time to time at Elanco's sole discretion.

2. Acceptance
By accepting in writing, shipping goods specified in the Purchase Order ("**Goods**"), commencing services specified in the Purchase Order ("**Services**") or undertaking any other similar activity in response to the Purchase Order (and within any timeframe specified for acceptance), you agree to accept and be bound by the Purchase Order and these Terms and Conditions.

3. Scope of Goods and Services
Unless otherwise stated in the Purchase Order, details of the scope of Goods and Services to be provided to Elanco are set out in the relevant quote provided to Elanco by you ("**Quote**").

4. Other Terms and Conditions
These Terms and Conditions and any document incorporated by reference, including the Purchase Order, constitute the entire agreement of the parties about their subject matter. These Terms and Conditions override any other terms or conditions contained in any Quote, invoice, estimate, and scope of work or other document issued by you or Elanco. If additional or different terms and conditions are specified in the Purchase Order which are inconsistent with these Terms and Conditions, the Purchase Order will take precedence over these Terms and Conditions to the extent of any inconsistency.

5. Delivery
You must deliver any Goods and perform any Services within the time stated in the Purchase Order. If you do not deliver all the Goods and perform all the Services specified in the Purchase Order within the time stated in Elanco may cancel all or any portion of the Purchase Order without liability. Risk and title in the Goods will pass to Elanco on delivery of the Goods at the delivery address specified in the Purchase Order.

6. Price
Any Goods or Services shall be supplied to Elanco for the price specified in the Purchase Order. You are not entitled to an additional payment for packing or shipping of Goods unless specified in the Purchase Order. You must provide Elanco with an invoice in respect of any Goods or Services supplied under the Purchase Order within [7] days of supplying such Goods or Services ("**Invoice**"). You will provide all supporting documentation to substantiate the amount charged, on request by Elanco or otherwise required by these Terms and Conditions. Elanco will pay you the lesser of the price specified in the Purchase Order and the Invoice within [60] days of receiving the Invoice.

7. GST/VAT and Taxes
Fees, costs and other expenses payable under the Purchase Order are exclusive of any Goods and Services Tax or Value Added Tax laws of Bangladesh ("**GST/VAT Act**")) and are inclusive of any other applicable taxes, duties, imposts and other similar charges payable in respect of the Goods or the Services. If GST/VAT is payable, such amount must be specified in an Invoice (which is a tax invoice under the GST/VAT Act) and Elanco will pay you an additional amount equivalent to the GST/VAT at the time that payment to you is due.

8. General obligations

You warrant that:

(i) all Goods and all materials used in performance of the Services will be new, free from faults in design and fit for the purpose for which they are supplied;

(ii) the Goods will not be subject to any encumbrances, including any charge, lien, pledge or as any other security for payment of a monetary or other obligation;

(iii) all Goods shipped under the Purchase Order will be accompanied by appropriate delivery papers;

(iv) the Purchase Order number will appear on all documents and packages produced in connection with the Goods or Services; and

(v) you will provide the Services to the highest level of skill, care and diligence, including in accordance with any specified timetable and the Services will be free from material defects as regards their performance. Elanco will provide you with all information and all access to premises reasonably required by you to deliver the Goods or perform the Services under the Purchase Order. You agree to follow all reasonable directions of Elanco while on Elanco premises.

9. Inspection

Any Goods delivered by you under this Purchase Order are subject to Elanco's inspection and approval, regardless of prior receipt or payment. If Elanco determines, in its sole discretion, that any delivery of Goods, which it has inspected, is unsatisfactory, Elanco will notify you and may return the Goods to you for a full refund of any price paid by Elanco. Risk and title in the Goods will pass to you upon receipt of notice from Elanco. Transportation both ways will be at your expense. All Goods specified in the Purchase Order (including any documentation or materials generated in the performance of Services under the Purchase Order) are subject to acceptance testing by Elanco. If, in undertaking acceptance testing, Elanco discovers a non-conformity within 90 days after delivery of any Goods and notifies you of that nonconformity, you will correct the non-conformity at no additional charge or provide a refund to Elanco, at Elanco's sole discretion.

These rights are additional to any rights granted by law.

10. Ownership of Work Product

These Terms and Conditions do not affect the pre-existing intellectual property rights of either party (including any resources or data provided to you by Elanco for the purposes of performing the Services). You represent and warrant that the intellectual property rights created or developed for the sole purpose of performing the Services and/or delivery of the Goods ("**Work Product**") and its use by Elanco will not infringe the intellectual property rights of any person. The Work Product will be owned on its creation or development by Elanco and you must execute all necessary assignments or documentation to vest ownership in Elanco in a timely manner. In relation to all copyright works created under these terms and conditions, you must procure the consents necessary to allow Elanco to materially alter those works and deal with those works without attributing authorship.

11. Insurance

Without limiting your liability to Elanco or third parties, you will maintain any insurance required to meet your indemnification obligations under the Purchase Order and these Terms and Conditions, including public liability and professional indemnity insurance. You will maintain such insurance from the date of the Purchase Order to at least [12] months after delivery of any Goods and performance of any Services. Upon request, you must provide Elanco with evidence of such insurance.

12. Compliance

Each party will ensure that it complies with all applicable laws, government regulations and industry codes. You also agree to comply with any Elanco policies that you are made aware of. Unless Elanco directs otherwise, you shall procure at your own expense all permits, licenses and other approvals required to undertake any required activity under the Purchase Order.

13. Notice of Review, Audit or Inspections
You must provide Elanco with immediate notice of any governmental or regulatory review, audit or inspection of your facility, processes, or products that might relate to the subject matter of the Purchase Order. Elanco must be given the opportunity to provide assistance to you in responding to any such review, audit or inspection. You will provide Elanco with the results of any such review, audit or inspection.

14. Books and Records
During the term of the Purchase Order and for three (3) years thereafter, your records relating to the performance of your duties and obligations under these Terms and Conditions will be open to inspection and subject to audit and reproduction by Elanco or Elanco's nominated agent or representative.

15. Anti-bribery laws
In carrying out its responsibilities under these Terms and Conditions, each party will comply with all applicable anti-bribery laws in the countries where the party has its principal place of business and where it conducts activities under these Terms and Conditions. The parties understand and agree to comply with the United States Foreign Corrupt Practices Act which generally prohibits the promise, payment or giving of anything of value either directly or indirectly to any government official for the purpose of obtaining or retaining business or any improper advantage.

In this clause 15, "**government official**" means any official, officer, representative, or employee of, including any doctor employed by, any non-US government department, agency or instrumentality (including any government-owned or controlled commercial enterprise), or any official of a public international organization or political party or candidate for political office. You represent and warrant that neither you nor any of your shareholders, directors, officers, employees, agents, or consultants is a government official for the purpose of:
(i) influencing any act or decision of the government official in his/her official capacity;
(ii) inducing the government official to do or omit to do any act in violation of the lawful duty of the official;
(iii) securing any improper advantage; or
(iv) inducing the government official to use his/her influence with the government or instrumentality to affect or influence any act or decision of the government or instrumentality with respect to any activities undertaken relating to these Terms and Conditions.

You further represent that no payment, authorization, promise or gift of the type described above has been made prior to the date of the Purchase Order. The parties will make reasonable efforts to comply with requests for information, including answering questionnaires and audit inquiries to enable the other party to ensure compliance with applicable anti-bribery laws.

16. Termination
Elanco may terminate the Purchase Order (in whole or part) on 5 days written notice to you. In the event of such termination, Elanco shall have no obligation to you except to pay all costs actually and reasonably incurred by you prior to the date of notification of termination plus a normally accepted trade allowance on such costs as full payment of your overhead and profit. In no event shall Elanco be obligated to pay an amount in excess of the amount set out in the Purchase Order for the Goods and/or Services. You must, as soon as reasonably practicable after termination, refund to Elanco any payments made to you in advance.

17. Early Termination
If you are in material breach of these Terms and Conditions, Elanco may immediately terminate a Purchase Order. For the avoidance of doubt, a material breach includes a breach by you of:
(i) sections 12 to 15 (inclusive); or
(ii) any other provision of these Terms and Conditions which expressly provides conduct constituting a material breach.

If the Purchase Order is terminated (in whole or part) as a result of default by you, Elanco shall have no obligation to reimburse you for any Services performed by you and you will not be entitled to any damages, nor will Elanco indemnify you for any loss you may suffer, arising from Elanco exercising its right to terminate under this clause 17.

18. Indemnity

You agree to indemnify Elanco and its officers, employees or agents and will keep them indemnified in connection with any claims, damages, costs, proceedings ("**Claims**") or any other remedies actual, contingent or otherwise, arising directly or indirectly:

(i) in contract, statute or tort (including negligence) in connection with the Terms and Conditions, the Purchase Order or their termination (including in relation to carriage and delivery of Goods, or infringement of the intellectual property rights of any person in connection with the Goods or Services); or

(ii) out of any Claims made by your contractors, agents, affiliates or employees ("**Your Personnel**"), including in respect of their employment or engagement with you, except to the extent these Claims arise directly from the wrongful or unlawful conduct of Elanco.

19. Subcontractors

You must not use any subcontractor without Elanco's prior written approval. If you use a subcontractor, you will be fully responsible for Services performed by the subcontractor to the same extent as if the Services were performed directly by you.

20. Non-disclosure and Publicity

You will not disclose to any other person any information concerning the Purchase Order, including its existence, whether in a press release, advertising or other materials, without Elanco's prior written consent. You must not refer to the existence of these Terms or Conditions (including the Purchase Order) or use any name relating to Elanco or Eli Lilly or Lilly unless required by law, in which case you must provide copies of the disclosure to Elanco for the prior review and comment by Elanco. You must not use Elanco's name or logo in any manner which may suggest any relationship, association or endorsement between you and Elanco.

21. Confidentiality

You will keep any information of Elanco which by its nature is confidential or is designated by Elanco as confidential ("**Confidential Information**") confidential and secure at all times. You may only use or disclose Elanco's Confidential Information:

(i) to the extent necessary to supply Goods or Services under the Purchase Order;

(ii) if required by law; or

(iii) if agreed by Elanco in writing.

If you become aware of an unauthorized disclosure or use of any Confidential Information or any such suspected disclosure or use, you must immediately notify Elanco. You will ensure your employees agree in writing not to use or disclose any information learned or acquired in the delivery of the Goods or performance of the Services, including any information relating to the Work Products
or any Confidential Information.

22. Privacy

You will comply with the relevant provisions of any privacy and/or personal data protection laws in Bangladesh and all requirements of Lilly's Vendor Privacy Standard (published on the Internet at https://www.lilly.com/suppliers/new-and-existing-suppliers/supplier-notifications or otherwise made available to you by Elanco), as amended from time to time at Lilly's sole discretion. The Vendor Privacy Standard will prevail over these Terms and Conditions to the extent of any inconsistency. All personal information (as defined in the Vendor Privacy Standard) is deemed to be Elanco's confidential information regardless of whether it satisfies the definition in section 21. Any failure to comply with the Vendor Privacy Standard will be a material breach of these Terms and Conditions.

23. Assignment

Your rights and obligations under these Terms and Conditions are personal to you and may not be assigned to any third party without Elanco's prior written consent.

24. Relationship of the Parties

You acknowledge and agree that, in performing Services, you will be acting as an independent contractor, and neither you nor any of Your Personnel shall be deemed to be employees of Elanco for any purpose. Nothing in the Purchase Order makes either party the principal, agent, partner or joint venture of the other party. Neither party has the authority to enter into any agreement on behalf of the other party nor shall either party act so as to suggest that it has such authority.

25. Governing Law

These Terms and Conditions are governed by and must be construed in accordance with the laws in force in Bangladesh. You submit to the non-exclusive jurisdiction of the courts of Bangladesh.