

**PURCHASING CONDITIONS FOR Elanco Tiergesundheits AG
("Elanco")**

- 1. General**
- 1.1 Elanco is an affiliate of Elanco Animal Health Inc., USA.
- 1.2 Unless otherwise agreed in writing, Elanco's orders are exclusively subject to the following Purchasing Conditions. The Purchasing Conditions shall also apply to all future business transactions with the Contractor. These Purchasing Conditions shall apply even if the Contractor refers to his own purchasing conditions by accepting Elanco's order, unless Elanco has explicitly agreed to the Contractor's purchasing conditions in writing. The Contractor's purchasing conditions shall also not be binding upon Elanco even if Elanco, despite being aware of conflicting or additional conditions or conditions that differ from Elanco's Purchasing Conditions, fails to expressly object to them.
- 1.3 Elanco is entitled to modify or/and amend these Purchasing Conditions at its own discretion and at any time in case of changes in the legal framework or a changed commercial environment without any rights being derived therefrom by the Contractor. The changes are deemed to have been approved, if the Contractor does not object in writing within four (4) weeks upon receipt of the amendment notification. The modified or amended Purchasing Conditions are valid for all orders that Elanco places with the Contractor after the four (4) weeks period.
- 2 Contract conclusion and contract amendments**
- 2.1 Orders and delivery call-offs as well as changes and amendments thereto must be made in writing. Orders and delivery call-offs can also be placed using remote data transmission. Additional conditions or contractual provisions introduced by the Contractor are deemed to be rejected as long as Elanco has not explicitly agreed in writing to these additional conditions. A binding order placed by Elanco shall determine the type and scope of delivery of goods and services.
- 2.2 Elanco must receive a written order confirmation from the Contractor within two (2) weeks upon receipt of Elanco's order. After expiry of that period Elanco shall no longer be bound by its order.
- 2.3 Delivery call-offs shall become binding upon the Contractor unless he objects within three (3) working days upon receipt of the delivery call-off.
- 3 Prices**
- 3.1 The agreed prices are fixed and firm unless otherwise agreed in writing. They shall not be subject to retrospective changes. In particular, any retrospective changes of the Contractor's wage and material costs shall not entitle the Contractor to alter the prices. All additional costs (e.g. transport costs, insurance costs, license costs, etc.) are at the expenses of the Contractor.
- 3.2 Cost estimates are binding and provided free of charge unless otherwise expressly agreed in writing.
- 4 Delivery**
- 4.1 The delivery period that is stated on the order shall be binding. Any deviations from Elanco's orders shall only be admissible after Elanco's prior written consent.
- 4.2 The agreed delivery dates and delivery periods are binding. Compliance with the delivery date or the delivery period shall be determined by receipt of the goods by Elanco. Unless 'ex works' delivery has been agreed, the Contractor shall make the goods available in due time taking into consideration the time required for loading and dispatching the goods to be agreed with the transport company.
- 4.3 The Contractor is obliged to notify Elanco in writing as soon as he becomes aware of circumstances that may lead to a delay in delivery.
- 4.4 If the agreed delivery date is not complied with, the statutory provisions shall apply.
- 4.5 Elanco's unreserved acceptance of a belated delivery of goods or services must not be construed as a waiver on Elanco's part of rights and claims that are due to Elanco on account of the belated delivery of goods or services.
- 4.6 Partial deliveries shall, as a rule be inadmissible unless Elanco has expressly agreed thereto in writing or Elanco can be reasonably expected to accept them.
- 4.7 Unless evidence to the contrary is provided, the unit numbers, weights and measurements that are ascertained by Elanco during the incoming goods inspection are the relevant ones.
- 4.8 Apart from the right to use the software, which together with the related documentation is part of the delivery scope, to the extent admissible under the applicable law, Elanco has also the right to use such software together with the agreed performance features and to the extent required for the contractually stipulated use of the product. Elanco is also permitted to produce a backup copy thereof without express agreement. The Contractor is responsible that Elanco obtains the above mentioned rights. The Contractor shall bear all costs associated with the fulfillment of aforementioned obligation including, but not limited to, any costs for a necessary license for the use of the products by Elanco in the above mentioned scope.
- 5 Delivery conditions**
- Delivery and dispatch are to be understood 'free place of delivery' and any specific instruction given by Elanco shall be considered. Packaging costs shall not be paid by Elanco. If separate payment for the packaging has been agreed, it shall be fully credited in the case of a return of goods free of carriage charges.
- 6 Transfer of risk and insurance**
- Until the goods have been accepted by Elanco or by someone authorized by Elanco at the place of performance or at the place of delivery indicated by Elanco, the risk shall be borne by the Contractor. In the event that a goods inspection and acceptance procedure has been agreed, the transfer of risk shall be determined thereby. Any insurance costs which shall be borne by Elanco must be agreed in writing with Elanco in advance.
- 7 Invoicing and payment**
- 7.1 Payment shall be made within sixty (60) days upon receipt of the invoice and receipt of all goods and/or services provided that the invoice contains all requested requirements. Payment of the goods and/or services by Elanco does not mean that Elanco waives any possible warranty or damage claims against the Contractor.
- Invoices shall be sent to as follows:
- By post to:
Elanco Tiergesundheits AG
Urząd Pocztowy
PO Box 172
Ul. Powstanców Śląskich 50
53-350 Wrocław 15
Poland
 - Via e-connect by entering the invoice in the electronic invoice portal.
- The Contractor shall be informed by Elanco which of the above invoicing options is to be used.
- 7.2 The offsetting of any counterclaims of the Contractor is not permitted, unless such counterclaims are undisputed, legally established or have been recognized in writing by Elanco.
- 8 Complaints and warranty**
- 8.1 Only upon the delivery of goods/services that are free from defects in accordance with Elanco's order shall Elanco be under the obligation to accept and pay for them. A restriction of the statutory warranty provisions shall not be accepted by Elanco. Acceptance shall be subject to an inspection of the goods/services to ascertain whether they are free from defects and in particular also whether they are correct, complete and fit for purpose.
- 8.2 Insofar as the subject of the Contractor's performance is the delivery of goods, Elanco shall inspect the subject matter of the contract as far and as soon as this is feasible as part of the regular course of business, in

- order to detect any openly noticeable defects including differences concerning identity and quantity as well as any damage in transit; Elanco shall put forward a complaint regarding the defects ascertained immediately after detection. In the case of hidden defects, a complaint is considered to have been made on time if it is made immediately after detection of the defect, whereby a complaint within seven (7) working days after detection of the defect shall be deemed as immediately.
- 8.3 The statutory provisions concerning material and legal defects shall apply unless otherwise agreed below.
- The Contractor warrants, as part of the statutory provisions, that his performance complies with the generally acknowledged rules and the current state of science and technology, the provisions of delivery applicable at the time and the requirements concerning safety technology valid at the time of delivery and that it is free of the rights of third parties (including intellectual property rights) and, in particular, that no trademark or patent rights will be infringed by the use or sale of the delivered goods by Elanco. The Contractor shall be responsible for any complaints made against Elanco with regard to infringements of trademark and/or patent rights or any other intellectual property rights related to the use or sale of the delivered goods. In particular, the Contractor shall hold Elanco harmless from any costs incurred by Elanco due to the aforementioned infringements and any compensation claims which were raised against Elanco. The Contractor further warrants, that he complies with all applicable local, national and international laws, in particular, but not limited, any applicable US law.
- In the case of services subject to a contract for work and services, a formal inspection and approval test shall be performed by Elanco.
- 8.4 In case of a defect, Elanco may, at its own election, demand either a rectification, replacement delivery, reduction of the purchase price or withdraw from the contract (*Wandelung*).
- 8.5 The Contractor shall be entitled to refuse the warranty right selected by Elanco under the conditions set forth in art. 205 para. 2 and 3 respectively art. 368 para. 2 and 3 of the Swiss Code of Obligations.
- 8.6 If the Contractor fails to meet his warranty obligations either in full or partially within an appropriate period of time set by Elanco, Elanco can rectify the defect itself or have it rectified by third parties and request reimbursement of the necessary costs or a respective advance payment from the Contractor, unless the Contractor is justified in rejecting the remedy of defects.
- If the Customer is not able to remedy the defects – which is the case if two attempts to remedy have been unsuccessful - or if Elanco cannot reasonably be expected to accept the remedy of defects by the Contractor (e.g. on account of a particular urgency, in particular to avoid endangering operational safety or to avoid disproportionate damage/loss) or if the Contractor rejects the remedy of defects sternly and finally, it shall not be necessary to set a deadline.
- 8.7 The Contractor's warranty for defects shall continue for three (3) years from the transfer of risk unless statutory provisions stipulate a longer warranty period.
- 8.8 The Contractor shall bear all costs for the remedy of defects, in particular, but not limited to, the transport, toll, labor or material costs. This also applies to any costs incurred by Elanco due to incoming goods inspections exceeding normal levels (inspection costs).
- 8.9 The Contractor warrants that in the performance of its obligations, Contractor shall comply with the applicable provisions of Elanco's Supplier Privacy Standard as revised by Elanco from time to time and available at https://assets.ctfasets.net/f77lgyxjmq2/2ef203TNSk5uJhC5Q3hslO/dad8f233d46c9fa7257ac78abfe37996/Elanco_Supplier_Privacy_Standard_SPS_Feb_27_2019.pdf, or otherwise made available to Contractor, and the applicable provisions of Elanco's Information Security Standard as revised by Elanco from time to time and available at https://assets.ctfasets.net/f77lgyxjmq2/6vOcT-FJQpXWrxgmdC0lOqi/368475ae60d78759e610305109bb115a/InformationSecurityStandard_v1.pdf, or otherwise made available to Contractor and professional or good practice standards or codes applicable to the nature of the service.
- 9 **Product liability and recalls**
- In the event that claims are made against Elanco on account of product or drug liability, the Contractor shall be obliged to hold Elanco harmless from such claims at first request. This does not apply if the cause of the damage/loss is not within the Contractor's field of responsibility. In cases of fault-based liability assumed by Elanco this shall only apply if the Contractor is at fault. If the cause of the damage/loss lies within the Contractor's field of responsibility, he shall bear the burden of proof.
- In such cases the Contractor shall pay all costs and expenditure including the costs of potential legal proceedings or recalls. Otherwise, the statutory provisions shall apply.
- 10 **Indemnification**
- 10.1 If Elanco is held liable for a breach of the rules or provisions relating to the deliveries and services of the Contractor – for whatever legal reason –, the Contractor shall indemnify Elanco as well as its employees, agents, customers, successors and assignees against all costs, expenses, losses or other damages arising from this infringement to the fullest extent permitted under the applicable law and without prejudice to any of Elanco's other rights and remedies, unless the Contractor proves that he is not responsible for the respective infringement.
- 10.2 Furthermore, the Contractor shall indemnify Elanco to the fullest extent permitted under the applicable law against any liability, losses, costs (including lawyer's and further legal expenses, recall costs and costs for employees), damage to property or personal injury which have been caused by (i) a defective delivery or service, (ii) a breach of contract by the Contractor or his subcontractors (including delayed deliveries or services), or (iii) negligence, willful default or wrongful act or omission of the Contractor or his subcontractors.
- 11 **Materials provided**
- 11.1 Any substances, parts, containers and special packaging provided by Elanco shall remain Elanco's property. They must only be used for their intended purpose. The Contractor shall store them separately, mark them appropriately and insure them sufficiently. If they get lost, lose their value or are processed incorrectly, the Contractor shall provide replacements.
- 11.2 All lay-outs, final artwork, lithograph prints and other documents commissioned by Elanco for the preparation of the printing process shall become Elanco's property.
- 11.3 At Elanco's request, the items that are Elanco's property must be handed over to Elanco forthwith and at no costs. The Contractor does not have the right to retain said items unless the claim, on which the right of retention is based, is undisputed, has been legally established or is ready to be adjudicated upon.
- 11.4 The processing of substances and the assembly of parts take place on Elanco's behalf. There is a common understanding that Elanco becomes a co-owner, if applicable by law, but at least commercially of the goods produced by using Elanco's substances and parts in a ratio of the value of the materials provided to the value of the product as a whole.
- 12 **Contractual transfer, withdrawal, termination**
- 12.1 The transfer of rights and obligations under the contract to third parties shall be inadmissible without Elanco's prior consent and shall entitle Elanco to withdraw fully or in part from the contract or to terminate the contract with immediate effect, whereupon the Contractor shall be liable for all damages incurred by Elanco due to the withdrawal/termination of the contract.
- 12.2 Force majeure, industrial disputes, operational downtimes that are not the fault of the operator, disturbances, regulatory measures and other unavoidable events shall entitle Elanco – regardless of Elanco's other rights – to withdraw fully or in part from the contract or to terminate the contract as far as said events continue for a significant period of time and result in a significant reduction of Elanco's requirements.
- 13 **Confidentiality**
- 13.1 All commercial or technical information made available by Elanco (including characteristics that may be taken from items, documents or software that may have been

<p>handed over as well as other expertise or experiences) must be kept secret towards third parties unless such information has verifiably been known to the Contractor prior to receipt or, irrespective thereof, becomes otherwise lawfully known to him or is in the public domain after receipt; the Contractor may only divulge such information to those who, due to the use of said information for the purpose of delivery to and performance for Elanco, are unavoidably involved and who are also bound by an obligation of confidentiality; Elanco shall remain the exclusive owner of the said information. Without Elanco's prior written consent, such information must neither be copied nor used – except for deliveries to or performances for Elanco or to third parties contracted by Elanco. At Elanco's first request, all information originating from Elanco (including any hard or electronic copies, or records made thereof) and any items made available by Elanco on a loan basis must be returned entirely to Elanco forthwith or be destroyed. Elanco has the right to request a written confirmation of the destruction of such documents. The Contractor does not have a right of retention unless the claim, on which the right of retention is based, is undisputed, has been legally established or is ready to be adjudicated upon.</p> <p>Elanco shall reserve all rights to such information (including copyrights and the right to register intellectual property rights such as patents, utility models, semi-conductor protection etc.). As far as said information has been made available to Elanco by third parties, this reservation of rights also extends to such third parties.</p> <p>Elanco does not warrant the accuracy and completeness of the information and shall not be held liable for its suitability for the purpose of the order.</p> <p>13.2 Products that have been made with the help of documents designed by Elanco such as drawings, models etc. or products that have been produced based on confidential information provided by Elanco or with the help of Elanco's tools or replicated tools, shall neither be used by the Contractor himself nor offered, supplied or otherwise made available to third parties. This applies mutatis mutandis also to Elanco's print orders.</p> <p>13.3 When advertising, the Contractor shall not refer to his business relationship with Elanco until he has received Elanco's prior written consent.</p> <p>14. Samples / reference standards</p> <p>14.1 Elanco shall remain the sole owner of any and all samples and/or reference standards furnished to Contractor under a particular project. Contractor's right to retain possession of the aforementioned materials after completion of the project is expressly excluded.</p> <p>14.2 Contractor acknowledges that:</p> <p>(a) information regarding the samples and/or reference standards (including the identity, description, and properties of any samples and/or reference standards and any information that Contractor acquires from its processing, study, use, or handling thereof) is Elanco's confidential information.</p> <p>(b) Contractor shall contact Elanco for instructions on the retention or disposal of materials. Samples and/or reference standards shall be disposed free of charge unless prior written instructions have been received from Elanco regarding shipment of the samples and/or reference standards to Elanco. Contractor shall provide evidence of the disposal upon request of Elanco. On no account shall materials be disposed of without Elanco's prior written permission.</p> <p>(c) Contractor shall dispose of any waste generated from Contractor's possession of the samples and/or reference standards in accordance with applicable laws.</p> <p>(d) Contractor shall follow written Elanco procedures describing the receipt, storage and handling of such samples and/or reference standards (if any).</p> <p>(e) Contractor shall inform Elanco in less than twenty-four (24) hours of receipt of notification of any suspected death in humans, adverse event or product quality complaint whether in humans or animals, counterfeiting or tampering or any enquiry related to the sample/reference standards supplied by Elanco.</p> <p style="padding-left: 40px;">ii.</p> <p>(f) Contractor shall communicate such information, in English, by electronic mail to the following address: Adverse_Events_Elanco@elanco.com. Contractor shall fully cooperate with Elanco in answering any questions that</p>	<p>Elanco may have so that Elanco can take the appropriate measures related to such occurrence.</p> <p>(g) In the event of a recall (the rapid recovery from the market of any lot or batch of a known or suspected defective Product (Elanco product and/or any new product containing Elanco Product) ordered by a government agency or by Elanco of any of the Products) (the "Recall"), Elanco and the Contractor shall cooperate fully with one another in conducting the Recall. In case of recall of the Products, Elanco will be responsible for the Recall except as required by law and agreed upon in writing by Elanco. Where the Recall is caused by any action of the Contractor in violation of its contractual or legal obligations, the Contractor shall pay all costs and expenses of any Recall. If the Recall is caused by reasons other than an action of the Contractor in violation of its contractual or legal obligations, Elanco shall pay all of the costs and expenses for such a Recall.</p> <p>15 Receipt of goods</p> <p>Receipt of goods only takes place at Elanco's respective goods receipt departments on working days from 8:00 am to 4:00 pm.</p> <p>16 Place of performance</p> <p>Place of performance for the delivery is Basel, unless otherwise explicitly agreed in writing.</p> <p>17 Governing law, venue</p> <p>17.1 All disputes arising out of or in connection with this business relationship shall be submitted to the exclusive jurisdiction of the ordinary courts of Basel, Basel City. Elanco shall also be entitled to sue the Contractor at any other legal place of jurisdiction.</p> <p>17.2 The legal relationships of the parties are in all respects subject to the laws of Switzerland excluding the provisions set forth in the "United Nations Convention on Contracts for International Sale of Goods" (UN sales law).</p> <p>18 Severability</p> <p>If a provision or a part of a provision of the aforementioned regulations or of the additional written arrangements entered into upon contract conclusion were to be or become ineffective or unenforceable, the effectiveness of the remaining contractual arrangements shall not be affected thereby. The ineffective provision shall be replaced by a legally valid provision.</p> <p>19 Modifications and amendments</p> <p>Any changes and additions to the aforementioned conditions and to the additional written arrangements entered into upon contract conclusion must be made in writing. The same applies to any changes to the written form requirement.</p> <p>20 Use of Personal Information</p> <p>20.1 Information Elanco Collects and How Elanco Uses It. Contractor's personal information, including but not limited to name, contact information, bank details and information provided for the business transaction, etc. will be used by Elanco, or third parties acting on Elanco's behalf, in order to set up the business transaction. Elanco values Contractor's input about the quality of the business transaction Contractor receives and may also contact Contractor to ask for Contractor's opinion. Elanco may also use the information to meet legal or regulatory obligations, inclusive of company record retention that are in the legitimate interest of Elanco.</p> <p>Contractor's information will be processed electronically in order to process the business transaction. Contractor may object to profiling via automated-decision making by contacting Elanco using the information in the "How to Contact Elanco" section below.</p> <p>Contractor does not have to share Contractor's information with Elanco, but if Contractor chooses not to share Contractor's information, Elanco will not be able to fulfill its obligations under the Agreement.</p> <p>20.2 Reasons Elanco Shares Contractor's Information. Elanco may share Contractor's personal information with third parties including but not limited to transport companies, payment departments for purposes consistent with</p>
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those identified in these Purchasing Conditions. All third parties that have access to Contractor's information have agreed to protect the information and to use it only as directed by Elanco.

Elanco may also be required to disclose Contractor's information in response to lawful requests by public authorities, including to comply with national security or law enforcement requests.

20.3 **Where Elanco Stores and Works With Contractor's Information.** Elanco may transmit personal information about Contractor to other Elanco affiliates worldwide. These affiliates may in turn transmit personal information about Contractor to other Elanco affiliates. Some of Elanco's affiliates may be located in countries that do not ensure an adequate level of data protection. Nevertheless, all of Elanco's affiliates are required to treat personal information in a manner consistent with this notice. To obtain additional information regarding the basis for transfers and safeguards that Elanco has in place for cross-border transfers of personal information, please contact Elanco at privacy@elanco.com or visit <https://www.elanco.com/privacy>

20.4 **How Long Elanco Keeps Contractor's Information.** Contractor's Information will be saved for a period of time needed to fulfill legitimate and lawful business purposes in accordance with Elanco's records retention policies and applicable laws and regulations.

20.5 **How Elanco Secures Contractor's Information.** Elanco provides reasonable physical, electronic and procedural safeguards to protect information Elanco works with and maintains. Elanco limits access to Contractor's information to authorized employees, agents, contractors, vendors, affiliates, and business partners, or others who need such access to information to carry out their assigned roles and responsibilities on behalf of Elanco. Please be aware, although Elanco tries to protect the information Elanco works with and maintains, no security system can prevent all potential security breaches.

20.6 **Contractor's Privacy Rights.** Contractor has the right to request information from Elanco on how Contractor's personal information is being used and with whom that information is being shared. Contractor also has the right to request to see and get a copy of the personal information that Elanco has about Contractor, request its correction or request its erasure.

Contractor also has the right to have Contractor's information transmitted to another entity or person in a machine-readable format, in limited circumstances.

There may be limitations on our ability to comply with Contractor's request.

20.7 **How to Contact Elanco.** Contractor may make any of the above requests by contacting Elanco at: Elanco Tiergesundheits AG., Ethics & Compliance, Mattenstrasse 24a, 4058 Basel, Switzerland.

20.8 **How to Submit a Complaint.** If Contractor wish to raise a complaint on how Elanco has handled Contractor's personal information, Contractor can contact Elanco's Data Protection Officer at privacy@elanco.com who will investigate the matter.

If Contractor is not satisfied with Elanco's response or believes Elanco is working with Contractor's personal information not in accordance with the law Contractor can register a complaint with a Data Protection Authority (DPA).

21. Animal Welfare

Contractor will report to Elanco any animal welfare issues or concerns that may adversely affect the welfare of animals or validity of the testing being conducted. Examples include any animal illness, disease outbreaks, or any significant (i.e., reportable to a Governmental Authority) non-compliance with any country or local animal welfare laws, regulations, or standards.

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