

GENERAL TERMS AND CONDITIONS OF PURCHASE

Article 1 – General

- 1.1 These General Terms and Conditions of Purchase (“Agreement”) are a part of and shall be applicable to every order and/or contract (“Order”) in which MSD Animal Health FZ LLC, known as MSD Animal Health (“Buyer”) is buyer/client for the delivery of goods or the provision of services (collectively: “Goods”) by a company, partnership, person or other legal entity supplying the Goods to Buyer (“Supplier”).
- 1.2 Changes in the provisions of the Order are only binding if agreed by the parties in writing.
- 1.3 This Agreement applies to and supersedes any terms and conditions oral or written referred to, offered or relied on by the Supplier, whether in negotiation or at any other time in the dealing between Buyer and the Supplier.
- 1.4 Without prejudice to the matters above, the Buyer will not be bound by any standard, oral, or printed terms or any other terms whatsoever provided by the Supplier in any of its documents or otherwise unless the Supplier specifically states in writing, separately and distinct from such terms that it intends such terms to apply and Buyer by an authorized signatory confirms its acceptance in writing to the Supplier. Nothing obliges the Buyer to purchase Goods exclusively from the Supplier or to purchase a minimum volume of Goods from the Supplier.
- 1.5 In the event of conflict between provisions of these General Terms and Conditions of Purchase and provisions in the Order, the provisions in the Order prevail.

Article 2 – Acceptance

- 2.1 An Order is deemed to have been accepted by the Supplier to which such Order is given in writing, unless the Supplier notifies the Buyer in writing, within five (5) business days after the date on which the Order was issued or within another time period set in the Order that it does not accept the Order.
- 2.2 Notwithstanding the foregoing, if Supplier has commenced performance prior to the Buyer’s written acceptance aforesaid, then said different or additional terms shall be deemed null and void and these terms and conditions shall prevail.

Article 3– Changes

- 3.1 The Buyer may, at any time, direct in writing additions, deletions, or changes to all or any part of the scope of the Order, and Supplier agrees to perform such work as changed. The Buyer is also entitled to make changes in the designs, drawings, models, instructions, specifications and the like relating to the Goods to be delivered.
- 3.2 If, in the opinion of the Supplier, such changes causes an increase or decrease in the cost of or in the time required to perform such work, Supplier shall submit detailed information substantiating such claims and will inform the Buyer of these consequences in writing as quickly as possible prior to implementing the changes. If required, an equitable adjustment shall be made to the price or time of performance, or both, and the Order shall be modified accordingly.
- 3.3 If these changes on the price and/or delivery period are, in the opinion of the Buyer, unreasonable in view of the nature and scope of the change, the Buyer is entitled to cancel the Order or to terminate it in part or in full, without judicial intervention, by notifying the Supplier in writing. Cancellation or termination pursuant to this article does not entitle either of the parties to compensation of any damages.

Article 4 - Change of Personnel

- 4.1 The Supplier is responsible for maintaining reasonable continuity in personnel providing the Goods on its behalf, but reserves the right to make changes from time to time. Where substitution of personnel occurs:
 - (a) no additional charge will be made for any handover period, and the Supplier remains responsible for the services performed by any individual on its behalf;

- (b) where the Supplier's charges are on a time and materials basis, it is the Supplier's responsibility to ensure that the relevant skills and experience of any replacement personnel remain commensurate with the fee rates charged;
- (c) the terms of the Order and in particular (but not limited to) the contract price and timetable of the project, will remain unchanged, unless otherwise agreed by the parties in writing;
- (d) the Supplier shall ensure that any substitute personnel shall have the necessary qualifications and experience to fulfill the obligations pursuant to the Order; and
- (e) the Supplier acknowledges that Buyer has the right to refuse to accept the substitute personnel in the event of non-compliance with this clause.

4.2 In the event that the Supplier cannot provide either the original personnel or acceptable substitute personnel, Buyer is entitled to terminate the Order immediately. Termination pursuant to this article does not entitle either of the parties to compensation of any damages

Article 5 – Delivery Period, Delivery and Outsourcing to Third Parties

- 5.1 The Order will stipulate the delivery period or delivery deadline for the Goods. The delivery period commences on the day the Buyer issues the Order in writing. Upon exceeding the delivery period, the Supplier is in default without further notice. Supplier shall notify the Buyer in writing immediately of any situation that may delay or threaten to delay the timely delivery and/or performance of any Order. All or any portion of any Order may, at the Buyer's option, be canceled without liability by the Buyer, if delivery is not made as or when specified in such Order and these terms and conditions.
- 5.2 In the event that due to extraordinary circumstances the Buyer is unable to receive the Goods at the agreed time, then at the Buyer's request the Supplier will postpone the delivery for a reasonable period to be stipulated by the Buyer.
- 5.3 Unless otherwise expressly set forth in the relevant Order, Supplier shall not charge the Buyer for insurance on shipment of goods, or for packing, or crating of Goods.
- 5.4 Except where otherwise stated in the Order, delivery of the Goods is DDP (Delivered Duty Paid) to the Buyer's address in accordance with the applicable provisions of the most recent version of Incoterms published by the International Chamber of Commerce as valid on the date of the Order ("the Incoterms"). The Supplier must mark the Goods as destined for the Buyer, and store the Goods safely and insure them until the moment of delivery to the Buyer. The Supplier will neither provide or exhibit the Goods to third parties, nor grant third parties access to the Goods, except with the Buyer's prior written permission.
- 5.5 The Buyer is entitled to return non-agreed deliveries or partial deliveries of Goods at the Supplier's expense and risk. In the event of delivery of quantities that differ from the quantities as agreed and the difference is greater than customary in the industry in question, the Buyer may reject the excess (and in the event that less was delivered than agreed, reject the entire delivery) and return it at the Supplier's expense and risk.
- 5.6 The Supplier may not outsource work, in whole or in part, to a third party including but not limited to any person, firm, corporation or governmental agency, without the prior written permission of the Buyer.

Article 6 – Packaging and Transportation

The Supplier will ensure that the Goods are properly packaged and secured and (where Supplier arranges for shipment) shipped in such a manner that when transported they reach the place of delivery in good condition and can be unloaded there safely. The Supplier is responsible for its own compliance and the compliance of carriers contracted by or on behalf of the Supplier with national, international and/or supranational provisions relating to packaging, safety and shipment.

Article 7 – Prices and Payment

- 7.1 The prices stated in the Buyer's Order are in UAE dirhams, US dollars, Euro, JOD dinars or SA rials and include all taxes, charges and other costs required for the fulfillment of Supplier's obligations, and qualify as fixed prices unless agreed otherwise in the Order.

- 7.2 The prices set forth in any Order shall not be increased without the Buyer's prior written consent. Additional costs not covered in advance by the Buyer's written Order are not eligible for reimbursement. If, at any time during the performance of any Order, Supplier shall quote or sell, at lower net prices, similar goods and/or services under similar conditions and (as to goods) in similar quantities, such lower prices shall be substituted for the prices identified in said Order.
- 7.3 If Supplier is enabled to transact business with the Buyer electronically, Supplier agrees to submit invoices in electronic form to Buyer's organization through the approved electronic method. If Supplier is not so enabled, it agrees to submit invoices to Buyer's organization at:
MSD Animal Health FZ LLC
Alpha Building (EIB05), Suite 1, Ground Floor,
Dubai Internet City, PO Box 502947,
Dubai, United Arab Emirates
- 7.4 Unless agreed otherwise in writing, payment for the Goods delivered will be made within (90) days after the date of receipt of a properly prepared invoice in question; payment does not entail acceptance of the Goods in question. If the Buyer detects a fault in the Goods, the Buyer is authorized to suspend payment and may deduct amounts that the Supplier owes to the Buyer from the amount to be paid.

Article 8 – Warranties, Liability and Indemnification

- 8.1 The Supplier warrants that:
- 8.1.1 The Goods (i) are new, of good quality and are free of defects, (ii) are entirely in accordance with the Buyer's requirements, specifications, conditions, drawings, samples, operational requirements and/or other information provided by the Buyer, (iii) are free of design flaws, (iv) are complete and suitable for the business purpose and use indicated in the information provided by the Buyer, and (v) do not infringe any intellectual property right of third parties, this also in regard to the aforesaid business purpose and use, and that the Supplier is the owner of the intellectual property rights or holds sufficient rights to transfer the Goods free of obligations towards third parties.
- 8.1.2 In reference to the Goods, the provisions of law and governmental provisions of the destination country have been met and that all approval documents required by governmental institutions have been obtained and will be provided to the Buyer, that the Goods meet the requirements of the safety and quality standards generally maintained within the sector in question, and that the Goods will be provided with the approvals and certificates for use and that they will be accompanied, in so far as necessary for the health and safety of persons or property, with the necessary and clear operating instructions, safety instructions and warnings.
- 8.2 All Goods are subject to the Buyer's approval notwithstanding prior inspection or payment and, if not satisfactory or in accordance with specifications, may, at Buyer's sole option, be returned to Supplier at Supplier's expense for transportation both ways or the amounts paid therefore by the Buyer promptly refunded to Buyer. The Supplier is liable for and indemnifies the Buyer against all claims of third parties (including Buyer's employees) in relation to acts or omissions of the Supplier and/or the third parties contracted by the Supplier in the performance of the Order or failure to fulfill obligations towards the Buyer, and in regard to any infringement or alleged infringement of third-party intellectual property rights in relation to the Goods or their use.
- 8.3 Neither party shall be liable to the other for failure to perform when and specified in these terms and conditions or in any Order if such failure to perform is caused by war, fire (outside of the reasonable control of the party claiming the force majeure), flood, strike, labor dispute, accident (outside of the reasonable control of the party claiming the force majeure), riot, act of God, act of governmental authority, or other contingencies beyond the control of the non-performing party interfering with said party's ability to perform its obligations hereunder.
- 8.4 The Supplier warrants to Buyer that it has sufficient resources, staff, experience and expertise to deliver the Goods or carry out the services to the required standard and that it

will take all proper and reasonable care and will be diligent in performing its obligations under the Order.

Article 9 – Transfer of ownership

- 9.1 The ownership of the Goods shall transfer unencumbered and unconditionally to the Buyer at the time of transfer of the risk for the Goods as stipulated in the Incoterms. Immediately after the aforementioned time, the Supplier will provide the Buyer with a complete set of original shipping documents (bill of lading, master's receipt or other applicable documents), or, if agreed, the equivalent data file.
- 9.2 If for the purposes of the Order the Buyer makes partial payments for Goods or components of Goods prior to delivery of the Goods, the ownership of the Goods/components of goods passes to the Buyer upon delivery of the Goods/components to the Supplier or, in cases of manufacturing, at the time that the Supplier commences the manufacturing.

Article 10 – Inspection

- 10.1 The Buyer may inspect the Goods. If inspection does not take place at the Supplier's location, then after delivery the Buyer may inspect the Goods to verify aspects such as (lack of) damage, size, quantity and weight.
- 10.2 If after delivery the Buyer does not accept the Goods upon inspection, then within two weeks after being notified thereof by the Buyer the Supplier will collect the Goods from the Buyer at its own expense. If the Supplier fails in the fulfillment of this obligation, the Buyer is authorized to have the goods removed from its location at the Supplier's expense without prejudice to all other rights and claims.

Article 11 – Personnel, Equipment and Material

- 11.1 Personnel engaged by the Supplier in the performance of the Order shall meet the special requirements set by the Buyer and, if no such requirements are set, the general requirements of professional competence and expertise.
- 11.2 The Buyer is authorized to inspect and approve all materials and equipment to be used by the Supplier in the performance of the Order, and to identify personnel engaged by the Supplier in performance of the Order.

Article 12 – Failure and Termination

- 12.1 Buyer may terminate this Agreement at any time giving thirty (30) days written notice to Supplier.
- 12.2 If the Supplier fails to fulfill to the letter of obligation resting on it under the Order, or if the Buyer can reasonably conclude that the Supplier will fail to fulfill any such obligation, then without notice of default the Buyer may, by notice in writing, suspend all its obligations towards the Supplier, cancel the Order and/or terminate the Order in whole or in part, without judicial intervention, retaining all other rights accruing to it.
- 12.3 In the event of full termination, in exchange for restitution of amounts already paid and costs of transport, the Buyer will return Goods already delivered to the Supplier, at the Supplier's expense and risk. In the event of partial termination, the Buyer will pay a reasonable portion of the price agreed for the Goods already delivered and accepted by the Buyer.
- 12.4 The Buyer is also authorized to cancel the Order or dissolve it in whole or in part with immediate effect, without notice of default and without judicial intervention by means of a written statement, if the Supplier applies for suspension of payments, provisional suspension of payments or bankruptcy, is declared bankrupt in a judgment that has become irrevocable, or if the Supplier's business has been liquidated or terminated other than for the purposes of a merger or business split. If the Buyer terminates the Order for any such reason, the Buyer will never be obliged to pay any damages, without prejudice to the other rights accruing to the Buyer, including the right to full compensation of damages and refunding of the purchase price.

Article 13 – Consequences of Termination

- 13.1 Following the termination of this Agreement the Supplier must immediately return to Buyer or destroy at Buyer's request:
- (a) all the property in its possession or under its control that belongs to Buyer and its group companies; and
 - (b) all copies of any materials and records of any kind that are in its possession or under its control (and in any medium) that contain any part of Buyer's confidential information except that the Supplier may retain a copy of any confidential information that it reasonably requires for its accounting purposes or to comply with any applicable laws.
- 13.2 On termination of this Agreement for any reason Buyer shall owe to the Supplier no further obligation other than to pay for such works as have been properly completed or provided in accordance herewith. Partial payment for incomplete works shall be at the absolute discretion of Buyer.

Article 14 – Intellectual Property Rights

Title to and ownership of the Goods and any related trademark, copyright or any other intellectual property rights arising shall remain the exclusive property of Buyer. The Supplier hereby agrees to assign all such intellectual property rights as well as all drawings, plans, specifications and data developed or produced under the relevant Order to Buyer absolutely and to execute all documents required to give effect to this intention. For the avoidance of doubt, any such intellectual property rights which belonged to either party or any third party hereto prior to the commencement of this Agreement shall remain the property of that party. The Supplier hereby irrevocably grants to Buyer for the duration of the Order, all licenses and permissions, express or implied, necessary for the operation of the Order.

Article 15– Data Privacy, Confidentiality, Security and Publicity

- 15.1 In the course of providing goods and/or while performing services pursuant hereto and at any time subsequent, Supplier will not, without prior written approval of the Buyer, use for itself or for others, or disclose to any third party, any confidential information, knowledge or data of or regarding the Buyer, concerning any product, apparatus, process, formula, manufacturing method, or manner of doing business that may be used, developed, or investigated by Supplier or may come to Supplier's attention in the course of providing the goods and/or performing the services (hereinafter individually and collectively referred to as "Information"). The obligations in this paragraph shall not apply to any information, knowledge or data already known to Supplier or that, prior to the time of disclosure, are properly in the public domain.
- 15.2 In the course of providing goods and/or while performing services pursuant hereto, Supplier agrees that when collecting, accessing or using any personal information that can identify an individual, Supplier will only collect, access, use and disclose the minimum information necessary to enable Supplier to perform its obligations for an Order and that it will do so only in accordance with Buyer's instructions.
- 15.3 Supplier shall promptly notify the Buyer of any order or request by a governmental authority for Information and shall provide reasonable assistance requested by the Buyer in preparing and filing any request for confidentiality with such governmental authority.
- 15.4 If so requested by the Buyer, Supplier further agrees to require its employees to execute a nondisclosure agreement prior to providing goods and/or performing any services pursuant hereto.
- 15.5 Supplier agrees to protect such information from loss, misuse, unauthorized access, disclosure, alteration or destruction and promptly notify the Buyer of any loss, misuse, unauthorized access, disclosure, alteration or destruction to such information of which Supplier becomes aware.
- 15.6 The Supplier will not refer to the partnership with the Buyer or to any Order in publications or advertisements in newspapers, magazines, reports, good letters, brochures or other publications without the Buyer's prior written permission.

Article 16 – Records and Audit Right

- 16.1 Buyer shall have the right to examine and audit the books, records and documents of the Supplier at any reasonable time. Such documents include, but are not limited to, financial documents, written policy guidelines and procedures, original price lists, work lists, correspondence, change order files, and all other supporting evidence necessary for documenting actual or compensable costs in conjunction with the Order (all of the above to be referred to hereinafter as: "Documents").
- 16.2 For the purposes of such audits, inspections, investigations and evaluations, the Buyer will have access to the Documents and such books and records will be maintained for five (5) years in accordance with generally accepted accounting principles and will be adequate to enable determination and substantiation of: (1) the accuracy of any payments required to be made under the relevant Order; and (2) compliance with the provisions of the relevant Order.

Article 17 – Partial Invalidity

If any provision or portion of this Agreement is held to be invalid under any applicable statute or rule of law, it is to that extent to be deemed omitted from the Agreement and shall not affect the validity of the remaining terms and conditions of the Agreement which shall be interpreted as though the invalid clauses did not appear.

Article 18 – Assignment and Sub-Contracting

- 18.1 The Supplier shall not assign or sub-contract the whole or any part of the Agreement without the prior written consent of Buyer. Notwithstanding any written agreed assignment or subcontract the Supplier shall be responsible for all work done and for all materials, goods and equipment supplied by him and by all sub-contractors and assignees appointed by him.

18.2 This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and permitted assigns.

Article 19 - Ethics / Conflict of Interest

19.1 In the performance of the Order, the Supplier will adhere to commercial practices in accordance with the letter and the spirit of applicable laws and regulations as follows:

19.1.1 All transactions in relation to the Order will be documented accurately in the books of the Supplier, and no payments will be made, whether financial or non-financial and whether directly or indirectly to government officials or persons acting for them, or to representatives of other companies, to exert any influence on government decisions or actions in areas in which the Buyer is active.

19.1.2 The Supplier will perform the agreed work in such manner that the Buyer does not suffer any loss as a result and does not lose face because of any actual or seeming conflict of interests. The Supplier will also ensure that all subcontractors adhere to this same policy in connection with the Order.

19.2 Buyer endeavors to hold itself and Supplier to the highest ethical and compliance standards, including basic human rights, encouraging fair and equal treatment for all persons, the provision of safe and healthy working conditions, respect for the environment, adoption of appropriate management systems and the conduct of business in an ethical manner. Without limiting any of Suppliers other obligations hereunder, and without conflicting with or limiting any of the warranties, obligations or other provisions expressly set forth elsewhere in these condition, Supplier agrees that it will endeavor to abide by the letter and spirit of MSD's Business Partner Code of Conduct (the "Code"), as in effect from time to time, a copy of which is available at <http://www.merck.com/about/how-we-operate/code-of-conduct/home.html>. Supplier agrees that it will provide all documentation reasonably requested by Buyer to demonstrate compliance with the Code.

19.3 The Buyer may cancel the Order if the Supplier, its employees, authorized agents, representatives, subcontractors, consultants or temporary contract parties do not adhere to the commercial practices referred to here.

19.4 Without limiting any of Suppliers other obligations hereunder and without limiting any of the express warranties or obligations agreed to elsewhere in these terms, Buyer expects that Supplier will endeavor to abide by the letter and spirit of MSD's Supplier Performance Expectations, as in effect from time to time, a copy of which is available at <http://www.merck.com/about/how-we-operate/code-of-conduct/home.html>

Article 20 – Applicable law: competent courts

20.1 These General Terms and Conditions and all Orders are governed by the law of United Arab Emirates.

20.2 All disputes arising in connection with the aforesaid agreements (including legal measures to obtain a temporary injunction) and/or any Order shall be exclusively settled in United Arab Emirates.