

General Terms and Conditions of Sale

Article 1 General area of applicability

- (1) Our Terms and Conditions of Sale apply exclusively. We will not accept any contradictory or differing provisions or terms on the part of the customer from ours unless we expressly do so in writing. Our Terms and Conditions of Sale also apply even if, despite being aware of any conditions on the part of the customer that contradict or differ from our Terms and Conditions of Sale, we make the delivery to the customer without reservation.
- (2) Any and all agreements between us and the customer for the purpose of performing this contract will be recorded in writing.
- (3) Our Terms and Conditions of Sale apply only to contractors as defined in Article 310 I BGB [the German Civil Code].
- (4) Our Terms and Conditions of Sale also apply to all future transactions with the customer.
- (5) The additional conditions in Article 10 apply to deliveries of medicinal products for use in hospitals.

Article 2 Tender & tender documents

- (1) If the order can be qualified as a tender as per Article 145 BGB, we can accept it within 2 weeks.
- (2) We retain title and copyright to all illustrations, drawings, calculations and other documentation. This also applies to those written documents that are described as "confidential". The customer requires our express written consent before they may be passed on to third parties.

Article 3 Prices & terms of payment

- (1) Unless stated otherwise in the order confirmation, our prices are "ex works", excluding packaging; this will be invoiced separately.
- (2) The quoted selling prices for medicinal products are calculated on the basis of the currently valid version of the Drug Price Regulation [Arzneimittelpreisverordnung].
- (3) We reserve the right to adjust our prices after conclusion of the contract in the event of any price reductions or increases, in particular resulting from tariff agreements or changes in material prices. We shall provide the customer with evidence of this.
- (4) Our prices do not include the statutory value added tax; this will be shown separately on the invoice at the rate applicable on the day the invoice is issued.
- (5) No discounts will be given unless agreed in writing.
- (6) Unless stated otherwise in the order confirmation, the purchase price is payable net (without deduction) within 30 days of the date of the invoice. The statutory rules with regard to the consequences of delayed payment apply.
- (7) The customer is only entitled to offset amounts if his counterclaims are formally noted by the courts, undisputed or recognized by us. Furthermore, the customer is only entitled to exercise a right of retention if his counterclaim is based on the same contractual relationship.
- (8) a. Our services are rendered against open invoices based on the contractually agreed content and the contractually agreed payment date.
b. Alternatively, the customer may issue Ursapharm Arzneimittel GmbH with a SEPA basic mandate / SEPA company mandate. The direct debit payment will be collected 5 days from the invoice date. The deadline for pre-notification is reduced to one day. The customer will ensure that sufficient funds are available. Any charges resulting from the direct debit not being honored or being returned will be paid by the customer provided the fault for this does not lie with Ursapharm Arzneimittel GmbH.
c. Ursapharm Arzneimittel GmbH is entitled to insist on payment in advance for certain customers and amounts.

Article 4 Delivery

- (1) Commencement of the delivery period is conditional on the clarification of all technical issues.
- (2) Compliance with our obligation to supply is subject to the customer's proper and timely compliance with his obligations. This is without prejudice to the defense of non-performance of the contract.
- (3) Should the customer default in accepting the item or willfully breach any duties to co-operate, we shall be entitled to claim for compensation to the extent of the losses we suffer plus any additional expenditure. Subject to further rights to claim.
- (4) Where the conditions in Article 3 are met, the risk of any loss of or deterioration in the object will pass to the customer at the time the latter defaults on acceptance or payment.
- (5) We shall be liable in accordance with the statutory provisions where the underlying purchase contract is a firm deal as defined in Article 286 (2) (4) BGB or Article 376 HGB. We shall also be liable under the terms of the statutory provisions if, as the result of delayed delivery attributable to us, the customer is entitled to claim that his interest in the continued performance of the contract no longer exists.
- (6) We shall further be liable under the terms of the statutory provisions if the delayed delivery is the result of a willful or grossly negligent breach of the contract attributable to us; fault on the part of our representatives or agents shall be attributable to us. We shall also be liable under the terms of the statutory provisions where the delayed delivery attributable to us is the result of a willful or grossly negligent breach of a significant contractual duty, although in this case the liability for damages shall be limited to the foreseeable loss that might typically occur.
- (7) We shall also be liable under the terms of the statutory provisions if the delayed delivery attributable to us is the result of a negligent breach of a significant contractual duty, although in this case the liability for damages shall be limited to the foreseeable loss that might typically occur.
- (8) Further legal claims and rights of the customer remain reserved.

Article 5 Transfer of risk & packaging costs

- (1) Unless stated otherwise in our contractual declarations, the agreed delivery is "ex works".
- (2) Separate agreements apply for the return of packaging.
- (3) If the customer expressly desires it, we shall arrange transport insurance for the delivery, which is to be paid for by the customer.

Article 6 Seller's warranty

- (1) Claims by the customer in respect of defects are subject to the customer complying properly with his duties under the terms of Article 377 HGB to inspect the goods and give notice of any defects.
- (2) If the purchased item is faulty, we reserve the right either to provide restitution in the form of rectification of the fault or to deliver a new, flawless item. In the event of rectification of the defect or replacement delivery, we shall be responsible for all the costs necessary for rectifying the defect, notably the costs for transportation, road, labour and materials, provided that they do not increase as the result of the purchased item being taken to a location other than the place of performance.
- (3) Should the subsequent performance fail, then the customer is entitled to choose to cancel the contract or insist on reduction.
- (4) We shall be liable under the terms of the statutory provisions if the customer claims damages on the basis of willful misconduct or gross negligence, including willful misconduct or gross negligence on the part of our representatives or agents. If we are accused of gross negligence, the liability for damages shall be limited to the damages for the foreseeable loss that might typically occur.
- (5) We shall be liable under the terms of the statutory provisions where we commit a negligent breach of a significant contractual duty. Also in this instance, however, liability for damages shall be limited to the foreseeable loss that might typically occur. A significant breach of a contractual duty exists if this violation should affect a duty that the customer relied on being fulfilled, and could expect to trust in its fulfilment.
- (6) Where the customer is entitled to claim for damages instead of performance, our liability under Section 3 is also limited to damages for the foreseeable loss that might typically occur.
- (7) Liability for culpable injury to life, limb or health is not affected. This also applies to strict liability under the terms of the product liability law or the German Drugs Act.
- (8) Unless agreed otherwise in the above, no liability will be accepted.
- (9) The time limit for bringing any actions for claims for defects is 12 months from the transfer of risk. This applies to purchased items that are not subject to the rules of Article 438 (1) (1) and (2) of the BGB.
- (10) The time limit for bringing any actions in the event of delivery recourse under Articles 478, 479 of the BGB is not affected, and remains five years from delivery of the faulty item.

Article 7 Joint liability

- (1) We shall not be liable in excess of the damages as referred to in Article 6 regardless of the legal nature of the claim made. This applies in particular to claims for damages arising from fault on conclusion of the contract, other breaches of duty or from claims based on tort for compensation for property damages as per Article 823 BGB.
- (2) Limitation as per Article 1 also applies if the customer requests reimbursement for wasted expenses instead of claiming for damages.
- (3) Where our liability for damages is ruled out or limited, this will also apply in respect of the personal liability of damages on the parts of our staff, employees, workers, representatives and agents.

Article 8 Securing reservation of title

- (1) We retain ownership of the purchased item until receipt of all the payments in association with the contract. In the event of the customer acting in breach of contract, and in particular in the event of late payment, we shall be entitled to take back the purchased item. Our seizure of the purchased item will constitute cancellation of the contract. Following seizure of the purchased item, we shall be entitled to sell it and to use the proceeds of the sale to offset the customer's debts, less reasonable utilization costs.
- (2) The customer is to treat the purchased item with due care, and in particular to insure it, at his own expense, for full replacement in the event of damage by fire, water and theft. If necessary the customer is to carry out any maintenance and inspection work promptly and at his own expense.
- (3) The customer is to inform us in writing without delay in the event of seizure or other third-party actions so we can take action in accordance with Article 771 ZPO. If the third party is not able to reimburse us for the court and non-court costs of an action under Article 771 ZPO, the customer will be responsible for the resulting loss.
- (4) The customer is at liberty to sell on the object of the sale in the ordinary course of business. However, the customer will immediately assign to us all claims up to the final invoice amount (including VAT) of our claim, which the customer may acquire against his customers or third parties as the result of the re-sale regardless of whether the purchased item is sold on without or after being processed. The customer remains entitled to recover this claim even after assignment. This will not affect our authority to recover the claim ourselves. We undertake, however, not to collect the claim provided that the customer meets his payment obligations out of the proceeds obtained, does not fall into arrears with the payment and, in particular, does not initiate insolvency proceedings or the suspension of payments. However, if this is the case, we may ask the customer to inform us of the assigned claims and the respective debtors, to give us all the information necessary for collection, the relevant documents, and to inform the debtors (third parties) of the assignment.
- (5) The processing or reorganization of the purchased item by the customer will always be carried out on our behalf. If the purchased item is processed with other items that do not belong to us, we shall acquire joint ownership of the new property in the proportion that the value of the purchased item (final invoice amount including VAT) bears to the other items being processed at the time of processing. The item that results from the processing will otherwise be subject to the same provisions as the purchased item supplied with reservation of title.
- (6) If the purchased item is inseparably mixed with other items that do not belong to us, we shall acquire joint ownership of the new item in the proportion that the value of the purchased item (final invoice amount including VAT) bears to the other mixed items at the time of mixing. If the mixing is carried out in such a way that the customer's item appears as the main item, it is agreed that the customer will transfer pro rata ownership to us. The customer will safeguard the resulting sole or joint ownership on our behalf.
- (7) The customer will also assign to us the claims to secure our claims against him that arise against third parties as the result of the association of the purchased item with a property of a third party.

Article 9 Re-selling medicinal products

- (1) Medicinal products supplied by us may only be offered, sold or dispensed in the unchanged original packaging, and not in partial quantities or opened packaging.
- (2) In accordance with current legislation, wholesalers are only allowed to pass medicinal products supplied by us on to pharmacies.

Article 10 Additional conditions for the delivery of medicinal products for use in hospitals

- (1) Medicinal products for use in hospitals will only be supplied by supply pharmacies and hospital pharmacies in line with supply contracts and for the hospitals' own requirements. Reference is to be made to any existing distribution liaison agreements. We are to be informed immediately in writing of any changes to supply contracts or official approvals.
- (2) The hospital or supply pharmacy is to provide the purpose for the ordered medicinal products and the supplying hospital with every order.
- (3) Packages of medicinal products identified as bundled packages and supplied as such to hospital or supply pharmacies are not to be broken up and not to be given to patients except for their hospital treatment.

Article 11 Place of jurisdiction & place of fulfilment

- (1) If the customer is a merchant, then our head office is the place of jurisdiction. However, we are also at liberty to initiate proceedings against the customer through the court at his place of residence.
- (2) The law of the Federal Republic of Germany applies with the exception of its conflict of laws rules and the UN Sales Convention.
- (3) German is the contract language. Should the customer use another language, priority will be given to the German wording.
- (4) Unless stated otherwise in our contractual declaration, our head office shall be the place of fulfilment.

Article 12 Severability clause

Should one or more of the above conditions be ineffective or unenforceable, this will not affect the remaining conditions.