

GENERAL PURCHASE CONDITIONS

The General Purchase conditions apply to and form an integral part of all requests for proposal, quotations and Purchase orders. BF expressly rejects the applicability of any other general terms and conditions or stipulations of Supplier save as differently agreed in writing and expressly stated in the commercial agreement signed by and between BF and Supplier.

1. Definitions

- 1.1. "Agreement" means any applicable binding contract between BF and Supplier including the Purchase Order issued by BF.
- 1.2. "BF" means Biomedica Foscoma Industria Chimico-Farmaceutica S.p.A.
- 1.3. "Goods" are the products, materials, equipment, design, software, rental properties, stored goods and all related documentation to be supplied as specified in the Agreement or Purchase Order.
- 1.4. "Party/Parties" means BF and Supplier either individually or collectively.
- 1.5. "Purchase Order" is the order issued by BF including all related documentation
- 1.6. "Services" are the services and/or all pertaining deliverables to be provided as specified in the Purchase Order.
- 1.7. "Supplier" means each person or entity that enters into an agreement with BF in order to sell the Goods or Services to BF.

2. Acceptance

- 2.1. These General Purchase Conditions, together with the relevant Purchase Order issued by BF, set forth the terms and the conditions for the supply of the Services and/or delivery of the Goods by Supplier to BF and will be binding to Parties at Supplier's acceptance (the binding Agreement). Any changes by Supplier are binding only if accepted by BF in writing. The performance of any part of a Purchase Order by Supplier will operate as Supplier's unconditional acceptance thereof, but cannot be considered binding for BF until a copy of the Purchase Order fully signed for acceptance by the Supplier or a copy of the order confirmation signed by Supplier (whichever is applicable) is delivered to BF.
- 2.2. Supplier shall confirm the order acceptance by delivering to BF a copy of the Purchase Order fully signed by Supplier for acceptance or the order confirmation signed by Supplier (whichever is applicable), within seven (7) days of its receipt. Should Supplier fail to confirm the order within the above mentioned seven (7) days term, the order shall be no longer binding for BF.

3. Commercial conditions

- 3.1. Supplier shall deliver the Goods and/or perform the Service against the prices reported in the Purchase Order issued by BF. Unless expressly stated to the contrary, prices are (i) fixed and firm, (ii) exclusive of any value added tax but (iii) inclusive of all other taxes, duties, fees, charges and inclusive all costs expressly including delivery costs.
- 3.2. To the extent Services are supplied at a reimbursable basis, Supplier shall keep records of all costs, expenditures and hours worked and shall provide BF access thereto.

4. Compliance

- 4.1. Supplier complies with all applicable (inter)national laws, rules and regulations, standards and orders in connection with the performance of the Agreement, including all applicable laws, rules and regulations on international trade, such as embargos, import and export control and sanctioned party lists.
- 4.2. Supplier expressly warrants that it has good and marketable title for the Goods and deliverables of the Services supplied, including right to grant BF intellectual property right(s). Supplier holds any and all licenses, permits, and any other documents which are required in the country of origin, of transit and of destination to perform its obligations and will immediately notify BF of any legal restrictions.
- 4.3. In case of medicinal or pharmaceutical products, cosmetics or other similar products or goods used for their manufacture, Supplier directly guarantees that such products or Services were manufactured in conformity with the specification, Purchase Order, QA contract and all the relevant GMP regulations, and that Supplier and his subcontractors have all the permissions and certificates needed for the manufacture and sale of the Goods in accordance with currently applicable GMP rules and other relevant regulations.

5. Delivery, warranty and acceptance of Goods

- 5.1. Unless explicitly agreed otherwise, the Goods shall be delivered according to DDP terms (Incoterms 2010, warehouse indicated by BF in the Purchase Order)
- 5.2. Supplier guarantees that it will supply without undue delay and interruption the Goods and/or Services. Supplier shall immediately notify BF of any foreseeable delay.
- 5.3. In case of any delay on the part of Supplier in the delivery of the Goods, BF shall be entitled to charge Supplier with a contractual penalty in the amount of 1% of the total Purchase Order value for each day of delay, up to an aggregated payment, per Purchase Order, of twenty percent (20%) of the Purchase Order value, without prejudice to the reimbursement of any greater losses incurred by BF and/or its successors in title. It is understood that in case of delivery of defected items, the delivery shall not be considered performed until the complete substitution of defected Goods with compliant ones is performed at Supplier own duty and cost.
- 5.4. In the event of non-fulfillment of the Supplier's obligations, or fulfillment with defects that failed to be remedied within a suitable time limit and on the basis of which BF withdraws from the Agreement, BF shall be entitled to charge Supplier with a contractual penalty amounting to 20% of the Purchase Order value, with any prejudice to the reimbursement of any greater losses incurred by BF and/or its successors in title.
- 5.5. Any and all due amounts payable by Supplier to BF following the Agreement, Purchase Order or from any other mutually effected legal transaction may be unilaterally set off by BF against all and any amounts due to be paid by BF to Supplier.
- 5.6. Delivery shall be effected in adequate packaging. Supplier shall timely provide BF with (copies) of all applicable licenses, documents, information, specifications and instructions necessary for safe and proper transport, use,

treatment, process and storage of the Goods and with all certificate of analysis/conformity as customarily supplied.

- 5.7. Supplier directly warrants the proper functioning of the Goods and warrants that the Goods will be in conformity with the specifications and requirements, free from any and all defects and from any and all liens and encumbrances, pledge or right of retention and suitable for the intended purpose. These contractual warranties will not be limited by any limitation of liability possibly provided for the Supplier by any applicable law, regulation or customary business practice, but shall not be deemed to exclude any other warranty and/or right that BF may have or obtain under any applicable law, regulation or customary business practice and that BF may extend its customers.

- 5.8. BF is entitled to reject at any time any Goods, which are delivered (i) not at the agreed time; (ii) not in the agreed quantity; (iii) in inappropriate or damaged packaging or (iv) with any other defect(s), for risk and account of Supplier and without prejudice to BF's right to compensation for the losses and damages suffered as a result of Supplier's non-compliance.
- 5.9. Inspection, testing, acceptance and payment does not release Supplier from its obligations and warranties.

6. Performance and acceptance of Services

- 6.1. Supplier warrants the quality and the results of the Services. Supplier shall perform the Services in accordance with the requirements and specifications of the Agreement, observing due professional skill and care, using proper and well maintained materials and employing qualified staff.
- 6.2. Supplier shall properly and timely instruct BF of any special use or treatment regarding the Services.
- 6.3. Only written confirmation of acceptance shall constitute acceptance by BF of the Service performed.

7. Transfer of title

- 7.1. The title of the Goods and deliverables of the Services, together with the relevant risk and without prejudice for the rights granted to BF by clause 5 and 6, shall pass to BF upon acceptance of Goods or Service.
- 7.2. Supplier shall identifiably store any raw materials and semi-finished goods allocated for the manufacture and/ or production of the deliverables and the finished deliverables itself. The risk of such goods remains with Supplier until acceptance thereof.

8. Opportunity to inspect

- 8.1. Supplier ensures that BF or its nominees have the opportunity to inspect the Goods or the manufacturing process of the Goods and/or any place where the Services or part thereof may be carried out.
- 8.2. Supplier diligently and continuously controls and tests the quality of the Goods and Services as well as the operation during manufacturing, storage and delivery. Supplier shall ensure that BF, or its nominee, has the opportunity to attend tests and/or inspect the Goods at any time.
- 8.3. Inspection and/or testing do not relieve Supplier of any obligation or liability under the Agreement.

9. Controlled changes

The implementation of any and all changes of and/or improvements related to the Goods and/or (performance of) Services including processes, materials (including supply source) and/or any other changes that might affect the specifications of the Goods and/or the Services require the prior written approval of BF. Supplier will inform BF well in advance of such changes and will enable BF to control and test the Goods.

10. EU and non EU Chemical Control Regulations

With regard to chemical supplied under the Purchase Order within or into the European Union, Supplier herewith confirms that it is fully aware of UE Regulation No. 1907/2006 on Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH") and of UE Directive 2001/83 on Medicinal Products for Human Use ("MPHU") and any Italian implementing law and regulation. To the extent that any Goods or any of its substances fall within the scope of REACH and/or MPHU and any Italian implementing law and regulation, Supplier confirms, represents and directly warrants that the Goods or any of its substances, are fully compliant with the requirement of REACH and or MPHU and any Italian Implementing regulation. Supplier will provide the (pre-) registration number(s) to BF. To the extent Goods or any of its substances fall within the scope of other chemical control regulations, Supplier confirms, represents and directly warrants that the Goods or any of its substances, are fully compliant with these regulations

11. Safety, Health, Environment (SHE)

Supplier shall comply and act in accordance, with all applicable safety, health and environmental regulations and instructions, avoid pollution of the soil and the groundwater, limit air and noise pollution. Supplier must arrange for proper and safe transport and equipment, as well as skilled and qualified staff, equipped by Supplier with appropriate safety devices and able to work in a safe, healthy and environmentally responsible manner. BF may audit these aspect of this Agreement. Supplier shall report any irregularity with respect to safety, health, environment and security. In case of incident Supplier shall immediately take all measures to clean up, isolate, prevent pollution resulting from such incident.

12. BF Organizational Model

12.1. BF has adopted and implemented its Organizational, Management and Control Model ("Model") along with its Code of Ethics, including the Disciplinary System, pursuant to Italian Legislative Decree no. 231/01 ("Decree"). BF does not endorse in any way behaviors or actions not compliant, even indirectly, with the principles set out by the Model.

12.2. Supplier undertakes the obligation to assure - and to pretend that also its employees, partners, collaborators, and/or consultants duly informed maintain - behaviour compliant with the Model, the Code of Ethics and the applicable law, including the international anti-corruption legislations.

12.3. Supplier, in the performance of their obligations under this Agreement:

- 12.3.1. undertakes to communicate to the BF Supervisory Body any possible circumstance that could potentially be relevant according to the BF Model and/or Code of Ethics, to the email address VigilanzaBF231@gmail.com;

- 12.3.2. confirm the recognition by itself and by the employees, Partners, collaborators and/or consultants that the violation of all the above might cause, pursuant to the Disciplinary System adopted by BF and included within the Code of Ethics, the application of specific sanctions, up to the termination of this Agreement, without prejudice to the BF's right to claim for damages due to the violation;
- 12.3.3. undertakes to hold harmless and indemnify BF from any and all claim, expense, fine, sanction, prejudice, obligations, consequences or adverse implications that may arise, resulting from the conduct of Supplier, or its employees, Partners, collaborators and/or consultants, violating the present section.
- 12.4. Each Party declares that it was not under investigation, nor to have been involved in legal proceedings for any of the relevant offenses for the purposes of the Decree.
- 13. Data Protection**
- 13.1. In the execution of the Agreement and all related activities that may involve the processing of personal data, the Parties undertake to act in accordance with the current legislation on data protection pursuant to EU Regulation 2016/679 *General Data Protection Regulation* ("GDPR") and to the Italian Legislative Decree no. 196/2003 *Italian Data Protection Code*.
- 13.2. Pursuant to art. 13 of the GDPR, BF, as Data Controller, inform the Supplier that its personal data will be collected and processed through paper, electronic or telematic means in order to guarantee security and confidentiality, and in order to comply with the legal obligations (e.g. accounting and fiscal), as well as to fulfill the obligations and exercise the rights deriving from the Agreement. The collected personal data may include contact details of natural persons who perform their activities, such as employees or independently, on behalf of the Supplier (e.g. name, surname, company e-mail address, telephone number, company position held and respective company department/office). The legal basis of the processing will be the need to give execution to the Agreement and fulfill the related legal obligations. BF undertakes not to process such data for purposes other than those indicated above. By signing the Agreement, the Supplier undertakes to inform such data subjects and to obtain, where necessary, their consent to the processing described in the present clause. The provision of the data necessary for the purposes indicated above is optional but, in the event of failure to provide it, BF will not be able to establish and properly execute the Agreement. Within the aforementioned purposes, personal data will be stored by BF, in full compliance with the GDPR provisions on the subject, for the time strictly necessary for the management of the contractual relationship and in any case for a time not exceeding that imposed by law. Afterwards the same data will be destroyed or anonymised. The data will come to knowledge of the persons authorized to the processing at BF's Purchase, Finance, IT Departments and at any different company Department involved by the execution of the Agreement. The data will be communicated, for the said purposes, to banking institutions, professionals and consultants in legal, tax and accounting matters as well as to subjects that provide services that are instrumental to the management of the contractual relationship. The Data Protection Officer appointed by BF under art. 37 of the GDPR can be contacted by e-mail at dpo@sosepharm.com. Any data subject may, at any time, exercise the rights referred to in articles from 15 to 22 of the GDPR, which are deemed to be set out here in full, and may always lodge a complaint with the Italian Data Protection Authority (www.garanteprivacy.it), or, if different, with the Data Protection Authority of the Member State in which the data subject normally resides or works or, finally, of the place where the alleged violation has occurred.
- 13.3. If, in the execution of the Agreement, the Supplier processes personal data on behalf of BF, of which BF is the Data Controller, the latter will appoint the Supplier as external Data Processor, with separate appointment act pursuant to art. 28 of the GDPR.
- 14. Indemnification, Liability**
- 14.1. Supplier shall be directly liable and hold BF, its customers and their directors and employees ("Indemnified Parties") harmless from and indemnify them against any and all actual or contingent damage, loss, injury/death, costs and claims suffered by or brought against the Indemnified Parties, resulting from or connected with the Agreement, its performance, the supply, use and/or sale of Supplier's Goods and Services by Indemnified Parties or any third party, the performance of the Services and the deployment of Supplier's Services by Indemnified Parties or any third party, except to the extent that this is caused by BF's willful misconduct or gross negligence.
- 14.2. Supplier is fully liable for the correct and timely payment of all taxes and levies indebted in connection to the performance of the Agreement and will indemnify Indemnified Parties against all claims and damages relating to its obligations concerning taxes, contributions and any claims of third parties, including the Government.
- 14.3. In no event shall BF be liable for any indirect damages (including but not limited to lost revenue, lost profits or other consequential or incidental damages) based upon the Agreement.
- 15. Confidentiality**
- 15.1. Any and all information provided by or on behalf of one Party or exchanged shall be treated as confidential and shall only be used for the purpose of this Agreement. Disclosing of information is only allowed to any of the Parties' employees or third party on a strict need-to-know basis, except in case one Party is required to disclose the information by virtue of a court order or statutory duty, provided that the Party affected shall immediately inform the other Party. The Parties shall treat the existence of the Agreement as confidential.
- 16. Ownership and intellectual property**
- 16.1. Any and all information, property or materials disclosed to Supplier remains property of BF. Supplier is not entitled to make use of or refer to any trademark, trade name, domain name, patent, design, copyright or other intellectual property right of BF or any of its affiliates, unless prior obtained written consent of BF. Any authorized use shall be strictly in accordance with the instructions and for the purposes specified.
- 16.2. Supplier warrants that the Goods and/or Services, alone or in combination, will not result in or give rise to any infringement or misappropriation of any intellectual property right of a third party.
- 16.3. Supplier hereby assigns by way of present and future assignment all intellectual property rights, know-how, copyrights and other developed by or on behalf of Supplier explicitly for or on instructions of BF.
- 16.4. All intellectual property rights to software, including source code, sub-software and documentation, developed explicitly for BF or on BF's instructions shall rest with or be transferred to BF. Intellectual property rights to other software shall remain with Supplier and Supplier shall grant BF a non-exclusive, non-transferable, irrevocable, perpetual and royalty free license not limited to specific equipment or location. BF is allowed to provide sub-licenses to its affiliates.
- 17. Insurance**
- 17.1. Supplier shall take out and maintain for at least five years from the acceptance of the Goods and Services the insurance policies issued by an insurance company having a primary standing, duly authorized under the Italian laws and regulations, to cover the risks resulting from or connected with the Agreement. Such insurance policy shall provide limits and deductible adequate to the risks insured. At the request of BF, Supplier undertakes to provide to BF the insurance certificates evidencing Supplier's coverage, the relevant limits and deductible, its duration and that the insurance premium has been paid and shall keep BF informed of any changes.
- 18. Termination and suspension**
- 18.1. BF shall be entitled to suspend the performance of its obligations in whole or in part or terminate the Agreement with immediate effect without prejudice to its right to claim damages and without any compensation to or indemnification of Supplier (i) in case of breach by the Supplier of the following clauses of this General Purchasing Conditions: 4, 5, 6, 7, 8, 10, 16 and 19; (ii) in case Supplier has been declared insolvent, is in state of liquidation, has ceased or suspended whole or substantial part of its business, is subject of a court order or preventative legal scheme of settlement; (iii) in case of non-compliance with import, export or chemical control regulations or the provisions of safety, health, environment and security (iv) in case of not approved changes in accordance with Clause 9. After such termination, BF may return received Goods and/or Services in whole or partly against repayment and retransfer of ownership therein to Supplier.
- 19. Miscellaneous**
- 19.1. If any provision(s) of these General Purchase Conditions should be or become ineffective or invalid the other provisions will not be affected thereby. Parties agree to replace the ineffective or invalid provision(s) by a provision which reflects as closely as possible the intent of the original clause.
- 19.2. Failure by either Party to require strict performance by the other Party of any obligation hereunder shall in no way affect its right thereafter to enforce any obligation, nor shall a waiver by either Party of any breach be held to be a waiver of any previous or later breach. No waiver will have any effect unless specific, irrevocable and in writing.
- 19.3. Supplier shall not assign the Agreement in whole or in part without BF's written consent. Such consent shall not relieve Supplier from, and shall be subject to compliance with, any of the obligations under the Agreement.
- 19.4. Nothing in the Agreement shall be deemed to constitute either Party as the agent of the other or create a partnership, joint venture or employment relationship between the Parties.
- 19.5. Expiry, termination or cancellation of the Agreement shall not affect any right or obligation, which expressly or by its nature survives such expiry, termination or cancellation, including but not limited to representations, warranties, confidentiality obligations, intellectual property rights and accrued rights.
- 19.6. This Agreement shall be governed by and construed under the laws of Italy. The United Nations Convention on Contracts for the International Sale of Goods (1980) shall not be applicable.
- 19.7. The Parties irrevocably agree that the court of Rome, Italy shall have exclusive jurisdiction to hear and decide any suit, action or proceedings, and/or to settle any disputes which may arise out of or in any way relate to the Agreement.