

# Solvias AG, General Terms of Business (USA)

## A. General provisions

### 1. Scope of application

These general terms of business (these "Terms") apply to all services (the "Services") performed and products (the "Products") manufactured, and/or supplied, by Solvias AG ("Solvias") to clients (the "Client(s)"). Different or additional provisions, including a Client's general terms of business, shall apply only if agreed in writing by Solvias and the Client.

The Services include chemical, physical and biological laboratory analyses, the development and implementation of catalytic transformations and of methods of synthesis. Products include chemicals, equipment and parts.

Solvias is licensed in Switzerland as:

- Independent laboratory for quality control (chemical, physical, biochemical and microbiological) of medicinal products (GMP);
- Independent manufacturer of products (active pharmaceutical ingredients) for use in clinical trials (GMP).

The performance of Services shall be governed by sections A and B of these Terms. The manufacture and/or supply of Products shall be governed by sections A and C of these Terms.

No amendments or changes to these Terms shall be effective unless made in writing. If, for any reason, a provision of these Terms becomes invalid, the validity of the remaining provisions will not be affected.

### 2. Orders

The quotations of Solvias for the performance of Services or the manufacture and/or the supply of Products are binding for 30 days unless otherwise specified in the respective quotation.

Accepted quotations and/or orders by any Client to Solvias for Services or Products (the "Order(s)") must be issued in writing, unless otherwise agreed, and shall be confirmed by Solvias in writing to be binding on Solvias. However, in the event of standard Services or supply of Products from stock the written confirmation may be replaced by the due performance of the Order.

The quality standards applicable by Solvias in the performance of Services and/or supply of Products shall be those of ISO 9001:2008. The application of additional rules or standards, such as GMP, must be expressly agreed to and set forth in writing in an Order.

Amendments to Orders by the Client shall be notified to Solvias in writing. Solvias will make reasonable efforts to implement any such amendment, but reserves the right to adjust the price and terms of delivery.

### 3. Prices and terms of payment

The prices for Services or Products shall be specified in the Orders. In the absence of such specifications, Solvias' then prevailing price list shall apply. Unless otherwise agreed in writing, all prices are in Swiss francs, net of value added tax and additional costs such as packaging, transport, insurance, duties and levies. An additional charge shall be made for urgent or express Orders. Special prices shall apply for Orders carried out in accordance with official rules such as GMP or requiring special safety precautions.

The payment terms shall be specified in the Orders. Unless otherwise specified in the Order, invoices are payable net, within twenty (20) days of the invoice date.

Unless otherwise agreed in the Order, for Services which are performed and Products which are manufactured within thirty (30) days or less, invoices will be issued on completion of the Order.

Unless otherwise agreed in the Order, Services which are performed and Products which are manufactured within more than thirty (30) days shall be invoiced monthly as the Order progresses.

Accounts payable to the Client by Solvias may be offset only with the prior written consent of Solvias. Interest of 1.0% per month, payable in arrears, shall be charged on late payments. In the event of late payment or if Solvias has reason to doubt the Client's solvency or creditworthiness, Solvias may require a deposit before supplying further Services or Products and Solvias shall not be required to provide further Services or Products.

### 4. Deadlines

The Services or Products shall be provided by the date agreed in writing or, if no such date has been agreed, within a reasonable time period. Solvias shall notify the Client without delay in the event of a serious delay in the provision of Services or delivery of the Products in order to obtain an extension to the extent necessary. If Solvias thereafter is unable to keep to the agreed deadline, the Client shall be entitled to cancel the Order, but not to claim any damages.

The delivery lead time shall begin when all technical and business issues have been resolved between the Client and Solvias i.e. on receipt of the binding documentation (specifications, etc.) and all samples and materials to be provided by the Client.

The delivery lead time shall be extended by an appropriate time period if the Client's subsequent changes of the information and documentation required to process the Order cause a delay.

### 5. Handling, Storage and Archiving

(a) Handling of samples or materials provided by Client

The Client shall package and label vessels containing hazardous materials (including without limitation, materials which are explosive, toxic, carcinogenic or radioactive, or which create an HIV risk or other health risk or constitute a biological hazard of any kind) in full compliance with applicable laws, rules, regulations

and industry standards. The Client shall be liable for any damage to property, personal injury or death to Solvias or any third party caused by any samples or other materials provided by the Client pursuant to this article 5, unless the Client has provided Solvias with the documentation concerning all known risks associated with any samples or other materials provided by the Client (e.g. material safety data sheets, etc.).

(b) Storage of samples or materials provided by Client

If Solvias receives more than the quantity of samples or other materials required to perform the Services or to manufacture the Products, Solvias shall store the unused surplus for four (4) weeks, unless otherwise agreed in writing, and use it for any further Services or Products. Thereafter, samples or other materials provided by the Client no longer required for a pending Order shall be disposed of or, if requested in the Order, be returned to the Client.

(c) Document storage

The Client shall be responsible for storing and archiving results and reports on completion of the agreed testing or processing. Unless otherwise agreed in writing, Solvias shall archive the working documents and raw data used to carry out the project for a period of twenty (20) years from the completion of a particular Order. Thereafter, said working documents and raw data will be destroyed. Solvias shall not be bound by additional or different requirements of the Client unless agreed in writing between the parties. The Client shall be responsible for any and all costs and expenses in connection with Solvias' compliance with such additional or different requirements.

## 6. Client's access and inspection rights

Upon reasonable advance written notice, Solvias shall grant the Client access to the laboratories in which a pending Order is processed. Solvias shall co-operate with the Client on quality control issues and inspections by health authorities.

## 7. Cooperation with third parties

Unless otherwise specified in the Order, Solvias reserves the right to transfer, assign or sub-contract the performance of Services or the manufacturing of Products to third parties. Solvias shall only use sub-contractors with comparable standards of quality and confidentiality requirements. If a project is to be carried out under GMP rules, Solvias shall not transfer, assign or sub-contract the performance of Services or the manufacturing of Products to third parties without the prior written consent of the Client. All rights of the Client and Solvias shall inure to the benefit of, and be enforceable by the respective successors and assigns of each of the parties hereto.

## 8. Intellectual property

Unless otherwise agreed in any Order, all results and underlying measurements, drawings, documents, studies, reports, analyses, data, laboratory and process records which are specifically developed by Solvias for the Client in connection with the Services or the manufacture of Products (the "Deliverables") shall become the exclusive property of the Client at no additional cost to the Client upon full payment of all fees and expenses due under any Order. The Client shall be free to acquire intellectual property rights related to the Deliverables at its discretion and in its own name. At the Client's written request, Solvias agrees to assist the Client by providing information or executing documents necessary for the Client to exercise its rights under this article 8 with reasonable costs to the Client.

Solvias will retain all right, title and interest in and to all discoveries, inventions, know-how, patents, patent applications, trade secrets, trademarks, proprietary materials, methods, processes, techniques, technical documents and specifications, documentation, electronic code, data and rights (i) owned by, or licensed to, Solvias prior to the start of the Services or the manufacture of Products and any improvements or modifications thereof, or (ii) developed or created by Solvias after the start of the Services or the manufacture of Products without use of Client's confidential information or proprietary rights or (iii) which are developed by Solvias and not explicitly included in the Deliverables.

## 9. Confidentiality

Unless otherwise agreed in writing, Solvias and the Client both undertake not to disclose information which is received from the other party in connection with the Services to be performed or Products to be manufactured and/or supplied by Solvias, unless (i) otherwise required by law or judicial order, or (ii) the receiving party can prove that such information has been known to it prior to receipt. Without limitation, each of the parties undertakes:

- to use the information by authorized persons and for its intended purpose only;
- not to divulge it or make it accessible to any third party without the other party's prior written consent;
- to return or destroy - subject to compliance with applicable laws and regulations - all files or documents or copies of information stored in electronic or computerized systems containing confidential information or samples, if any, provided by the respective party at the other party's request. However, one archival copy may be retained to determine the respective party's obligations under these Terms.

Neither party may issue press releases or scientific publications containing confidential information without the other party's prior written permission.

## 10. Work on site

If the employees or sub-contractors of Solvias are required to carry out work on site, (such as pilot testing and process implementation), the following conditions shall apply:

- The site manager shall grant access and ensure that the installation is in a suitable condition and all agreed support staff and required material is available for the work to be carried out by Solvias or its sub-contractors in accordance with the agreed schedule. Delays or additional costs incurred by Solvias because

the installation is unavailable or because the agreed support staff has not been provided shall be invoiced and Solvias shall not be responsible for any delay caused thereby.

- If the work has to be carried out outside normal working hours, or Solvias staff has to work overtime, the Client shall be invoiced separately for the statutory surcharges.

#### 11. Local requirements

When ordering Services or Products from Solvias, the Client must notify Solvias of any local laws, rules, regulations and requirements of authorities governing the design, assembly, operation, handling, labeling, packaging, dispatch and health and safety of the items supplied.

#### 12. Force majeure

Solvias shall not be liable to the Client, or lose any rights because of any delay or failure in the performance of its obligations, if and to the extent that such failure or delay is due to circumstances beyond its control, including but not limited to, act of God, war or insurrection; terrorism; civil commotion; destruction of essential facilities or materials by earthquake, fire, flood or storm; act of government, labor disputes; epidemic; or other similar event; provided however, that Solvias shall notify the Client as promptly as reasonably possible should it become aware of such circumstances.

#### 13. Applicable law

These Terms, any Orders or agreements between Solvias and the Client shall be subject to and governed by Swiss law without giving effect to the conflict of laws rules thereof. The United Nations Convention for the International Sale of Goods (1980) shall not apply.

#### 14. Jurisdiction

The place of jurisdiction shall be the ordinary courts of **Basel, Switzerland**.

### B. Specific provisions for Services

#### 15. Cancellation

The Client may cancel an Order at any time. If an Order for Services is cancelled by the Client, the Client shall reimburse Solvias for its reasonable fees and expenses incurred or committed in connection with the preparation of the Services to be performed under such Order through the date of cancellation.

Amendments to Orders for Services which Solvias cannot implement without incurring unreasonable expenses or last minute requests for postponement shall be deemed cancellations.

#### 16. Certain obligations of Solvias

Solvias shall perform the Services in a professional and workmanlike manner in accordance with standard industry practices and applicable professional standards in accordance with the ISO 9001:2008 standards, as specified in the quality management documentation of Solvias.

Except as otherwise expressly agreed in writing, Solvias shall be entitled to use processes, methods or procedures as it deems appropriate in its sole discretion and to modify, change or abandon any such processes, methods or procedures at any time. Solvias shall not be required to meet any quality standards other than ISO 9001:2008 unless such other standards (including but not limited to GMP) are explicitly agreed in writing.

#### 17. Warranty and liability

Solvias warrants that all Services will be performed in the manner set forth in article 16.

The Client shall examine the performance of the Services on receipt thereof, and report any apparent defects or deficiencies to Solvias in writing within ten (10) days and any latent deficiencies as soon as they are discovered.

**EXCEPT FOR THE WARRANTIES SPECIFICALLY SET FORTH IN THIS ARTICLE 17, SOLVIAS MAKES NO OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO ANY SERVICES PERFORMED BY SOLVIAS OR ANY OF ITS AGENTS OR SUBCONTRACTORS. ANY AND ALL WARRANTIES, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTIES THAT THE USE OF SERVICES OR OF DELIVERABLES WILL NOT INFRINGE RIGHTS OF THIRD PARTIES ARE EXPRESSLY EXCLUDED AND DECLINED. NO CLAIM, SUIT OR OTHER PROCEEDING MAY BE BROUGHT FOR AN ALLEGED BREACH OF WARRANTY OF SOLVIAS SET FORTH HEREIN MORE THAN TWELVE MONTHS AFTER COMPLETION OF THE SERVICES CONCERNED.**

Solvias shall have the right to remedy any defect or deficiency in the Services which have been duly reported by the Client within a reasonable period of time of receiving such report. If Solvias fails to remedy such defect or deficiency on time or to an acceptable standard, the Client's exclusive remedy and Solvias' sole liability on any claim, whether in tort, contract or warranty, shall be a reduction of the fees payable by the Client.

**IN NO EVENT SHALL SOLVIAS BE LIABLE TO ANY PERSON FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR GOODWILL, OR ADDITIONAL EXPENSES INCURRED), WHETHER PURSUANT TO A CLAIM IN CONTRACT, TORT OR OTHERWISE AND WHETHER IN AN ACTION FOR BREACH OF WARRANTY OR OTHERWISE.** The liability of Solvias for losses which are caused by Solvias' willful misconduct or gross negligence shall not be limited.

### C. Specific provisions for Products

#### 18. Cancellation

The Client may not cancel an Order for Products before the Products have been delivered, unless it pays for the work carried out by or on behalf of Solvias up to the date of cancellation and compensates for any losses including loss of earnings.

Solvias may cancel an Order if its own suppliers fail to supply the correct items by the specified dates, and Solvias is therefore unable to supply the Products to the Client despite having made every reasonable effort to find substitutes.

The Client shall not be entitled to any damages if Solvias cancels an Order for any of the above reasons.

#### 19. Technical documents and specifications

All drawings, illustrations, descriptions and purity requirements shall be based on the written specifications in the applicable Order.

#### 20. Warranty and liability

Solvias warrants that the Products fulfill the specifications contained in the Order accepted by Solvias in accordance with normal practices. Solvias shall carry out quality and operating checks at its premises in accordance with its internal guidelines before notifying the Client that the Products are ready for dispatch. If the Client requires additional testing to be carried out, this must be agreed in writing, and paid for by the Client.

The Client shall examine the Products on receipt. If the Products do not comply with the specifications contained in the Order, the Client shall notify Solvias immediately. If such non-compliance turns out to be a defect or deficiency caused by Solvias, Solvias shall have the right to remedy such defect or deficiency in the Products which have been duly reported by the Client within a reasonable period of time of receiving such report. If Solvias fails to remedy such defect or deficiency on time or to an acceptable standard, the Client's exclusive remedy and Solvias' sole liability on any claim, whether in tort, contract or warranty, shall be a reduction of the fees payable by the Client.

**IN NO EVENT SHALL SOLVIAS BE LIABLE TO ANY PERSON FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR GOODWILL, OR ADDITIONAL EXPENSES INCURRED), WHETHER PURSUANT TO A CLAIM IN CONTRACT, TORT OR OTHERWISE AND WHETHER IN AN ACTION FOR BREACH OF WARRANTY OR OTHERWISE.** The liability of Solvias for losses which are caused by Solvias' willful misconduct or gross negligence shall not be limited.

#### 21. Limitation of warranty

The descriptions of Products in catalogues, analysis reports and other documents issued by Solvias are for identification purposes only, and do not constitute warranties as defined in Article 197 of the Swiss Code of Obligations or any other applicable law. Any additional warranty may only be contained in an Order and must expressly state that the Product concerned has a particular property and must bear a legally valid signature.

Products manufactured and/or supplied by Solvias are for the intended purposes only and may not be used as active pharmaceutical ingredients, for in vivo diagnostic purposes, as food or feed additives, human or veterinary medicines, or cosmetics unless otherwise expressly agreed in the Order.

**EXCEPT FOR THE WARRANTIES SPECIFICALLY SET FORTH WITHIN ARTICLE 20, SOLVIAS MAKES NO OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO ANY SAMPLES, SUBSTANCES OR OTHER PRODUCTS MANUFACTURED AND/OR SUPPLIED BY SOLVIAS OR ANY OF ITS AGENTS OR SUBCONTRACTORS. ANY AND ALL WARRANTIES, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTIES THAT THE USE OF SAMPLES, SUBSTANCES OR OTHER PRODUCTS MANUFACTURED AND/OR SUPPLIED WILL NOT INFRINGE RIGHTS OF THIRD PARTIES ARE EXPRESSLY EXCLUDED AND DECLINED. NO CLAIM, SUIT OR OTHER PROCEEDING MAY BE BROUGHT FOR AN ALLEGED BREACH OF WARRANTY OF SOLVIAS SET FORTH HEREIN MORE THAN TWELVE MONTHS AFTER DELIVERY OF THE SAMPLES, SUBSTANCES OR OTHER PRODUCTS CONCERNED.**

#### 22. Packaging

Solvias shall provide suitable packaging for the Products in accordance with the Client's instructions. The packaging, unless otherwise agreed, shall be non-returnable and shall be charged for separately.

#### 23. Carriage

Products are delivered "CPT" as defined in Incoterms 2010 to the destination named in the Order unless otherwise agreed in writing by the parties. Solvias will charge the costs of carriage to the Client.

#### 24. Transfer of risk

Risk shall pass to the Client on delivery of the Products to any common carrier or as specified below. Solvias will inform the Client when the Products are ready for dispatch. If dispatch is delayed at the Client's request, or for other reasons beyond the control of Solvias, Solvias may invoice the Products ready for dispatch to the Client. In such case, the delivery terms shall change to "EXW" (Incoterms 2010) and the date of invoice shall correspond to the date of delivery.

#### 25. Security interest

As security for the timely payment and performance of all Client's indebtedness to Solvias, Client hereby grants to Solvias a first priority security interest in the Products following delivery thereof to Client ("Collateral"). Such interest shall remain in force until payment in full of the entire purchase price for the Products and any other amounts due to Solvias by Client.

If so requested by Solvias, the Client shall deliver to Solvias, in form and substance satisfactory to Solvias and duly executed as required by Solvias, financing statements and other security interest perfection documentation, duly filed under the UCC in all jurisdictions as may be necessary, or in Solvias' opinion desirable, to perfect Solvias' security interest and lien in the Collateral, in order to establish, perfect, preserve and protect Solvias' security interest as a legal, valid and enforceable security interest and lien, and all property or documents of title in cases in which possession is required for the perfection of Solvias' security interest.

Basel, Switzerland, September 1, 2011