

GENERAL TERMS OF SALE

These general terms of sale (hereinafter referred to as "**GTS**"), have the purpose to organise the relationship between EUROAPI Hungary FKT (hereinafter referred to as the "**Seller**") **principal place of business: H-1045 Budapest, Tó u. 1-5.; reg.no.: 01-09-377596**, and its clients (hereinafter referred to as the "**Buyer(s)**"). Seller and Buyer are hereinafter individually referred to as a "**Party**" and collectively as the "**Parties**".

1. FIELD OF APPLICATION – OPPOSABILITY

Any order irrevocably implies the Buyer's acquaintance and agreement with and full adherence, without exception, to these General Terms of Sale. Any condition to the contrary raised by the Buyer shall be consequently ineffective against the Seller.

These General Terms of Sale shall apply to the exclusion of all other terms and conditions. Seller shall in particular not be bound by any terms and conditions, or reference thereto, contained in the Buyer's general conditions of purchase, order form, confirmation or acceptance letter, or in any other correspondence. General terms and conditions, or reference thereto, from service providers and/or agents of the Buyer will not be applicable either. No adaptations, deletions or changes to these General Terms of Sale shall be binding, unless separately and specifically approved in writing and signed by a duly authorized representative of Seller.

Seller shall have the right to amend these General Terms of Sale at all times. The amended General Terms of Sale shall enter into force upon a thirty (30) days notice to Buyer and shall be applied to any sales contract effective on the effective date of the amendment of the General Terms of Sale.

These General Terms of Sale shall not constitute a durable legal relationship between the Seller and the Buyer.

2. ORDERING

Orders sent directly to the Seller or through its agents or representatives become binding on Buyer on receipt by Seller.

The cancellation or modification, whether total or partial, of the order shall be in writing and requires the Seller's specific approval, without prejudice to compensation of any resulting damage.

A sales contract is formed between the Seller and the Buyer upon Seller's written acceptance (full or partial) of an order in the form of an order confirmation. Accepted orders cannot be cancelled by Buyer.

3. DELIVERY

a. terms and conditions and place of delivery

The Seller is required to meet the Buyer's orders up to the limit of its production capacities or those of its suppliers, or of its available stock, it being agreed that the Seller may make partial deliveries. There General Terms of Sale shall apply to such partial deliveries as well.

Place of delivery shall be based on the Incoterms indicated on the confirmation of the order ("**Delivery**").

Without prejudice to any claims for damages and costs (including legal costs), the Seller may demand the completion of the sale or may rescind the sales contract should the Buyer not take Delivery of the goods. In such case, any down-payments or payments in advance remain in the property of the Seller.

Seller may make Delivery subject to advance payment or the presentation of appropriate payment guarantee by Buyer.

b. deadlines

Unless otherwise expressly agreed between the parties, the Seller's Delivery deadlines are given for reference only. Seller shall make commercially reasonable efforts to (i) comply with the delivery date indicated upon acceptance of the order, and (ii) perform the accepted orders, subject to a force majeure case, as defined in clause 10, subject to compliance by the Buyer with the payment conditions and more generally with its obligations under these General Terms of Sale.

Buyer cannot take advantage of a delay to cancel the sale, refuse the goods or claim compensation.

In case of successive deliveries, any defects or shortages in one delivery have no impact on the other deliveries.

In case of impossibility to deliver within the relevant deadlines, the Seller will inform the Buyer of the impossibility of the delivery and the new Delivery deadline. Parties will be bound to the sales contract until effective Delivery.

c. transfer of risks

Legal risk in the products shall pass to the Buyer upon Delivery regardless the payment of the transport costs.

For any sales which refer to Incoterms, the Incoterm rules applicable at the time of sale shall be applied unless otherwise indicated on the acceptance of the order.

The Buyer is required to take out an insurance policy against the risks during the sending of the goods, except if the Seller is in charge of the transport risks accordingly to the Incoterm rules indicated in the acceptance of the order.

The Buyer alone is responsible for the engagement of the carrier and for the protection of its rights towards the carrier, by expressing any reservations within the period and in the forms set out by the rules applicable in such matters.

4. PRODUCT ACCEPTANCE

The Buyer is required to check the quantity, identity and quality of the products upon Delivery.

Any apparent defect must be reported and recorded without any delay on the carrier's delivery ticket, countersigned by the carrier's representative and notice must then be served by the Buyer to the Seller by registered letter with acknowledgement of receipt.

In case of apparent defect(s) due to the transportation, the Buyer shall forthwith submit to the carrier any reservation, which shall be confirmed within a maximum period of three (3) business days from the delivery date, by registered letter with acknowledgment of receipt describing explicitly the nature of the defect.

In the event of undetected defect caused by the transportation, the Buyer shall notify the reservation to the carrier within a maximum period of three (3) business days from the delivery date, by registered letter with acknowledgment of receipt.

Any defect or damage which arises from any reason other than transportation shall be notified by the Buyer to the Seller within a maximum period of five (5) working days from the delivery date of the products. Failure to notify any reservation makes the Buyer's claim unfounded.

The Buyer must notify to the Seller any defect which could not be detected upon delivery, by registered letter with acknowledgement of receipt within a maximum period of thirty (30) calendar days of acceptance of the product by the Buyer or the discovery of the defect in case of latent defects. No claim for defect of the products may be made by Buyer one (1) year following the delivery of the products.

Should the Buyer have failed to check the quantity and quality of the product or should it have used or sold the product, the Seller cannot be held liable for any damages resulting from the product's use.

Should the product not comply with the technical specifications or in case of latent defects, the Seller, at its sole option, shall either replace or refund the defective product, to the exclusion of any other compensation. The Buyer waives any rights to claim the Seller's liability.

No replacement or reimbursement, which is not motivated by non-compliance of the product with the technical specifications or latent defects, shall be made without the express prior written consent of the Seller.

The Seller shall not be liable for any non-compliant products if the Buyer was aware of the non-compliance prior to delivery.

In accordance with the Seller's written instruction, the Buyer shall return the defective products at the Seller's expense (provided that the Buyer strictly complies with the Seller's instructions).

5. PRICE AND TERMS AND CONDITIONS OF PAYMENT

a. price

Failing specific agreement to the contrary by both parties, the Seller's prices are those indicated on the Seller's written acceptance of the order. The prices are excluding all taxes.

No reduction, rebate or discount shall be granted to the Buyer except in case of prior specific agreement by the parties.

b. terms and conditions of payment

Invoices are payable in full regardless of the method of recovery, by the due date specified on the acceptance of the order, in the billing currency, except in case of prior specific agreement by the parties.

Failing specific written consent by the Seller, any delay in payment entails the application of default interest equal to the Hungarian legal rate of interest + 8% applicable on the date of the invoice.

The default interest is payable as of right, without reminder or prior formal notice, and is applied as of the day after the payment date given on the invoice.

Besides the default interest for delayed payment mentioned herein, pursuant to the provisions of the Hungarian Act IX of 2016, the Seller shall legally charge the Buyer, a forty (40) euros lump sum for recovery costs. The Seller may claim an additional compensation, upon presentation of relevant proof thereof, where the recovery costs exceed the amount of the lump sum or the default interest.

In case of staggered payment, the non-payment of one single instalment shall entail the immediate payability of the full debt, without formal notice.

Whatever the case, any sums due for other deliveries, or for any other reason, shall become immediately payable and the Seller shall be entitled to demand payment prior to delivery.

Without prejudice to any claims for damages and costs (including legal costs), in the event of a default of payment, Seller shall be entitled to (i) suspend immediately the delivery with no prior notice of existing orders, (ii) set-off the outstanding unpaid amounts against any sum due to the Buyer; (iii) not to accept any further order from the Buyer or request advance payment or appropriate payment guarantee in case of new orders, or (iv) rescind the sales contract affected by the non-payment, and/or (v) request the return of the goods, at the Buyer's expense.

6. RETENTION OF OWNERSHIP

The Seller shall be entitled to retain title of ownership until the purchase price is paid in full. The payment of the price refers to actual receipt of the principal price and its incidental charges.

7. WARRANTY

Given the inherent complexity of the field of manufacture of active substances, it cannot be guaranteed that Seller's products function without defects in all applications, environments and/or combinations, nor that they are appropriate for the specific purpose intended by the Buyer.

Information provided in Seller's documentation, catalogues, prospectus, promotional documents or notices should be seen as for informative purposes only and can not be relied upon or seen as a guarantee.

The Seller represents and warrants that:

- the products are manufactured in accordance with the national laws and regulations applicable to the products as well as the good manufacturing practices applicable on the production site ;
- the products comply with the technical specifications as indicated in the certificate of analysis ;
- the chemical substances are or will be registered under the conditions set out in the Regulation (EC) N°1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH).

The Buyer remains solely liable for any damages resulting from the use of any sold products and their consequences towards both the Seller and third parties, and must personally ensure the fitness of the products for their intended use.

The Buyer shall communicate to purchasers of the product all required Seller instructions and information.

The Seller's liability may under no circumstances be claimed for any damage, whether physical and/or non physical, which could not be foreseen by Seller including but not limited to the loss of profits, economic loss or damage to image. In all other cases, Seller's liability shall be limited to the sale price of the product acknowledged as being defective.

8. Obligation of Buyer - Quality control

The Buyer shall comply with pharmaceutical laws and regulations applicable to it, including the certificate of analysis of the product, in the areas of hygiene, safety, environment for stocking, handling, use and treatment of the products.

The Seller disclaims all liability in case of any failure by the Buyer to comply with the storage, handling and transportation conditions specified by the applicable laws, on the product packaging or, otherwise, on the product safety sheets if such was submitted to the Buyer.

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The Buyer undertakes to allow Seller at all times with a twenty-four hour prior notice, to have access to its warehouse or any other site or premises used by the Buyer in order to audit compliance of the stocks, handling, use and treatment of the product with the instructions given by Seller and/or the applicable regulations relating to hygiene and safety.

9. Intellectual property

Seller and/or its third party licensors and/or its affiliates shall remain and be the owner of all intellectual property rights in and relating to the products, and the Buyer shall not acquire any rights in any intellectual property of Seller. No license, either expressed or implied, is granted to the Buyer under any intellectual property owned or controlled by Seller for any of the products except for the purposes of performing its obligations under these General Terms of Sale.

The Buyer shall not take steps and shall not assist others to take steps, directly or indirectly, to attempt to secure any rights (including the filing of any applications for registration or obtaining any registrations) in any of the intellectual property used on or in connection with the product, without the prior written approval of the Seller.

10 FORCE MAJEURE

Neither party shall be held liable for the non-performance or delay to fulfil their obligations if circumstances or events of force majeure as defined in article 6:142 of the Hungarian Civil Code, provided that the party affected by the event of force majeure informs the other party of this by registered letter with acknowledgement of receipt without unnecessary delay as of the event occurring, indicating the possible duration of the event of force majeure.

The followings are contractually considered as equivalent to force majeure: any inevitable and overwhelming events, which could not be reasonably foreseen, including but not limited to accidents affecting production, storage of the Seller's products, the total or partial stoppage of supplies, the carrier failing to deliver, fire, explosion, natural disasters, broken machinery, industrial conflicts, even partial (strikes, lock-outs...), government or administrative measures, acts of third parties, war.

Should a case of force majeure last longer than thirty (30) days from its written notice, either party may terminate any sales contract immediately by registered letter with acknowledgement of receipt, without payment of any compensation or any other damages.

11 CONFIDENTIALITY

The Buyer undertakes to protect and safeguard the confidentiality of any information or documentation of any kind which it may receive or have access to through the performance of the order or its contact with the Seller, this includes without this list being exhaustive, any commercial, business, quality or regulatory document disclosed by the Seller or any of its affiliates and information received by the Buyer during site audit.

The Buyer commits to ensuring its agents representatives or employees make the same commitments. This obligation of confidentiality shall apply without limitation as from the effective date of the order.

In case of non-compliance with the above obligation of secrecy, Buyer must indemnify Seller for all damages and costs (including legal costs) incurred by Seller as a result of Buyer's infringement.

12 TERMINATION

Any sales contract may be rightfully terminated by either party in case of failure by the other party to fulfil any of its obligations, fifteen (15) days after the serving of official notice, sent by registered letter with acknowledgement of receipt by the aggrieved party to the defaulting party, without prejudice to the aggrieved party claiming damages and interest from the defaulting party for any prejudice it may have suffered.

Seller may terminate the contract immediately after the serving of notice, sent by registered letter with acknowledgement of receipt to the Buyer,

(i) if bankruptcy, liquidation, winding-up or other termination proceedings had been initiated against the Buyer (unless termination is prohibited by mandatory provisions of the applicable laws effective at the time of termination);

(ii) if the Buyer transfers or assigns its rights arising from the contract without the prior written consent of the Seller.

In case of termination of the sales contract, the parties shall not owe further services and they shall settle accounts with respect to services performed before the time of the termination.

13 ETHICS AND ANTI-BRIBERY

The Buyer warrants, represents and undertakes that it will comply with the requirements of all applicable anti-bribery legislation both national and foreign including but not limited to the OECD Convention dated 17th December 1997 on combating bribery of public officials in international business, as well as the provisions of the U.K. "Anti Bribery Act" (2010) and the provisions of the U.S. "Foreign Corrupt Practices Act (1977).

The Buyer warrants, represents and undertakes in particular to refrain from giving, promising or offering, directly or indirectly, any advantage, whether financial or non-financial, to any public agent or any third party, in order to influence its actions or decisions.

14 JURISDICTION – APPLICABLE LAW

In the event of any dispute arising from or in connection with the a sales contract or these General Terms of Sale, especially with its breach, termination, validity or interpretation, the parties exclude the state court procedure and agree to submit the matter to the exclusive and final decision of the Permanent Arbitration Court attached to the Hungarian Chamber of Commerce and Industry (Commercial Arbitration Court Budapest). The Arbitration Court proceeds in accordance with its own Rules of Proceedings. The number of arbitrators shall be three and the language to be used in the arbitral proceedings shall be English. The parties exclude the possibility of the retrial of the proceedings as regulated in Section IX of Act no. LX of 2017 on Arbitration. For the interpretation of this General Terms of Sale and the individual sales agreements formed under this General Terms of Sale as well as in order to settle any legal dispute arising out of or in connection with this General Terms of Sale and the individual sales agreements, the Hungarian substantive law shall apply, excluding its private international law rules and the United Nations Convention on Contracts for the International Sale of Goods dated the 11th April 1980.