

Purchasing General terms and conditions

Unless specifically stated otherwise, the following clauses shall form the terms and the conditions of the PURCHASE ORDER.

1. DEFINITIONS / PURCHASE ORDER / ENTIRE AGREEMENT

1.1 MYLAN shall mean BGP Products GmbH, Neuhofstrasse 23, 6340 Baar and/or Meda Pharma GmbH, Hegnaustrasse 60, 8602 Wangen-Brüttisellen.

1.2 GOODS shall mean the materials, products or services to be purchased or to be supplied as specified in the PURCHASE ORDER and/or any part thereof.

1.3 SUPPLIER shall mean any person or company supplying GOODS and/or SERVICES to MYLAN.

1.4 PURCHASE ORDER shall mean the PURCHASE ORDER form, these terms and the conditions together with any subsequent amendments and any other document listed herein and shall constitute the entire agreement between MYLAN and SUPPLIER. The SUPPLIER's standard terms and conditions, if any, shall be excluded in their entirety.

1.5 All prices under a PURCHASE ORDER shall be net of all taxes / VAT.

1.6 The SUPPLIER shall be responsible for ensuring that its own suppliers comply with these contractual conditions.

1.7 Where special conditions are stated in the PURCHASE ORDER, those conditions shall apply equally with the general terms and conditions shown herein except that where there is any inconsistency between the general and special conditions, the special conditions shall apply.

2. SHIPMENT / LICENSE AND PERMIT

2.1 The Shipment term shall be governed and construed in accordance with the provisions of "INCOTERMS" (2011) and any amendments thereto stipulated on the PURCHASE ORDER.

The SUPPLIER shall be liable for proper and suitable packaging for the method of transport, if applicable.

2.2 If execution of the PURCHASE ORDER requires any license or other permit issued in the country of shipment and/or origin, the PURCHASE ORDER shall be conditional upon such license or other permit being available at the relevant time. SUPPLIER shall be fully responsible for obtaining the necessary license and permit.

3. TAXES (e.g. VAT) AND DUTIES

All taxes, fees and duties assessed against SUPPLIER in connection with the PURCHASE ORDER by national or local authorities having jurisdiction over SUPPLIER at its place of business and at place of execution of the PURCHASE ORDER shall be for SUPPLIER's account.

4. DELIVERY TIME

Time is of the essence for the PURCHASE ORDER. The time stipulated for delivery of GOODS and SERVICES shall be strictly adhered to. Without prejudice to SUPPLIER'S obligation to deliver the GOODS on time, SUPPLIER shall give MYLAN notice in writing if any delay is foreseen. Failure to deliver on the date specified or subsequently agreed shall entitle MYLAN (without prejudice to any other rights it may have) (a) to cancel PURCHASE ORDER without any penalty to MYLAN or (b) to refuse to accept any subsequent delivery of the GOODS and SERVICES which the SUPPLIER attempts to make or (c) to recover from the SUPPLIER any expenditure reasonably incurred by MYLAN in obtaining the GOODS or SERVICES in substitution from another

SUPPLIER or (d) to claim damages for any additional costs incurred by MYLAN which are in any way attributable to the SUPPLIER's failure to deliver the GOODS or SERVICES on the due date.

5. INSPECTION

5.1 SUPPLIER shall be responsible for ensuring that all inspections and testing of the GOODS are properly and adequately performed.

5.2 SUPPLIER shall ensure that MYLAN or any third party appointed by it, has the opportunity to inspect and witness any testing of the GOODS at any time at SUPPLIER's workplace or at any other places where such GOODS may be.

5.3 Such inspection or testing including the witnessing thereof shall not relieve SUPPLIER from any of its responsibilities and liabilities under the PURCHASE ORDER.

5.4 The GOODS or SERVICES will be subject to final inspection and acceptance or rejection upon arrival at their destination as specified in the PURCHASE ORDER.

6. NOTICE OF INSPECTION

6.1 SUPPLIER shall provide with prior notice of, and the opportunity to attend (itself or through a representative of MYLAN), any regulatory inspection of any facility at which any of the manufacturing, processing, testing or storage activities relating to the goods are performed ("Covered Activities"); provided, that if prior notice of any such inspection is not possible, supplier shall provide notice and a summary of the results of such inspection to MYLAN within three (3) business days after such inspection.

6.2 SUPPLIER shall provide MYLAN with copies of any written inspection reports, requests, directives or other correspondence or communications issued to supplier by any regulatory authority relating to the Covered Activities or the goods ("Regulatory Communications") within three (3) business days of supplier's receipt thereof.

6.3 Prior to responding to any Regulatory Communications, SUPPLIER will provide a copy of any such responses to MYLAN for MYLAN's review and comment.

7. PAYMENT / INVOICES

7.1 Payment will be effected within thirty (30) days after receipt of an undisputed invoice (together with supporting documents) by MYLAN provided always that MYLAN has accepted the GOODS, or as otherwise agreed and stipulated in the PURCHASE ORDER.

7.2 Invoices without a valid PURCHASE ORDER will be returned to the SUPPLIER. The PURCHASE ORDER number must be written on the invoice.

7.3 Unless agreed otherwise in writing, the stated prices shall be deemed to be fixed prices up until the date of delivery. Additional charges are a breach of these terms and conditions and not recognized by MYLAN. Invoices containing additional charges will be returned to the SUPPLIER.

7.4 All invoices must be sent to the following address: BGP Products GmbH, Neuhofstrasse 23, 6340 Baar, Account Payable Department and/or Meda Pharma GmbH, Hegnaustrasse 60, 8602 Wangen-Brüttisellen, Account Payable Department.

8. PASSING OF PROPERTY AND RISK

Property and risk in the GOODS shall remain with SUPPLIER until they are delivered at the point specified in the PURCHASE ORDER. The passing of property shall not affect the right to reject the GOODS.

9. ACCEPTANCE

In the case GOODS do not conform with the PURCHASE ORDER whether by reason of being insufficient or unsatisfactory in quality and/or quantity or being unfit for the purpose for which they are required, MYLAN shall have the

right to reject such GOODS within seven (7) days if it does not conform to the Product Specification/Scope of Work as agreed between the parties and to purchase elsewhere and to claim for any additional expense incurred without any prejudice to any other right which MYLAN may have against SUPPLIER.

If MYLAN does not reject a Product within seven (7) days after delivery at MYLAN's designated receiving location, or if MYLAN uses the GOODS, MYLAN shall be deemed to have accepted the Product. MYLAN shall not be deemed to have accepted a Product for which the latent defects could not have been discovered during such seven (7) day period by MYLAN if such latent defects, once discovered, are promptly reported to SUPPLIER in writing.

10. TERMINATION

10.1 In the event of any breach of any of the terms and conditions of the PURCHASE ORDER including failure to deliver by the due date, then MYLAN without prejudice to any other rights may terminate the PURCHASE ORDER and may return GOODS or reject SERVICES previously supplied under the PURCHASE ORDER for full credit by SUPPLIER. In the event of termination due to non-delivery or non-acceptance due to SUPPLIER's breach of the terms and conditions hereof, SUPPLIER shall undertake to reimburse all monies paid by MYLAN prior to the date of termination including all direct costs and expenses incurred by MYLAN arising from or in connection with the termination.

10.2 MYLAN may terminate the PURCHASE ORDER with immediate effect (i) if SUPPLIER goes into liquidation, becomes bankrupt or has a winding up order made against it.

10.3 The PURCHASE ORDER may be terminated at any time by MYLAN giving notice in writing. On receipt of such notice, SUPPLIER will cease production or delivery of the PURCHASE ORDER. In full settlement, MYLAN shall pay a fair and reasonable price for all GOODS or SERVICES delivered or in a deliverable state at the date when such notice is given together with such other changes occasioned directly by the termination as MYLAN shall consider reasonable.

11. INTELLECTUAL PROPERTY RIGHTS

11.1 Intellectual property such as communications, *information, tools, innovations, inventions or techniques* (whether or not patentable or copyrightable) conceived, made or developed by SUPPLIER under a PURCHASE ORDER shall be the sole property of MYLAN. However, MYLAN shall not acquire ownership of intellectual property owned by SUPPLIER prior to its sale of GOODS or performance of SERVICES hereunder. SUPPLIER shall grant or cause a third party to grant MYLAN a license to the extent that it is required to enable MYLAN to make use of SUPPLIER's SERVICES or GOODS.

11.2 The SUPPLIER shall be responsible for ensuring that no third party rights (copyrights, patents, trade mark rights, etc.) or any statutory provisions shall be infringed in the execution of a PURCHASE ORDER.

12. WARRANTY

The SUPPLIER represents and warrants that (a) it is now in compliance, and undertakes that it shall comply, with all applicable laws, regulations and industry codes of practice and (b) there are no defects in title and in quality or for warranted characteristics. SUPPLIER further warrants to MYLAN and its clients that the GOODS or SERVICES shall comply in every respect with any specifications, drawings and other data forming part of the PURCHASE ORDER and shall be free of defective materials or workmanship and is complete without any omissions.

13. COMPLIANCE

13.1. Anti-Corruption Laws. The SUPPLIER understands that MYLAN is required to abide by the United Kingdom Bribery Act 2010, United States Foreign Corrupt Practices Act (FCPA) and any and all other laws prohibiting corruption or bribery (collectively referred to as the «Anti-Corruption Laws»). SUPPLIER shall comply with Anti-Corruption Laws and will not cause MYLAN and its affiliates, associates, directors, officers, shareholders, employees, representatives or agents worldwide to be in violation of any applicable anti-corruption regulation. Without limiting the foregoing, SUPPLIER will not, directly or indirectly, pay any money to, or offer or give anything of value to, any "Government Official" as that term is used in the FCPA, in order to obtain or retain business or to secure any commercial or financial advantage for MYLAN or for itself or any of their respective affiliates. SUPPLIER undertakes not to bribe Government Officials or any private companies or individuals, "bribes" having the following definition: Offering, promising, or giving a financial or other advantage to another person where it is intended to bring about the improper performance of a relevant function or activity, or to reward such improper performance; acceptance of the advantage offered, promised or given in itself constitutes improper performance of a relevant function or activity. "Improper Performance" means a breach of expectations that a person will act in good faith, impartially, or in accordance with a position of trust. SUPPLIER must also (1) make and keep books, records and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of the company, (2) devise and maintain a system of internal accounting controls, and (3) grant Mylan, upon receipt of written request, commercially reasonable access to said books, records, systems and accounts.

13.2. The SUPPLIER understands that MYLAN may immediately terminate the cooperation and any agreement with SUPPLIER, and any payments due thereunder, in its sole discretion **and without prior notice**, if the actions or inactions of the SUPPLIER become subject to any governmental investigation of potential violations of the Anti-Corruption Laws. Moreover, SUPPLIER understands that if MYLAN determines that SUPPLIER failed to comply with the provisions of any applicable laws, including but not limited to the Anti-Corruption Laws, MYLAN may immediately terminate the cooperation or any agreement with SUPPLIER, and any payments due thereunder, in its sole discretion and **without prior notice**.

13.3. The SUPPLIER warrants that all persons acting on its behalf will comply with all applicable laws in connection with all work on behalf of MYLAN DURA, including but not limited to the Anti-Corruption Laws, if any, prevailing in the country(ies) in which the SUPPLIER has its principal places of business and sells the Goods.

14. LIABILITY AND INDEMNITY

14.1 Pursuant to the stipulations of the German Civil Laws SUPPLIER shall be responsible for and shall indemnify MYLAN from and against all claims, proceedings, demands and causes of action in respect of any damage, loss or injury (including death) to any person or property arising out of SUPPLIER's negligence, acts or omissions, without regard to whether any negligence, act or omissions of MYLAN contributed to such injury, death or property damage.

14.2 Where a service is being provided on property occupied by MYLAN, SUPPLIER shall be responsible for the safety of all persons engaged on the work, and all persons who may be affected by activities of SUPPLIER and shall comply with all MYLAN's safety regulations and procedures.

15. INSURANCE

SUPPLIER shall effect and maintain at its own cost, all applicable insurances as required by law and/or to cover SUPPLIER's responsibilities and liabilities under the PURCHASE ORDER. Nothing contained herein shall serve in any way to limit or waive SUPPLIER's responsibilities or liabilities under the PURCHASE ORDER.

16. CONFIDENTIALITY

16.1 Any PURCHASE REQUEST and PURCHASE ORDER placed by MYLAN including all accompanying designs, drawings, specifications and information shall be treated as confidential and in particular the SUPPLIER shall not make use of MYLAN'S NAME or the name of any companies associated with MYLAN for publicity purposes without the consent of MYLAN.

16.2 Templates, drawings, printing plates, etc. supplied by MYLAN shall remain the property of MYLAN and may be utilized by the SUPPLIER only for the purposes of establishing the item ordered and not for any other purpose. The SUPPLIER must return these to MYLAN immediately after use unbidden and without retaining any copies or print-outs.

17. FORCE MAJEURE

Neither party shall be liable for any failure to fulfill any term of the PURCHASE ORDER if fulfillment has been delayed interfered with or prevented by force majeure. Force majeure may only be involved if the event preventing the fulfillment is due to no fault of the obligor, is not for his risk and has occurred since the obligation came into being.

18. APPLICABLE LAW / JURISDICTION

The PURCHASE ORDER shall be governed, construed and shall take effect in accordance with the laws of Switzerland excluding the United Nations CISG. Exclusive jurisdiction shall be with the Courts of MYLAN's registered seat.

19. WAIVER

Failure by MYLAN to enforce the performance of any of the provision of the PURCHASE ORDER shall neither be deemed to be a waiver of its rights hereunder nor shall it affect the validity of the PURCHASE ORDER in any way. Any waiver by MYLAN to any breach of the PURCHASE ORDER shall not constitute a precedent nor bind the parties to any subsequent breach by SUPPLIER.