

1 General

- 1.1 These General Terms and Conditions of Purchase ("GTC") govern the conclusion, content and implementation of contracts, in particular purchase contracts and contracts for work or services between **suppliers** and/or service providers ("Supplier") and **Ypsomed AG**, Brunnmattstrasse 6, 3401 Burgdorf, Switzerland ("Ypsomed") for the purchase of goods, work, products and services ("Product(s)") that Ypsomed orders from the Supplier, irrespective of whether the Supplier actually manufactures the Products or has them manufactured or supplied by subcontractors.
- 1.2 By submitting an offer to Ypsomed, or accepting an order from Ypsomed, the Supplier expressly agrees to these GTC. These GTC may be deviated by different terms contained in an order or contract between the Supplier and Ypsomed, in which case such terms shall have precedence over these GTC.
- 1.3 Any Supplier's delivery terms or other general terms and conditions (existing or future) shall not be applicable to any contract between Supplier and Ypsomed, unless Ypsomed has expressly agreed to their validity in writing. This requirement for express written consent shall always apply, even if, for example, Ypsomed accepts the Supplier's Products without reservation in knowledge of the Supplier's general terms and conditions.
- 1.4 Relevant legal declarations and notifications by Supplier relating to the contract (e.g. deadlines, reminders or cancellations) must be made in writing or in text form (e.g. by letter, email or fax).

2 Requests for quotations/ordering

- 2.1 Ypsomed shall not be bound in any way by requests from Ypsomed to the Supplier concerning the Supplier's Products or delivery conditions, or any invitations by Ypsomed to merely submit an offer.
- 2.2 Orders shall be binding only if placed by Ypsomed in writing (including by fax or email), or verbally or by phone; in the latter two cases, quoting an Ypsomed order number.

3 Scope of delivery/order changes

- 3.1 Partial deliveries, partial performances as well as deliveries and performances ahead of schedule are only permitted if agreed priorly in writing.
- 3.2 Unless otherwise agreed, deliveries shall be sent to Ypsomed's address.
- 3.3 Each delivery shall be accompanied by a delivery note and the documents referred to in section 10.4. Delivery notes, invoices and correspondence shall quote the particulars specified by Ypsomed, including purchase order number, references and Ypsomed article number and drawing number. Delivery from abroad shall be accompanied by the corresponding customs documents and a copy of the invoice.
- 3.4 Ypsomed may request changes to deliveries as long as their overall character remains unaffected and the changes are reasonably bearable for the Supplier. Ypsomed may request changes to services at any time. The following provisions shall apply in case of a change.
- 3.5 A change to the order will be agreed in writing before its implementation. If a change leads to additional or reduced costs or to adjustments of deadlines, such change shall be agreed on immediately and set out in writing.

- 3.6 Additional or reduced costs due to a change shall, to the extent possible, be calculated on the basis of the original costs. Should the parties fail to reach an agreement, Ypsomed may contract out to the Supplier the supply of the Products and services in question, or perform the order itself, or have it performed by a third party, without indemnification to the Supplier.

- 3.7 Changes which prove to be necessary in order to satisfy contractually or implicitly agreed features shall in either case be carried out at the Supplier's expense, except in case Ypsomed has provided inaccurate or inadequate information regarding such features, unless the Supplier was or should have been aware of this.

4 Involvement of third parties

- 4.1 The Supplier may only engage third parties (e.g. subcontractors or substitutes) for provision of its performances upon Ypsomed's prior written consent. The Supplier shall be liable for the deliveries and performances of a third party it has engaged in the same way as for its own deliveries and performances.
- 4.2 The Supplier shall transfer to third parties it has engaged the obligations that apply to the Supplier according to these GTC (especially sections 5, 6, 8, 15 and 21).

5 Social responsibility/Suppliers' Code of Conduct

The Supplier shall comply with all laws and regulations, in particular those relating to the protection of human rights, health, safety, the environment and employees, as well as those combating corruption and bribery. The Supplier shall comply with the Supplier Code of Conduct of the Ypsomed group (available at www.ypsomed.com/supplier-coc).

6 Quality assurance/inspection

- 6.1 The Supplier is obliged to perform and maintain an effective quality assurance system and shall provide Ypsomed written evidence thereof upon request. Unless otherwise agreed, the Supplier shall employ a quality management system in accordance with ISO 9001 or equivalent.
- 6.2 Ypsomed has the right to carry out inspections and audits at the Supplier's premises at an appropriate time and after prior notification, in order to ensure Supplier's compliance with applicable laws and regulations, as well as its contractual obligations.

7 Materials

- 7.1 Documentation, drawings, calculations, photographs, data carriers, computers, films, plans, tools, moulds, materials, software, models, and Work Results, etc. ("Materials") that Ypsomed makes available to the Supplier, or which are produced for Ypsomed by the Supplier or third parties, shall remain or become upon their creation the property of Ypsomed. All Materials shall be returned or handed over to Ypsomed upon request, however, not later than 10 days after the contract or the contractual collaboration with the Supplier has been terminated.
- 7.2 Materials, whether provided by Ypsomed, or manufactured for Ypsomed by the Supplier, may only be used for performance of the contract. The Supplier is not permitted to copy or otherwise reproduce Materials, hand them over or make them accessible to third parties for any purpose, without the prior consent of Ypsomed. The above provision shall also apply to finished and semi-finished Products. Until being pro-

cessed, Materials shall be kept separately at the Supplier's expense, marked as the property of Ypsomed and adequately insured against destruction and loss.

8 Confidentiality

8.1 Each Party shall undertake to maintain strict confidentiality regarding the know-how disclosed to it by the other Party and other confidential information it has become aware of, unless this information is generally known or is otherwise rightfully obtained by the Supplier under no confidentiality obligation. The obligation of confidentiality persists, even after termination of the contractual relationship. In addition, the Supplier shall in no way disclose to third parties, without written consent, its business relationship with Ypsomed.

8.2 After termination of the contractual relationship, neither party is entitled to use the other party's know-how disclosed to it under the contract, without the other party's prior written consent. The same shall apply to any use during the contractual relationship that is not connected to performance of the contract.

9 Obligation to notify

The Supplier shall notify Ypsomed immediately in writing about any matter the Supplier has identified, or is identifiable with due diligence, which endangers the proper and timely performance of the work or services, as well as any concerns the Supplier has about the specifications received from Ypsomed. Should the Supplier fail to comply with any such notification duty, it shall be held solely responsible for any adverse consequences.

10 Prices/invoicing

10.1 Unless otherwise agreed, the prices specified in an order are deemed to be fixed prices (including costs of storage and shipment, etc.), net of value added tax. Price changes are only valid upon Ypsomed's prior written approval. Unless otherwise agreed, the price shall cover all of Supplier's performances including ancillary performances (e.g. assembly and installation), as well as any ancillary costs (e.g. packaging according to the specifications and transport costs, including any transport and liability insurance).

10.2 Unless otherwise agreed (e.g. in a payment plan), payment of invoices shall be due net at the end of the month following receipt and verification of the delivery or performance, but no earlier than within 30 days of invoicing.

10.3 An invoice shall be issued for each order and for each full or partial delivery or performance.

10.4 Invoices issued in Switzerland must comply with the formal requirements of value added tax legislation. The origin of goods and the customs tariff number must be indicated in the invoice in case of deliveries of Products. The invoice must be accompanied by a movement certificate for deliveries from abroad or a supplier's declaration for domestic deliveries.

11 Delivery

11.1 The agreed delivery or performance dates are binding. If it becomes apparent to Supplier that it is not possible to make a delivery or provide a service on time, the Supplier shall immediately notify Ypsomed thereof in writing, stating the reasons and the likely duration of the delay.

11.2 In the event of non-compliance with a delivery or performance date, the Supplier shall be deemed to be in default

without any further notice. The Supplier shall owe a contractual penalty of 0.3% of the remuneration (but no more than 10%, calculated on the basis of the total remuneration) for each day of delay. The contractual penalty shall be due even if the delayed delivery of Products is accepted without reservation. Payment of the contractual penalty shall not release the Supplier from its contractual obligations, but shall be credited against any damages for which it may be liable.

11.3 In the event of non-compliance with a delivery or performance date, Ypsomed may, without further notice, fully or partially reject delivery and terminate the contract or claim damages. The right to claim further damages is in any case reserved.

12 Benefit and risk

Benefit and risk shall pass to Ypsomed upon physical handing over of the Products at the specified destination (at Ypsomed premises or another place specified by Ypsomed different from Supplier's facility).

13 Minimum warranty/warranty period for Products

13.1 The Supplier warrants that the Products do not have any defects that would impair their value or fitness for use, that they have the warranted features and comply with the agreed specifications, the pertinent legal requirements (e.g. product approval conditions) and are consistent with the latest science and technology. The Supplier shall be liable for and indemnify Ypsomed against claims and damages that originate in the Supplier's sphere of responsibility (this also includes performances by subcontractors and sub-suppliers).

13.2 Unless a specific acceptance procedure is expressly agreed (e.g. for work), Ypsomed's duty of inspection is limited to apparent deviations in the type and quantity and to apparent transport damage. Such inspection shall take place within 30 days of receipt of the delivery and does not imply Ypsomed's approval that the Products comply with the warranty set out in section 13.1.

13.3 Unless a longer period has been agreed or is provided for by law, the warranty period shall be 24 months. It shall begin upon Ypsomed's unconditional acceptance of the Products or, if no specific acceptance procedure has been agreed, upon Ypsomed's use of the Products for their intended purpose.

13.4 Within the warranty period, every notice of defect by Ypsomed shall be legally valid.

13.5 If it becomes apparent during the warranty period that the Products or parts of these are defective, or do not comply with the warranties according to section 13.1, the Supplier is obliged to remedy the defects or have them remedied on site at its expense or, upon Ypsomed's sole discretion, supply a defect-free replacement. If the Supplier is in default, Ypsomed shall be entitled, after having granted the Supplier a reasonable period of grace - unless such period of grace appears not futile from the outset - to remedy the defects, or have them remedied at the Supplier's expense, or proceed according to section 11.3. In any event Ypsomed shall be entitled to claim further damages.

13.6 Once a defect has been remedied in accordance with section 13.5, a new warranty period of 24 months shall commence, unless a longer period has been agreed or is provided for by law.

13.7 The Supplier shall be liable for all product liability damage which occur due to the defectiveness of the Product supplied

to Ypsomed or a third party by the Supplier in accordance with the applicable legal provision, and shall hold Ypsomed harmless against any related claims and damages.

14 Warranty of title

- 14.1 The Supplier warrants and shall be held responsible for ensuring that the Products and Work Results do not infringe any intellectual property rights of third parties.
- 14.2 If the supplied Work Results, Products or their components infringe the intellectual property rights of third parties, the Supplier warrants that it has entered or will enter into a licence agreement with the holders of such rights which permits Ypsomed to freely use these Work Results, Products or components in its equipment and systems.

15 Data protection/data security

- 15.1 The Supplier acknowledges and agrees that Ypsomed may process and use the Supplier's personal data in accordance with Ypsomed's data privacy policy (available at www.ypsomed.com/data-privacy).
- 15.2 The Parties shall comply with the provisions of the applicable data protection laws, protect personal data from unauthorised access and process it solely for the purpose of and to the extent required for fulfilling the contract.

16 Spare parts/maintenance

Unless otherwise agreed, the Supplier shall be responsible for the maintenance of the Products and/or equipment used for the manufacture of the Products and delivery of spare parts at a reasonable price for five years after the last delivery of the Products. The Supplier shall bear the costs of delivery of spare parts and maintenance until hand-over of the Products at the appointed destination (at the premises of Ypsomed or another place specified by Ypsomed). Thereafter the costs shall be borne by Ypsomed. Any warranty claims by Ypsomed remain reserved.

17 Jurisdiction/applicable law

- 17.1 **All disputes arising out or in connection with orders or deliveries or with these GTC shall be submitted to the competent courts of 3400 Burgdorf, Switzerland. Ypsomed reserves the right to enforce its rights at the domicile of the Supplier, at the place of performance, or before any other court competent for precautionary, interim or protective measures.**
- 17.2 These GTC and all aspects that are given by the legal relations between the Parties are governed by, interpreted and construed in accordance Swiss law, to the exclusion of international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods. Unless otherwise agreed, Incoterms 2010 shall apply.

Additional provisions when procuring the provision of services and work

The following provisions shall apply in addition to the other provisions of these GTC, if and insofar as the performances by the Supplier concern the provision of services and/or work.

18 Remuneration

- 18.1 The Supplier shall perform the services for a fixed price or on a time and material basis, with a binding upper limit for the remuneration (cost ceiling).
- 18.2 The remuneration covers all services required for proper performance of the contract, including, but not limited to the

transfer of Work Results and rights in accordance with section 21.1 in particular, as well as all expenses and public charges.

19 Service provision

- 19.1 The Supplier warrants and shall be held responsible for ensuring that it performs its services carefully, accurately and diligently, and that its services comply with the agreed specifications and the requirements of Ypsomed, as well as the relevant legal provisions, and that it has obtained and maintains all the necessary approvals, authorisations and notifications required within the context of performance of the contract.
- 19.2 The Supplier warrants and shall be held responsible for meeting all its employees' rights arising from the employment relationship, that it complies with the relevant regulations under labour law (including, but not limited to health and safety regulations), that it ensures the necessary insurance coverage and deducts social security contributions correctly.
- 19.3 The Supplier shall regularly inform Ypsomed about the progress of provision of the services.

20 Revocation/notice of termination

Ypsomed may revoke or terminate an order at any time. In such case, only the services provided until the revocation are to be remunerated. If the reason for revocation rests within the Supplier's sphere of responsibility, Ypsomed shall not owe any further remuneration and may claim back already paid remunerations for services that have become useless. The right to claim further damages is in any case reserved.

21 Rights to work results

- 21.1 All work results, interim results, documents, ideas (collectively referred to as "Work Results"), as well as all resulting copyrights, patent rights, trademark rights, design and model rights and know-how (collectively referred to as "Intellectual Property Rights") developed by the Supplier and/or any third parties involved in the performance of the contract are the property of Ypsomed and shall hereby, or upon their creation, be assigned to Ypsomed, or to a company designated by Ypsomed respectively. If such assignment of Intellectual Property Rights is non-permitted legally, the Supplier hereby grants Ypsomed an irrevocable, fully-paid-up, royalty-free, transferable and exclusive licence to these Intellectual Property Rights. The Supplier waives the right to exercise non-transferable personal rights. Upon request, the Supplier shall assist Ypsomed in the establishment, maintenance and enforcement of Intellectual Property Rights.
- 21.2 Ypsomed is entitled to use all Work Results and Intellectual Property Rights freely and without restriction and may disclose them to third parties. Ypsomed is not obliged to commercialise or follow up on Work Results in any way, or to continue projects.
- 21.3 The Supplier shall disclose any existing Intellectual Property Rights and Intellectual Property Rights arising independently of performance of the contract (collectively referred to as "Background Property Rights") to which the Supplier is entitled and which may be pertinent to use of the Work Results. The Supplier shall grant Ypsomed an irrevocable, fully-paid-up, royalty-free, transferable and non-exclusive licence to the Background Property Rights, i.e. the non-exclusive and unrestricted right to permanently use the Background Property Rights for Ypsomed's Products and their further development.