

**TEVA
STANDARD TERMS & CONDITIONS
OF PURCHASE**

1 INTERPRETATION

1.1 In these Conditions:

“**Affiliate**” means any person or entity existing or established in the Territory who directly or indirectly Controls or is Controlled by, or is under common Control with the Supplier or Teva as appropriate;

“**Conditions**” means the terms and conditions set out in this document together with any special terms and conditions agreed in writing between Teva and the Supplier, as either or both may be amended from time to time;

“**Contract**” means the contract between Teva and the Supplier for the purchase of the Products and /or Services in accordance with the Conditions;

“**Control**” means direct or indirect beneficial or legal ownership of 50% or more of the share capital, stock or other participating interest carrying the right to vote or to a distribution of profits or to a return of capital as the case may be. The like terms “**Controlling**” and “**Controlled by**” shall be construed accordingly;

“**Delivery Address**” means the address for delivery stated in the Order or as instructed by Teva prior to delivery;

“**Intellectual Property Rights**” means all patents, rights to inventions, utility models, copyright and related rights, trade marks, service marks, trade, business and domain names, rights in trade dress or get-up, rights in goodwill or to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database right, topography rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications for and renewals or extensions of such rights, and all similar or equivalent rights or forms of protection in any part of the world;

“**Order**” means Teva’s order for the Products and/or Services;

“**Price**” means the price of the Products and/or performance of the Services;

“**Products**” means the product(s) set out in the Order;

“**Services**” means the service(s) including without limitation any deliverables to be provided by the Supplier set out in the Order;

“**Specification**” means the written specifications for the Products and/or Services and includes any plans, drawings, data or other information relating to the Products and/or Services agreed in writing by Teva and the Supplier;

“**Supplier**” means the person or entity selling the Products and/or performing the Services;

“**Territory**” means the United Kingdom; and

“**Teva**” means Teva UK Limited or an Affiliate.

1.2 References to any statute or statutory provision, is a reference to such statute or statutory provision as: (i) amended; (ii) re-enacted; or (iii) enacted or amended pursuant to the United Kingdom ceasing to be a member of the European Union from time to time and shall include any subordinate legislation made under that statute or statutory provision as amended or re-enacted.

1.3 Headings in these Conditions are for convenience only and shall not affect their interpretation.

1.4 Any phrase introduced by the terms “**including**”, “**include**”, “**in particular**” or any similar expressions shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

1.5 Reference to writing or written includes e-mails and excludes faxes.

- 1.6 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).

2 BASIS OF PURCHASE

- 2.1 The Order constitutes an offer by Teva to purchase the Products and/or Services subject to these Conditions.
- 2.2 These Conditions apply to the Contract to the exclusion of any other terms that the Supplier seeks to impose or incorporate or which are implied by trade, custom, practice or course of dealing and the Supplier waives any right which it otherwise might have to rely on such other terms. These Conditions shall not apply to a written contract between Teva and the Supplier for the purchase of the Products and/or Services (unless that contract refers to these Conditions) which has been signed by two directors or two authorised signatories of Teva.
- 2.3 The Contract shall commence upon acceptance of the Order by the Supplier. Unless previously withdrawn by Teva, Orders shall be deemed accepted if not rejected by the Supplier by written notice within 7 calendar days of the date of the Order.
- 2.4 No variation to the Order or these Conditions shall be binding unless agreed in writing between Teva and the Supplier.

3 SUPPLY OF PRODUCTS

- 3.1 The Supplier shall ensure that the Products shall:
- (a) correspond with their description and any and all applicable Specifications;
 - (b) be of satisfactory quality and fit for any purpose held out by the Supplier or made known to the Supplier by Teva expressly or by implication and in this respect Teva relies upon the Supplier's skill and judgement;
 - (c) be free from defects in design, material and workmanship; and
 - (d) comply with all applicable statutory and regulatory requirements relating to the manufacture, handling packaging storage and delivery of the Products.
- 3.2 The Supplier shall not unreasonably refuse any request by Teva to inspect and test the Products prior to delivery. The Supplier shall provide Teva with all facilities reasonably required for inspection and testing.
- 3.3 If following such inspection or testing Teva is not satisfied that the Products comply or shall comply with the requirements in condition 3.1 Teva shall inform the Supplier within 14 calendar days and the Supplier shall immediately take such remedial action to ensure compliance.
- 3.4 The Products shall be marked in accordance with Teva's instructions and any applicable regulations or requirements of the carrier.

4 SUPPLY OF SERVICES

- 4.1 The Supplier shall provide the Services to Teva in accordance with the terms of the Contract.
- 4.2 The Supplier shall meet any performance dates specified in the Order or notified to the Supplier by Teva.
- 4.3 In providing the Services the Supplier shall:
- (a) co-operate with Teva in all matters relating to the Services and comply with Teva's instructions;
 - (b) perform the Services with the best care, skill and diligence with best practice in the Supplier's industry, profession and trade;
 - (c) use sufficient number of personnel who are suitably skilled and experienced to perform the required tasks assigned to them to ensure that the Supplier's obligations are performed in full;
 - (d) ensure that the Services and any deliverables conform with the Specifications, are free from defects in workmanship installation and design and that the deliverables are fit for any purpose expressly or impliedly made known to the Supplier by Teva; and
 - (e) (if relevant) observe all health and safety rules and regulations and other security requirements that apply at Teva's premises.

- 4.4 The Supplier shall maintain complete and accurate records of the time spent and the materials used in performing the Services and shall permit Teva to inspect such records at all reasonable times and on request.
- 4.5 Teva shall:
- (a) (if relevant) provide the Supplier with reasonable access at reasonable times to its premises for the purpose of performing the Services;
 - (b) provide such information as the Supplier may reasonably request for the provision of the Services and Teva considers reasonably necessary for the provision of the Services.

5 DELIVERY OF THE PRODUCTS

- 5.1 The Products shall be delivered to the Delivery Address on the date (or within the period stated) in the Order, during Teva's usual business hours or as instructed by Teva. Where the date of delivery of the Products is to be specified after the placing of the Order, the Supplier shall give Teva 14 calendar days' notice of the specified date.
- 5.2 The Supplier shall be permitted to deliver up to and including 10% more or less than the quantity of Products set out in the Order. In the event that any excess or shortfall exceeds this amount Teva may at its sole discretion reject the Products or the excess. Any rejected Product shall be returned at the Supplier's risk and expense.
- 5.3 Delivery of the Products to the Delivery Address shall be the Supplier's responsibility and shall be completed when the Products are placed at the disposal of Teva ready for unloading.
- 5.4 The Supplier shall ensure that:
- (a) the Products are properly packed and secured so as to reach the Delivery Address undamaged and fit for their purpose;
 - (b) each delivery is accompanied by a delivery note quoting: the date of Order; Order number; type and quantity of the Products; storage instructions and (if relevant) a certificate of analysis and certificate of conformity as well as any other instructions or information required to enable Teva to accept delivery of the Products; and
 - (c) any returnable receptacles, containers or packaging is clearly stated on the delivery note and collected by the Supplier at its own risk and expense.
- 5.5 The Supplier represents, warrants and undertakes that it shall:
- (a) familiarise itself with the requirements of the Teva Supplier Code found on Teva's global website at <http://www.tevapharm.com> (the "Teva Supplier Code");
 - (b) answer any reasonable enquiry regarding compliance with the Teva Supplier Code;
 - (c) allow reasonable audits during regular business hours to assess compliance with the Teva Supplier Code;
 - (d) train any representative who is involved with the performance of Services under this Contract on anti-corruption and anti-bribery at its own expense, and that such training shall include the provisions of the applicable anti-corruption and anti-bribery laws and the standards set out in the Teva Supplier Code;
 - (e) provide Teva with prompt written notice of any facts or circumstances (whether occurring prior to or after the date of the Contract which cause or may cause any of the representations and warranties contained in this sub-clause not to be true, accurate and complete as of the date of the Contract or as of any date during the term of this Contract;
 - (f) have a mechanism in place to ensure that all documentation is complete, accurate and compliant with applicable laws, regulations and codes; and
 - (g) acknowledge that failure to adhere to these standards shall entitle Teva to terminate this Contract.
- 5.6 Teva shall be entitled to change the delivery instructions at any time on twenty four (24) hours' notice.

- 5.7 If the Products are delivered by instalments, the Contract shall be treated as a single Contract and not severable.
- 5.8 Teva shall not be deemed to have accepted any Products until it has had a reasonable time to inspect them following delivery or in the case of a latent defect in the Products until a reasonable time has passed after the latent defect has become apparent. No acknowledgement of receipt shall be deemed to constitute or evidence acceptance or approval of the Products for the purposes of the Sale of Goods Act 1979 nor be deemed a waiver of Teva's rights either to cancel or return all or any part thereof where the Products are found to be defective or not in accordance with the Order and Specification.
- 5.9 Risk and title to the Products shall pass to Teva on completion of delivery. If payment for the Products is made prior to delivery, title but not risk shall pass to Teva once payment has been made.

6 TEVA REMEDIES

- 6.1 If the Supplier fails to deliver the Products and/or perform the Services by the applicable date specified in the Order Teva shall without limiting its other rights or remedies have the following rights:
- (a) terminate the Contract with immediate effect in writing;
 - (b) to recover from the Supplier costs incurred by Teva in obtaining substitute products and/or services from a third party;
 - (c) to refuse to accept any subsequent Services and/or Products which the Supplier attempts to make;
 - (d) where payment has been made by Teva in advance for Products and/or Services to have such sums refunded by the Supplier; and
 - (e) to claim damages for any additional costs, loss and expenses incurred by Teva as a result of the Supplier's failure to meet such delivery dates.
- 6.2 If the Products are not delivered and/or the Services are not performed on the due date specified in the Order then, without limiting its other rights or remedies, Teva shall be entitled to deduct from the Price or (if Teva has paid the Price) to claim from the Supplier by way of liquidated damage for delay five per cent (5%) of the Price for every week's delay, up to a maximum of fifty per cent (50%) of the Price. If Teva exercises its rights under this condition 6.2 it shall not be entitled to any of the remedies in condition 6.1. The parties agree such damages are a fair and reasonable assessment of the losses suffered by Teva as a result of such a delay in delivery or failure in performance.
- 6.3 If the Supplier has delivered Products that do not comply with the provisions in condition 3.1, then, without limiting its other rights or remedies, Teva shall have the following rights, whether or not it has accepted the Products:
- (a) to reject the Products (in whole or in part) whether or not title has passed and to return them to the Supplier at the Supplier's own risk and expense;
 - (b) to terminate the Contract with immediate effect by giving written notice to the Supplier;
 - (c) to require the Supplier to replace the rejected Products, or to provide a full refund of the Price of the rejected Products (if paid);
 - (d) to refuse to accept any subsequent delivery of the Products which the Supplier attempts to make;
 - (e) to recover from the Supplier any expenditure incurred by Teva in obtaining substitute products from a third party; and
 - (f) to claim damages for any additional costs, loss or expenses incurred by Teva arising from the Supplier's failure to supply Products in accordance with condition 3.1.
- 6.4 These Conditions shall extend to any substituted or remedial services and/or repaired or replacement Products supplied by the Supplier.
- 6.5 Teva's rights under the Contract are in addition to its rights and remedies implied by statute and common law.

7 PRICE OF THE PRODUCTS AND SERVICES

- 7.1 The Price shall not exceed that stated in the Order and unless otherwise so stated shall be:
- (a) inclusive of all royalties, license fees or similar expenses arising from the use of any intellectual property for the purpose of fulfilling the Contract;
 - (b) in respect of the Products, inclusive of all charges for packaging, shipping, carriage, insurance and delivery and any duties, imports or levies other than value added tax;

- (c) in respect of the Products and Services, inclusive of all direct or indirect costs resulting from the EU Falsified Medicines Directive 2011/02/EU;
- (d) in respect of the Services, the full and exclusive remuneration of the Supplier in respect of the performance of the Services, unless otherwise agreed in writing by Teva, the Price shall include every cost and expense of the Supplier directly or indirectly incurred in connection with the performance of the Services; and
- (e) exclusive of any applicable value added tax (which shall be payable by Teva subject to receipt of a valid VAT invoice) or other sales tax.

7.2 No increase in the Price may be made without the prior written consent of Teva.

7.3 If applicable laws require that taxes be withheld from any amounts due to the Supplier under this Contract, Teva shall (i) deduct these taxes from the remittable amount, (ii) pay the taxes to the proper taxing authority, and (iii) deliver to the Supplier a statement including the amount of tax withheld, the justification for withholding tax, and any other information as may be necessary for tax credit purposes. For the avoidance of doubt, any amounts due to the Supplier under this Contract shall be reduced by any withholding or similar taxes applicable to such payment, such that the actual maximum payment by Teva shall not exceed the amounts provided in this Contract.

7.4 Teva shall be entitled to the Supplier's standard discount for prompt payment, bulk purchase or volume of purchase customarily granted by the Supplier.

7.5 In the event that the Prices for the Products do not permit Teva in its sole opinion and discretion to market such Products effectively Teva may give notice in writing of its desire to re-negotiate the Price and the parties shall then, at the earliest opportunity, meet or otherwise communicate with one another in good faith and negotiate and endeavour to agree a modified Price.

8 TERMS OF PAYMENT

8.1 All invoices shall be provided upon delivery/provision of goods/services, and payable, by electronic payment, within the payment term specified in the bespoke agreement. In the absence of any bespoke agreement, Teva shall pay the Price on the 10th or 25th day of the month following the date on which 60 days have elapsed after the date of scanning of the invoice by Teva. Time for payment shall not be of the essence.

8.2 The invoice shall contain the particulars required by statute in respect of VAT, the Order number and any other particulars prescribed in the Order. Such invoice shall be sent to the address set out in the Order.

8.3 If Teva fails to pay any amount properly due and payable the Supplier shall have the right to charge interest on the overdue amount at the rate of two percent (2%) per annum above the base rate for the time being of Barclays Bank Plc. This condition shall not apply to payments that Teva disputes in good faith.

8.4 Teva reserves the right to refuse payment of any invoice which is not submitted in accordance with the Contract.

8.5 Teva shall be entitled to set off against the Price any sums owed to Teva by the Supplier or its Affiliates.

9 WARRANTIES INDEMNITIES AND LIABILITY

9.1 The Supplier warrants and represents to Teva in relation to the Products and/or any deliverables in relation to the performance of the Services that they:

- (a) shall be of satisfactory quality and fit for any purpose held out by the Supplier or made known to the Supplier by Teva expressly or by implication and in this respect Teva relies on the Supplier's skill and judgement;
- (b) shall be free from defects in design, material and workmanship;
- (c) shall correspond with any relevant Specification or sample; and
- (d) shall be accompanied with accurate, complete and comprehensive instructions for treatment assembly, use and/or storage of the Products and or any deliverables.

9.2 The Supplier warrants and represents to Teva that it:

- (a) shall comply with all applicable laws, regulations and guidelines;
- (b) has good title to the Products supplied and that the Products are free from undisclosed charges, encumbrances or liens;
- (c) shall comply with the requirements of the Modern Slavery Act 2015; and
- (d) shall maintain all necessary licences, consents, permissions, authorisations and permits that the Supplier needs to carry out its obligations pursuant to the Contract.

9.3 The Supplier shall indemnify Teva (who shall not have a duty to mitigate) in full against all claims, demands, actions, proceedings and all direct and indirect damages, losses, costs and expenses (including limitation legal (on an indemnity basis) and other professional advisers' fees, economic loss, loss of profit, future revenue, reputation, goodwill, anticipated savings) and any consequential loss made against or incurred whether wholly or in part resulting directly or indirectly whether or not foreseeable at the date of the Contract as a result of or in connection with:

- (a) any claim made against Teva by a third party for death, personal injury or damage to property arising out of, or in connection with, defects in Products, to the extent that the defect is attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors;
- (b) any claim made against Teva by a third party arising out of, or in connection with, the supply of Products or Services, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Contract by the Supplier, its employees, agents or subcontractors;
- (c) breach of any warranty given by the Supplier in relation to the Products or the Services;
- (d) breach of any of the Conditions; and
- (e) any claim for actual or alleged infringement of intellectual property rights of any other person arising out of or in connection with the manufacture, supply or use of the Products or receipt of or supply of the Services except to the extent that the claim arises from compliance with any Specification supplied by Teva.

10 INSURANCE

10.1 The Supplier shall have in force and shall maintain a policy of insurance with a reputable insurance company in respect of professional indemnity insurance, product liability insurance, and public liability insurance to cover its liabilities in connection with the Contract with a limit of not less than £1,000,000 for any one claim arising out of any one incident or not less than £5,000,000 in aggregate for all claims arising in any calendar year.

10.2 The Supplier shall on Teva's request provide Teva with a copy of its insurance certificates giving details of its cover and the receipt for the current year's premium in respect of each insurance.

11 CONFIDENTIALITY

11.1 A party (Receiving Party) shall keep and procure to be kept confidential all information pertaining to, belonging to, or held by the other party (Disclosing Party) which may come into Receiving Party's possession during the period of the Contract and shall not without the prior written consent of the Disclosing Party divulge the existence of the Contract or disclose any of the aforementioned information to a third party for any purpose other than is necessary to fulfil its obligations under the Contract. The above shall not apply to any information that is already within the public domain or comes into the public domain, other than through breach of obligations of the Contract, or is required to be disclosed under any applicable law, or by order of a court or government body or any information obtained from a third party who is free to disclose the information.

12 TERMINATION

12.1 Teva shall be entitled to cancel the Order in respect of all or part only of the Products and/or Services by giving written notice to the Supplier at any time prior to delivery or performance, in which event Teva's sole liability shall be to pay to the Supplier the Price less the Supplier's net saving of cost arising from the cancellation. Teva may cancel the Order without incurring any payment charges, if such Order is cancelled within 7 calendar days of it being placed.

12.2 Teva shall be entitled to terminate the Contract with immediate effect without liability to the Supplier by giving notice to the Supplier at any time if:

- (a) the Supplier commits a material or persistent breach, and if capable of remedy fails, to remedy within 7 calendar days following notification of the breach by Teva;
- (b) the Supplier suspends or threatens to suspend payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or is deemed unable to pay its debts;
- (c) the Supplier makes any voluntary arrangement with its creditors (within the meaning of the Insolvency Act 1986) or becomes subject to an administration order or goes into liquidation (otherwise than for the purpose of amalgamation or reconstruction);
- (d) the Supplier commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors;
- (e) a creditor or encumbrancer of the Supplier takes possession, or a receiver is appointed, over any of the property or assets of the Supplier;
- (f) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Supplier;
- (g) the Supplier suspends or threatens to suspend or ceases, or threatens to cease, to carry on all or a substantial part of its business;
- (h) Teva reasonably apprehends that any of the events mentioned above is about to occur in relation to the Supplier and notifies the Supplier accordingly;
- (i) any warranty in conditions 9 becomes untrue; and
- (j) the Supplier is subject to a change of Control.

12.3 Without limiting its other rights or remedies, Teva may terminate the Contract in respect of the supply of Services and or Product, with immediate effect by giving written notice to the Supplier, in which case Teva shall pay the Supplier for any work carried out or Products supplied at the date of termination but such compensation shall not include loss of anticipated profits or any consequential loss.

13 CONSEQUENCES OF TERMINATION

13.1 Upon termination of the Contract for any reason whatsoever:

- (a) any provision which expressly or by implication is intended to remain in force on or after termination shall continue in full force and effect including conditions 9, 10, 11, 13, 14, 15, 16, 18, 19, 20.2, 20.6, and 20.8; and
- (b) the Supplier shall immediately return to Teva (or if Teva so requests by notice in writing, destroy) all of Teva's property in its possession at the date of termination including all confidential information, and deliverables whether or not then complete together with all copies of such confidential information and shall certify that it has done so, and shall make no further use of such confidential information. If the Supplier fails to do so, then Teva may without limiting its other rights or remedies enter the Supplier's premises and take possession of them. Until they have been returned or delivered, the Supplier shall be solely responsible for their safe keeping and shall not use them for any purpose not connected with the Contract; and
- (c) the accrued rights and remedies of the parties as at termination shall not be affected, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination.

14 SALES TO THIRD PARTIES

14.1 The Supplier agrees not to sell items made to Teva's specific instructions to any person, third party or company except with written authority from Teva.

15 SAFETY REPORTING AND QUALITY COMPLAINTS

15.1 In the event that Teva is made aware of a quality complaint or any potential safety concern with regards to the Products, Teva shall immediately contact the Supplier and provide as much details as possible of such complaint including the complainant's details to enable the Supplier to investigate further.

16 INTELLECTUAL PROPERTY

16.1 All materials including any Specifications supplied by Teva, as part of the Services (and any copies made by or for the Supplier) shall be the exclusive property of Teva, and shall only be used for the purposes of the Contract, and shall be treated by the Supplier as strictly confidential and shall be immediately either returned to Teva on Teva's request at Teva's sole risk and cost, or destroyed.

16.2 Any and all Intellectual Property Rights (or any part of them) created or acquired as a result of the Contract, including any and all deliverables shall from the date of their creation or acquisition vest in and belong exclusively, throughout the world, to Teva.

- 16.3 The Supplier assigns to Teva, by way of present and future assignment with full title guarantee and free from all third party rights, all Intellectual Property Rights in the products of the Services, including for the avoidance of doubt the deliverables.
- 16.4 The Supplier shall obtain waivers of all moral rights in the products of the Services, including for the avoidance of doubt the deliverables, of the Services to which any individual is now or may be at any future time entitled under Chapter IV of Part I of the Copyright Designs and Patents Act 1988 or any similar provisions of law in any jurisdiction.
- 16.5 The Supplier hereby agrees and undertakes promptly at the request of Teva, but at its own cost, to do (or procure to be done) all such acts or deeds and execute all such documents as Teva may from time to time require to give effect to the provisions and intentions of this condition 16.

17 HAZARDOUS PRODUCTS

- 17.1 Hazardous Products shall be marked by the Supplier with international danger symbols and display the name of the material in English. Products must be accompanied by emergency information in English in the form of written instructions, labels and markings. All information held by, or reasonably available to the Supplier regarding any potential hazards known to exist in the transport, handling or use of the Products supplied shall be immediately communicated and confirmed in writing to Teva.

18 DATA PROTECTION

- 18.1 For the purposes of this clause, the terms “personal data”, “data controller” and “data processor” shall have the same meaning as under the General Data Protection Regulation.
- 18.2 To the extent (if any) that either party receives or provides personal data in the course of performing or receiving Services, the parties agree that they will comply with applicable data protection law. Each party shall be responsible for providing, obtaining and maintaining any notices, consents or approvals necessary to make such personal data available to the other party for processing and use. Supplier agrees that it will collect, store, use, disclose, and process personal data in connection with its performance of Services or supply of Goods only in accordance with the Contract and/or Teva’s written instructions, or as permitted or required by law. Teva agrees that any personal data relating to Teva’s employees, consultants and agents or any other personal data under Teva’s control provided to Supplier in connection with the performance of the Services or supply of Goods may be used and processed by Supplier only to the extent necessary for the administration and provision of the Goods and/or Services.
- 18.3 Supplier agrees to implement measures as Teva may reasonably require to protect Teva personal data in accordance with data protection law, including accommodating jurisdictional requirements relating to the location of the collection and or processing of personal data, implementation segmentation of personal data by geography or creating and administering multi-tenant accounts, or entering into (or procuring that a subcontractor enters into) a further data processing or transfer agreement with Teva or any Affiliate.
- 18.4 The Supplier shall indemnify Teva against any liabilities, costs and expenses that are incurred or arise out of its failure, or the failure of its employees, agents and sub-contractors, to comply with the General Data Protection Regulation.

19 CORRUPTION

- 19.1 The Supplier shall comply with all the requirements regarding anti-bribery and anti-corruption set out in Schedule 1.
- 19.2 The Supplier agrees that it will indemnify Teva for costs including fines and penalties incurred by Teva as a result of the Supplier’s breach of clause 19.1 or the applicable anti-corruption laws and principles
- 19.3 Teva shall have the right to suspend or terminate the Contract and any payments thereunder if it has a good faith belief that the Supplier or any of its personnel may have violated or acted contrary to any of the terms of clause 19.1, 5.5 or the Applicable Anti-Corruption Laws and Principles.

20 GENERAL

Assignment and Subcontracting

- 20.1 The Order is personal to the Supplier and the Supplier shall not assign transfer, charge or subcontract or deal in any other manner with all or any of its rights or obligations under the Contract or any part of it without the prior written consent of Teva. Teva may at any time assign, transfer, charge, subcontract, or deal in any other manner with all or any of its rights or obligations under the Contract or any part of it to any of its Affiliates.

Notices

- 20.2 Any notice required to be given by either party to the other in connection with the Contract shall be in writing and shall be sent by prepaid first-class post, recorded delivery or by commercial courier to its registered office or its principal place of business. Any notice shall be deemed to have been received if sent by prepaid first-class post or recorded delivery, at 9.00 am on the second working day after posting, or if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed.

Waiver

- 20.3 No waiver by Teva of any breach of the Contract by the Supplier shall be considered as a waiver of any subsequent breach of the same or any other provision. A waiver of any right or remedy under the Contract is only effective if it is in writing. No failure or delay by a party in exercising any right or remedy under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor preclude or restrict its further exercise.

Severance

- 20.4 If any provision (or part of any provision) of the Contract is held by a court or any competent authority to be invalid, illegal or unenforceable that provision or part-provision shall, to the extent required, be deemed deleted and the validity of the other provisions of the Contract and the remainder of the provision in question shall not be affected.

Force Majeure

- 20.5 Neither party shall be liable to the other as a result of any delay or failure to perform its obligations under the Contract if and to the extent such delay or failure is caused by an event or circumstance which is beyond the reasonable control of that party which by its nature could not have been foreseen by such a party or, if it could have been foreseen, was unavoidable. If such event or circumstances prevent the Supplier from supplying the Products and/or Services for more than 30 calendar days Teva shall have the right, without limiting its other rights or remedies, to terminate the Contract with immediate effect by giving written notice to the Supplier.

Partnership

- 20.6 Nothing in the Contract is intended to, or shall be deemed to, constitute a partnership or joint venture of any kind between any of the parties, nor constitute any party to be the agent of another party for any purpose. No party shall have authority to act as agent for, or to bind, the other party in any way.

Third Party Rights

- 20.7 Save for an Affiliate of Teva a party who is not a party to the Contract shall not have any rights under or in connection with the Contract.

Governing Law and Jurisdiction

- 20.8 The Contract and any dispute or claim arising out of or in connection with the Contract or its subject matter or formation (including non contractual claims) shall be governed by and construed in accordance with the laws of England and is subject to the exclusive jurisdiction of the Courts of England.

Variation

- 20.9 No variation to the Contract shall be binding unless agreed in writing and signed by the parties.

SCHEDULE 1

COMPLIANCE WITH ANTI-CORRUPTION LAWS

1. Definitions

For the purposes of this Schedule, the following terms shall bear the meanings assigned to them below:

- (i) **“Company”** or **“Teva”** means Teva UK Limited or an Affiliate.
- (ii) **“Personnel”** means Third Party’s (and its affiliates’) owners, directors, and officers, and any of Third Party’s (or its affiliates’) employees, agents, or consultants that may reasonably be expected to perform on the Contract.
- (iii) (ii) **“Government Official”** means any of the following: (i) official (elected, appointed, or career) or employee of a federal, national, state, provincial, local, or municipal government or any department, agency, or subdivision thereof; (ii) officer or employee of a government-owned or controlled enterprise, company, or organization (e.g., a healthcare professional practicing at a government-owned or controlled hospital or clinic); (iii) officer or employee of a public international organization (e.g., UN, World Bank, EU, WTO, NATO); (iv) individual acting for or representing a government or any of the organizations referred to above, even if he/she is not an employee of such government or organization; (v) individual who is considered to be a government official under applicable local law; (vi) candidate for political office; and (vii) an official of a political party.
- (iv) (iii) **“Close Family Member”** means any parent, child, spouse, or sibling, whether by blood or marriage.
- (v) (iii) **“Party”** or **“Parties”** refers to Third Party and the Company.
- (vi) **“Third Party”** means the Supplier

2. Anti-Corruption Principles and Legislation

- (i) The Organization for Economic Co-operation and Development (“OECD”) adopted a convention on combating bribery of foreign public officials in international business transactions, effective 15 February 1999 (the “Convention”). The Convention requires contracting states to enact legislation relating to combating bribery of foreign public officials in international business transactions. Such legislation has been passed in Israel and, separately, in the United States as the Foreign Corrupt Practices Act (“FCPA”) and in the United Kingdom in the U.K Bribery Act 2010. These and other anti-corruption laws are herein referred to collectively as the “Anti-Corruption Laws” and, together with the Convention, as the “Anti-Corruption Laws and Principles.”
- (ii) The Anti-Corruption Laws and Principles prohibit the corrupt payment, offer, promise, or authorization of the payment or transfer of anything of value or any benefit, directly or indirectly, to any Government Official, or to any other person while knowing that all or some portion of the payment, thing of value, or benefit will be offered, given, promised, or passed on to a Government Official. Certain of the Anti-Corruption Laws and Principles also prohibit commercial bribery—i.e., the payment or transfer of anything of value, any benefit, or any advantage, directly or indirectly, to any private person with the intention to improperly obtain or retain business or any business advantage or to improperly influence the recipient’s behavior.

3. Knowledge and Compliance

- (i) Third Party understands that Teva Pharmaceutical Industries Ltd. and/or its subsidiaries including without limitation, the Company, (collectively “Teva” or the “Company”) are subject to the Anti-Corruption Laws and Principles.
- (ii) Third Party agrees to ensure that all of its Personnel are knowledgeable regarding the purpose and provisions of the Anti-Corruption Laws and Principles, and also agrees to take appropriate

steps to ensure that such Personnel will comply with the letter and spirit of the Anti-Corruption Laws and Principles and will not take any actions which would cause either Party to violate or contravene the Anti-Corruption Laws and Principles.

- (iii) Third Party will maintain policies, procedures, and internal controls to ensure that it will be in compliance with the Anti-Corruption Laws and Principles in connection with its performance of the Contract. Such policies, procedures, and internal controls will include processes through which employees will obtain approval for expenditures that may be incurred on behalf of or result in payments to Government Officials, healthcare professionals, or customers in connection with Third Party's performance of this Agreement (e.g., gift, travel, entertainment, hospitality, conference, meeting, event, consulting, and research expenditures).
- (iv) In its sole discretion, Teva may require training of its choosing related to Teva's standards for ethical business conduct for TPR's stakeholders and/or employees. Should Teva require such training, it must be completed within a reasonable period of time to be determined by Teva.

4. Status of Employees, Family Relationships

Third Party represents that none of its Personnel are Government Officials. Third Party represents that it has fully disclosed to Company any existing Close Family Member relationships between any of its Personnel and any Government Official, and Third Party agrees to notify Company of any such Close Family Member relationship that may arise during the term of the Contract.

5. No Action Contrary to Anti-Corruption Laws and Principles

Third Party represents that it has not been found by a government agency or court to have violated the FCPA or any Anti-Corruption Law of any country. Third Party represents and covenants further that nothing of value received under this Agreement has been or will be accepted or used by it for any purpose that would violate or be contrary to the Anti-Corruption Laws and Principles, nor has it or will it take any action that would violate or be contrary to Anti-Corruption Laws and Principles.

6. Method of Payments

The Parties agree that all payments made to Third Party in connection with the Contract shall be made after receipt by the Company of an invoice detailing the products or services provided during the period. All payments under the Contract shall be made by check or bank transfer for the benefit of, or to the account of, Third Party in the country where goods and/or services are delivered/provided or the country of residence/principle place of business of Third Party.

7. No Unlawful Payments

Third Party represents and covenants further that, unless permitted under the Anti-Corruption Laws and Principles, it has not paid, promised to pay, authorized a payment, given, permitted to give, or authorized the giving, and will not pay, promise to pay, authorize a payment, give, promise to give, or authorize the giving of anything of value or any benefit to any Government Official for purposes of (i) influencing any act or decision of such Government Official in his official capacity, (ii) inducing such Government Official to do or omit to do any act in violation of the lawful duty of such official; (iii) securing any improper advantage; or (iv) inducing such Government Official to use his influence to affect or influence any act or decision of the Government with respect to any activities undertaken relating to the Contract.

8. Accurate Books and Records

Third Party will not make or permit any off-the-books accounts, inadequately identified transactions, recording of non-existent expenditures, entry of liabilities with incorrect identification of their object, or the use of false documents in connection with performing on the Contract. Third Party will keep books, accounts, and records that, in reasonable detail, accurately and fairly reflect its transactions and dispositions of funds paid under the Contract.

9. Rights of Audit

Without derogating from any other rights which the Company has to audit the records of Third Party under the Contract or any other agreement between the parties, for the term of the Contract and a period of five years thereafter, Company shall be entitled to audit all books, records, invoices, and relevant documentation of Third Party related to the Contract in order to verify compliance with the terms of this Schedule and the requirements of the Anti-Corruption Laws and Principles. Third Party will cooperate fully in any audit or investigation conducted by the Company in relation to compliance with the Contract or the Anti-Corruption Laws and Principles.

10. Conduct of Parties Engaged by Third Party

Third Party agrees that any parties, (including but not limited to subcontractors and intermediaries) engaged directly or indirectly (e.g., Third Party engages a subcontractor that engages another party) by Third Party to provide services or otherwise fulfill the terms of this Contract will agree to and adhere to comply with the same ethical business clauses that Third Party agrees to herein.

11. Obligation to Update/Report Changes

Third Party agrees that all of the representations contained herein shall remain true and accurate throughout the duration of the Contract. Third Party must inform Company promptly if it becomes aware of any potential breach of this Schedule or the Anti-Corruption Laws and Principles or any other change that would render any of the representations herein untrue or inaccurate. Failure to notify the Company under this section shall constitute a material breach of the Contract by Third Party entitling Company to terminate the Contract under Paragraph 15 of this Schedule.

12. Annual Certification

In its sole discretion, Company may require that Third Party complete an annual certification or provide some other form of assurance of compliance with this Schedule.

13. No Assignment

Notwithstanding any other provision of the Contract, Third Party covenants that it will not assign its rights to any non-Party without the prior written consent of the Company and that any services required by the Contract will be performed by Third Party and its disclosed Personnel unless otherwise agreed to in writing by the Company. Any assignment made by Third Party without Teva's prior written consent will be null and void and of no force or effect.

14. Right to Indemnification

Third Party agrees that it will indemnify the Company for any costs, including fines and penalties, incurred by the Company as a result of Third Party's breach of this Schedule or any Anti-Corruption Laws and Principles.

15. Disclosure

Notwithstanding any other provision of the Contract, Third Party agrees that the full disclosure of the existence and terms of the Contract may be made at any time and for any reason to whomsoever the Company determines has a legitimate need to know such terms including, without limitation, the Government of the United Kingdom and the Government of the United States of America.

16. Right to Terminate

Company shall have the right to suspend or terminate the Contract and any payments thereunder if it has a good faith belief that Third Party or any of its Personnel may have violated or acted contrary to any of the terms of this Schedule or the Anti-Corruption Laws and Principles. In the event of inconsistency in the requirements of United Kingdom's Anti-Corruption Law and U.S. or other potentially applicable Anti-Corruption Law, the Parties shall comply with the more strict Anti-Corruption Law.