

**TEVA
TERMS AND CONDITIONS
OF SALE**

Effective Date June 2018

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 Buyer or Teva as appropriate;

“**Buyer**” means the person or entity purchasing the Products from Teva;

“**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 Buyer as either or both may be amended from time to time;

“**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;

“**Contract**” means the contract between Teva and the Buyer for the sale of the Products in accordance with the Conditions;

“**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 the Buyer’s order for the Products;

“**Medicinal Product**” shall have the meaning assigned to it under the Human Medicines Regulations 2012;

“**Product Recall**” means as defined in condition 13.5;

“**Products**” means the Medicinal Products set out in the Order;

“**Recalled Products**” means the Products subject to a Product Recall;

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

“**Teva**” means Teva UK Limited or an Affiliate; and

“**Third Party Representative**” means any of the following:

- (a) Any Business Partner, defined as: any joint venture partner or consortium partner, any entity with which Teva has a partnership agreement, or any entity with which Teva shares equity in another entity
- (b) Any party to whom Teva sells or provides products and who, in turn, resells or provides such products to anyone other than an end user, including through a local licensing agreement
- (c) Any non-employee individual or entity paid by Teva that may reasonably be expected to deal with Government Officials, customers or potential customers, or political parties, on Teva’s behalf

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 THE SALE

- 2.1 The Contract sets out the entire agreement between the parties in connection with the sale of the Products. The Buyer acknowledges that it has not relied on any statement, promise or representation made or given by or on behalf of Teva which is not set out in the Contract.
- 2.2 These Conditions apply to the Contract to the exclusion of any other terms that the Buyer seeks to impose or incorporate or which are implied by trade, custom, practice or course of dealing. These Conditions shall not apply to a written contract between Teva and the Buyer for the purchase of the Products (unless that contract refers to these Conditions) which has been signed by two directors or two authorised signatories of Teva.
- 2.3 From the Effective Date, these Conditions supersede any previous conditions of sale published by Teva.
- 2.4 Any typographical, clerical or other error or omission in any sales literature, quotation, price list, acceptance of offer, invoice or other document or information issued by Teva shall be subject to correction by Teva without liability.
- 2.5 All samples, brochures, catalogues or other descriptive materials or advertising produced by Teva relating to the Products are intended to give an approximate idea of the Products only and to give a general impression of the Products. They shall not form part of the Contract or have any contractual force. This is not a sale by sample.
- 2.6 The Buyer shall be fully responsible for complying with any and all laws, regulations and guidelines governing the export and/or import of the Products into the country of destination and for the payment of any duties thereon and, if applicable, any enforceable trade sanctions.
- 2.7 The Buyer shall upon Teva's request disclose the ultimate destination, purchaser and/or ultimate consumer of the Products and Teva shall have the right to terminate the Contract without liability where it's reasonable in Teva's opinion.
- 2.8 Any quotation provided by Teva for the Products shall not constitute an offer. A quotation shall only be valid for a period of 30 calendar days from its date of issue.

3 ORDERS AND SPECIFICATIONS

- 3.1 Each Order shall constitute an offer by the Buyer to purchase the Products. The Order shall only be deemed to be accepted when Teva acknowledges acceptance of the Order at which point the Contract shall come into force.
- 3.2 The Buyer shall be responsible for: (i) ensuring that all Orders comply with Teva's configuration, (ii) the accuracy of the Order, and (iii) giving Teva all necessary information to enable Teva to perform the Contract.
- 3.3 If any Product is to be manufactured or any process applied to the Products by Teva in accordance with a specification submitted by the Buyer, the Buyer shall indemnify Teva against all liabilities, losses, damages, costs and expenses whether direct or indirect (including without limitation legal and other professional advisers' fees, economic loss, loss of profit, future revenue, reputation, goodwill, anticipated savings) and any consequential loss awarded against or incurred by Teva in connection with or paid or agreed to be paid by Teva in settlement of any claim for infringement of: (i) Intellectual Property Rights of any other person which results from Teva's use of the Buyer's specification; and (ii) any error in the information and/or specification provided by the Buyer to Teva.
- 3.4 When the Buyer provides materials to Teva the Buyer shall ensure that there are specifications for each of the materials and that each of the materials are satisfactory for that purpose. While any such materials are on Teva's premises they shall be held at the Buyer's risk and Teva shall not be held responsible for any loss or damage to those materials unless such loss or damage is caused by the negligence of Teva or its employees, agents or subcontractors. Teva shall be entitled to terminate the Contract without liability if any

of the materials supplied do not conform to the specification. The Buyer warrants that any materials or specification or instruction provided by the Buyer to Teva shall not or shall not cause Teva to infringe any Intellectual Property Rights of any other person.

3.5 Teva reserves the right to amend any specification received from the Buyer if required by any applicable laws, regulations, guidelines or regulatory requirements.

3.6 No accepted Order shall be cancelled by the Buyer except with Teva's written agreement and on terms that the Buyer shall indemnify Teva in full against all losses, costs (including the cost of all labour and materials used), charges and expenses in all above cases whether direct or indirect incurred by Teva as a result of such cancellation. Teva reserves the right to charge the Buyer an administration fee of £50 for any amendments to an accepted Order.

4 PRICE OF THE PRODUCTS

4.1 The price of the Products shall be Teva's quoted price or, where no price has been quoted (or a quoted price is no longer valid), the price set out in Teva's published price list in force at the date of Order. All prices exclude the costs and charges of carriage and insurance (which if Teva arranges on behalf of the Buyer shall be invoiced to the Buyer).

4.2 Teva may, by giving notice to the Buyer at any time before delivery, increase the price of the Products to reflect any increase in the cost to Teva which is due to: (i) any factor beyond Teva's control (including without limitation, any foreign exchange fluctuation, increases in taxes and duties and, increase in labour, materials and other manufacturing costs); (ii) any change in delivery dates, quantities or specifications for the Products requested by the Buyer; or (iii) any delay caused by any instructions of the Buyer or failure of the Buyer to give Teva adequate or accurate information or instructions.

4.3 The price of the Products is exclusive of any taxes (including value added tax ("VAT")) which the Buyer shall pay to Teva.

4.4 The Buyer shall pay an administration fee of £50 for any Order value of £500 or less.

5 TERMS OF PAYMENT

5.1 The Buyer shall pay the invoice by BACS unless otherwise agreed in full and in cleared funds on or before the due date stated on the invoice. If the invoice does not have a due date, payment is due 30 calendar days after the date of the invoice. Time for payment is of the essence.

5.2 If the Buyer fails to make any payment due under the Contract, by the due date, without prejudice to any other right or remedy available to Teva, Teva shall be entitled to:

- (a) charge the Buyer interest on the overdue amount, at the statutory rate per annum. Such interest shall accrue on a daily basis from the due date until the date of actual payment of the overdue amount whether before or after judgement. The Buyer shall pay interest together with the overdue amount;
- (b) charge the Buyer all time and costs it reasonably incurs in the collection of any overdue amount, including without limitation collection agency and legal fees; and
- (c) cancel or suspend its performance of the Contract or any Order including suspending deliveries of the Products and suspending delivery of any other Products to the Buyer until arrangements as to payment have been made.

5.3 The Buyer shall pay all amounts due under the Contract without any deduction or withholding except as required by law and the Buyer shall not be entitled to assert any credit, set off or counterclaim against Teva in order to justify withholding payment of any such amount in whole or part. Teva may at any time, without limiting any other rights or remedies it may have, set off any amount owing to it by the Buyer against any amount payable by Teva to the Buyer.

5.4 Teva reserves the right to require payment in full before delivery of any Order.

6 DELIVERY

6.1 Unless otherwise agreed in writing by Teva, delivery of the Products shall take place at the Buyer's usual place of business.

- 6.2 Delivery is conditional upon the Buyer's and their premises being authorised to buy, deal or take deliveries of the Products under all applicable laws, regulations, guidelines and regulatory permissions.
- 6.3 Dates quoted for delivery are approximate only and time for delivery shall not be of the essence.
- 6.4 Teva shall not be liable for any delay in delivery or failure to deliver the Products that is caused by a force majeure event or the Buyer's failure to provide Teva with adequate instructions or any other instructions that are relevant for the supply of the Products.
- 6.5 The Products may be delivered by Teva in advance of the quoted delivery date upon giving reasonable notice to the Buyer.
- 6.6 If Teva fails to deliver the Products it shall have no liability to the Buyer
- 6.7 The Buyer shall not be entitled to any priority of supply in relation to the Products as against Teva's other customers.
- 6.8 Teva may deliver the Products by instalments, which shall be invoiced and paid for separately. Each instalment shall constitute a separate Contract. Any delay in delivery or defect in an instalment shall not entitle the Buyer to cancel any other instalment.
- 6.9 If the Buyer fails to accept delivery of the Products then except where such failure is caused by a force majeure event or Teva failing to comply with its obligations under the Contract:
- (a) delivery of the Products shall be deemed to have been completed, risk passing to the Buyer; and
 - (b) Teva shall store the Products until actual delivery whereupon the Buyer shall be liable for all related costs and expenses (including without limitation storage and insurance).
- 6.10 If after 5 working days after tendering delivery of the Products the Buyer has still not taken delivery of them Teva may resell the Products at the best price readily obtainable and (after deduction of all reasonable storage and selling expenses) charge the Buyer for any shortfall below the price of the Products.
- 6.11 The Buyer shall not be entitled to reject the Products if Teva delivers up to and including 5% more or less than the quantity of Products ordered and payment shall be adjusted accordingly.
- 6.12 Teva is under no duty to make up any shortfall in Products delivered at any time. The quantity of any consignment of Products as recorded by Teva upon despatch from Teva's place of business shall be conclusive evidence of the quantity received by the Buyer on delivery unless the Buyer can provide conclusive evidence proving the contrary.
- 6.13 The Buyer shall provide at its expense at the place of delivery adequate and appropriate equipment and manual labour for unloading the Products.
- 6.14 Products, once delivered, may not be returned unless authorised by Teva by contacting Customer Service Department by e-mail or on free phone 0800590502 within 5 working days of delivery and such return shall be subject to the following:
- (a) Products are returned in the same condition as they were received by the Buyer on the date of delivery;
 - (b) the Buyer completes a declaration that the Products have been properly stored in the correct conditions;
 - (c) Product is returned within 30 calendar days of delivery. Any credit issued to the Buyer shall reduce by 50% if the Products are returned after 30 calendar days of their delivery date but less than 3 months after delivery, and by 100% if the Products are returned more than 3 months after delivery;
 - (d) no credit for returns shall be issued for any export orders, regardless of whether the Products have left the Territory; and
 - (e) all other requirements stipulated by Teva.
- 6.15 Pallets provided are returnable unless otherwise agreed. Any charge made for pallets described as returnable shall be credit in full if the said pallets are returned to Teva carriage paid in good condition within 60 calendar days of delivery to the Buyer.
- 6.16 All queries on deliveries shall be made by the Buyer by contacting Customer Service Department by e-mail

or on free phone 0800590502 within 5 working days of delivery. Queries and/or claims received after this date may not be accepted

7 RISK

7.1 Risk in the Products shall pass to the Buyer on completion of delivery or, if the Buyer wrongfully fails to take delivery of the Products, the time when Teva has tendered delivery of the Products.

8 TITLE

8.1 Title to the Products shall not pass to the Buyer until Teva has received payment in full (in cash or cleared funds) for the Products.

8.2 Until such time as title in the Products passes to the Buyer the Buyer shall:

- (a) hold the Products on a fiduciary basis as Teva's bailee;
- (b) store the Products separate from all other products held by the Buyer so that they remain readily identifiable as Teva's property;
- (c) maintain the Products in satisfactory condition and keep them insured (without any charge to Teva) against all risks for their full price from the date of delivery;
- (d) not remove, deface or obscure any identifying mark or packaging on or relating to the Products;
- (e) notify Teva immediately if it becomes subject to any of the events listed in condition 14.1; and
- (f) give Teva such information relating to the Products as Teva may require from time to time.

8.3 The Buyer may resell or use the Products in the course of its business. This right shall automatically cease on the occurrence of any event set out in condition 15.1 and/or if any sum owed to Teva by the Buyer is not paid when due.

8.4 If before title to the Products passes to the Buyer and either: (i) the Buyer become subject to any events listed in condition 15.1: or (ii) Teva reasonably believes that such an event is about to happen and notifies the Buyer accordingly then provided that the Products have not been resold, and without limiting any other right or remedy Teva may have, Teva may at any time require the Buyer to deliver up the Products, and if the Buyer fails to do so promptly Teva, its employees, agents and sub-contractors may without notice enter any premises owned, occupied or controlled by the Buyer or any third party where the Products are stored in order to recover them.

9 WARRANTY

9.1 Teva warrants that on delivery the Products shall correspond substantially to the description given by Teva.

9.2 Subject to condition 9.3 Teva shall not be liable for a breach of the warranty in condition 9.1 unless:

- (a) the Buyer contacts Teva's Customer Service Department by e-mail or on free phone 0800590502 within 5 calendar days of delivery; and
- (b) Teva is given a reasonable opportunity to examine the Products after receiving notice pursuant to condition 9.2.1 and the Buyer (if asked to do so by Teva) returns such Products to Teva's place of business at the Buyer's cost for such examination to take place.

9.3 Teva shall not be liable for a breach of the warranty in condition 9.1 if:

- (a) the defect arises because the Buyer has failed to follow Teva's oral or written instructions as to the storage, use or maintenance of the Products or good trade practice;
- (b) the defect has arisen from the Buyer's specification;
- (c) the defect arises as a result of wilful damage, negligence, or abnormal storage or working conditions;
- (d) the Buyer makes any further use of such Products after giving such notice;
- (e) the Buyer alters or repairs such Products without the prior written consent of Teva;
- (f) the Products differ from their description as a result of changes made to ensure they comply with applicable laws, regulations, guidelines or regulatory requirements; and
- (g) the type of defect has been specifically excluded by Teva in writing.

Subject to conditions 9.2 and 9.3, if any of the Products do not conform with the warranty in condition 9.1 Teva shall at its option either: (i) replace such defective Products; or (ii) refund the price of the defective Products provided that the Buyer complies with condition 6.14.

- 9.4 Except as provided in this condition 9, Teva shall have no liability to the Buyer in respect of the Products' failure to comply with the warranty set out in condition 9.1.
- 9.5 These Conditions shall apply to any replaced Products supplied by Teva.
- 9.6 The terms implied by sections 13-15 of the Sale of Goods Act 1979 are to the fullest extent permitted by law excluded from the Contract.

10 LIMITATION OF LIABILITY

- 10.1 Nothing in these Conditions excludes or limits the liability of Teva for:
- (a) death or personal injury caused by Teva's negligence or that of its employees, agents or subcontractors; or
 - (b) fraud or fraudulent misrepresentation; or
 - (c) breach of the terms implied by section 12 of the Sale of Goods Act 1979.
- 10.2 **Subject to condition 10.1 and condition 10.3 Teva's total aggregate liability in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise, arising under or in connection with the Contract shall in no circumstances exceed the price paid or payable for the Products under the Contract.**
- 10.3 **Teva shall under no circumstances whatsoever be liable to the Buyer whether in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise for:**
- (a) **any economic loss of whatever nature (whether or not such loss or damage was foreseen, direct, foreseeable, known or otherwise), including loss of anticipated profits, loss of actual profits (direct or indirect), loss of anticipated savings, loss of business; or**
 - (b) **any indirect, special or consequential loss**
- arising under or in connection with the Contract.**

11 BUYER'S INDEMNITY

- 11.1 The Buyer agrees to indemnify Teva, its employees, subcontractors and agents in full and on demand and keep them so indemnified against all claims, demands, actions, proceedings and all direct and indirect damages, losses, costs and expenses (including without limitation loss of profit, economic loss, future revenue, reputation and goodwill) made against or incurred or suffered by any of them and whether wholly or in part resulting directly or indirectly from breach by the Buyer of: (i) conditions 2.6, 3.3, 6.2.; (ii) the material breach by the Buyer of any other Condition; and (iii) of any laws, regulations and guidelines applicable to the Product including sale, handling, storage, marketing and distribution.

12 DATA PROTECTION

- 12.1 For the purpose of this clause, the terms "personal data", "data controller" and "data processor" shall have the same meaning as under the General Data Protection Regulation.
- 12.2 To the extent (if any) that either party receives or provides personal data in the course of the supply or receipt of Products or 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. The Buyer agrees that it will collect, store, use, disclose, and process personal data in connection with its receipt of Products or services 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, consultant and agents or any other personal data under Teva's control provided to the Buyer in connection with the supply of Products or services may be used and processed by the Buyer only to the extent necessary for the administration and provision of the Products and/or services.
- 12.3 The Buyer 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.

- 12.4 The Buyer 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.

13 PRODUCT RECALL

- 13.1 The Buyer shall comply at all times with British Association of Pharmaceutical Wholesalers guidelines. The Buyer shall refer its employees, agents and subcontractors and its customers to such instructions and guidelines.
- 13.2 Upon Teva's request the Buyer shall provide a copy of its product recall policy.
- 13.3 The Buyer should satisfy itself that the persons responsible for the storage, application and resale of the Products supplied by Teva have all the information required on health and safety and Teva shall to the extent permitted by law have no liability to the Buyer arising from the Buyer's breach of any applicable health and safety legislation or any regulations, orders or directions made pursuant to such legislation.
- 13.4 Notwithstanding any other condition, if Teva notifies the Buyer in writing of any defect in or relating to the Products previously delivered to the Buyer or any error or omission which exposes or may expose consumers to any risk of death, injury or damage to property, the Buyer shall co-operate fully and promptly with any steps taken under conditions 13.5 - 13.8 (inclusive) below.
- 13.5 Teva may, at its own discretion recall any Products already sold to the Buyer or by the Buyer (whether for a refund or credit or for replacement of the Products which shall in each case be determined by Teva) ("**Product Recall**") and/or issue any written or other notification to the Buyer's customers about the manner of use or operation of any Products already sold by the Buyer.
- 13.6 If there is a Product Recall the Buyer shall cooperate fully with Teva to ensure that the Product Recall is promptly and effectively dealt with including without limitation (where requested by Teva):
- (a) providing all necessary information and assistance to enable Teva to account for the stocks subject to a Product Recall and to comply with its obligations under the Human Medicines Regulations 2012 or any other legislation. Teva shall inform the Buyer of the terms upon which such stocks may be returned for a refund or credit or replacement;
 - (b) advising promptly, and providing details to Teva of all retail outlets and trade customers to whom Recalled Products have been supplied, and request such outlets and customers to comply with obligations equivalent to those in conditions 13.5 to 13.8 (inclusive);
 - (c) ceasing to sell or distribute Recalled Products;
 - (d) removing Recalled Products from shelves at retail outlets and warehouses, returning them to the Buyer's central location, isolating them from other Products and ensuring that the Recalled Products are not sold and make the Recalled Products available for collection by Teva;
 - (e) carrying out stock audits to ensure all Recalled Products have been identified and removed;
 - (f) displaying product recall notices, provided by Teva, at all outlets;
 - (g) providing contact details (including 24 hour telephone contact) of the Buyer's relevant personnel responsible for arranging the Product Recall;
 - (h) allowing Teva's personnel or agents reasonable access to the Buyer's premises to allow audits to take place to check the effectiveness of the Product Recall;
 - (i) ensuring all of the Buyer's relevant personnel are aware of and prepared for applying the Product Recall procedures set out in condition 13; and
 - (j) completing and returning to Teva any Product Recall checklists that are provided to the Buyer.
- 13.7 A Product Recall and procedures relating to it may be communicated to the Buyer by any reasonable means including via trade publications and media.
- 13.8 On request from Teva, the Buyer shall report on how Product Recall procedures set out in this condition 13 have been implemented.
- 13.9 Teva may at its absolute discretion only supply Products once satisfied that the Buyer has complied with the obligations set out at conditions 13.5-13.8 (inclusive).
- 13.10 The Buyer's only remedy shall be for a refund up to the value of the Recalled Products or replacement

Product.

- 13.11 The Buyer shall ensure that its customers who are not retail consumers, are obliged at contract to comply with the provisions in this condition 13 and that Teva is given the ability to enforce those provisions directly against such customers.
- 13.12 The Buyer shall notify Teva immediately in writing if it becomes aware of any reason why or allegation that the Products may be unsafe, in breach of the Contract, or in breach of any legislation or regulation, and should be subject to a Product Recall or similar process, as mandated by any regulatory body. The Buyer shall then consult and cooperate with Teva in accordance with the provisions in this condition 13.

14 QUALITY COMPLAINTS AND SAFETY ISSUES

- 14.1 In the event that the Buyer is made aware of a quality complaint or safety issue with the Products the Buyer shall immediately contact Teva and provide full details of such complaint or safety issue including the complainants and the Buyer's contact details to enable Teva to investigate.
- 14.2 The Buyer shall comply at all times with Teva's written instructions and all written guidelines it issues from time to time relating to the safety of the Products. The Buyer shall refer its employees agents and subcontractors and its customers to such instructions and guidelines.
- 14.3 Where Teva is the marketing authorisation holder for the Products it may be required that the parties enter in to a safety data exchange agreement and/or technical agreement.

15 TERMINATION

- 15.1 This Condition applies if:
- (a) the Buyer is deemed to be unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986; or
 - (b) the Buyer calls a meeting for the purpose of passing a resolution to wind it up, or such a resolution is passed; or
 - (c) the Buyer presents, or has presented, a petition for a winding up order; or
 - (d) an application to appoint an administrator is made in respect of the Buyer or a notice of intention to appoint an administrator is filed in respect of the Buyer; or
 - (e) the Buyer has an administrator, administrative receiver, or receiver appointed over all or any part of its business, undertaking, property or assets; or
 - (f) the Buyer takes any steps in connection with proposing a company voluntary arrangement or a company voluntary arrangement is passed in relation to it; or
 - (g) any proceedings are commenced relating to insolvency or possible insolvency of the Buyer; or
 - (h) anything analogous to the events mentioned above occurs in any foreign jurisdiction; or
 - (i) Teva reasonably apprehends that any of the events mentioned above is about to occur in relation to the Buyer and notifies the Buyer accordingly; or
 - (j) the Buyer fails to make any payment owed to Teva on or by the due date; or
 - (k) the Buyer fails to take delivery of the Products within 14 days of being notified by Teva that they are to be delivered; or
 - (l) the Buyer is in breach of the terms and conditions of any contract with Teva (including breach of these Conditions) and shall fail to remedy the same within 14 calendar days of notice specifying the breach and requiring remedy (if the breach shall be remediable); or
 - (m) the Buyer commits a material breach of any of its obligations under the Contract which is incapable of remedy; or
 - (n) the Buyer ceases, or threatens to cease, to carry on business.
- 15.2 If any of the circumstances in condition 15.1 apply then, without prejudice to any other right or remedy available to Teva, Teva may terminate the Contract or suspend any further deliveries under the Contract (and any other contract which it has with the Buyer) forthwith and recover all expenses, losses and damages resulting to Teva including (but without limitation to) loss of profit or other consequential loss without any liability to the Buyer, and if the Products have been delivered but not paid for the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.
- 15.3 Notwithstanding any termination or suspension the Buyer shall pay Teva all sums due for all Products delivered up to and including the date of suspension or termination. Termination howsoever arising shall not affect the rights or remedies of either party that have accrued as at termination.

16 GENERAL

16.1 *Notices*

Notice given to a party in connection with the Contract shall be in writing and shall be sent by pre-paid first class post, recorded delivery or, by commercial courier to its registered office or principal place of business. Any notice shall be deemed to have been received if sent by pre-paid 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.

16.2 *Waiver*

No waiver by Teva of any breach of the Contract by the Buyer 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

16.3 *Severance*

If any provision of the Contract (or part of any provision) 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.

16.4 *Governing law and Jurisdiction*

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.

16.5 *Third Party Rights.*

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.

16.6 *Assignment and Subcontracting*

The Buyer shall not assign, charge, subcontract or transfer or deal in any other manner with the Contract or any part of it without the prior written consent of Teva. Teva may at any time assign, charge, subcontract or transfer or deal in any other manner with the Contract or any part of it.

16.7 *Force Majeure*

Teva shall not be liable to the Buyer for any failure to perform or delay in performing its obligations under the Contract caused by circumstances beyond its reasonable control including, without limitation, acts of God, governmental actions, act, restriction, regulation, by-law, refusal to grant any licence or permission and prohibition or measure of any kind on part of any government authority, war or national emergency, riot, civil commotion, explosion, epidemic, lock-outs, restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials defaults of suppliers for any reason whatsoever, fire, strikes, shortage of materials, floods, industrial disputes provided that if the event in question continues for a continuous period of 90 days each party shall be entitled to give notice to terminate the Contract.

16.8 *Variation*

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

16.9 *Confidentiality*

Both parties shall each keep confidential and shall not, without the prior written consent of the other, disclose to any third party or otherwise make public the terms or existence of the Contract or any other confidential or sensitive information of the other party.

16.10 *Corruption*

The Buyer shall comply with all the requirements regarding anti-bribery and anti-corruption set out in Schedule 1.

The Buyer agrees that it will indemnify Teva for costs including fines and penalties incurred by Teva as a result of the Supplier's breach of this clause 16.10 or the applicable anti-corruption laws and principles

Teva shall have the right to suspend or terminate the Contract and any payments thereunder if it has a

good faith belief that the Buyer or any of its personnel may have violated or acted contrary to any of the terms of clause this clause 16.10 or the Applicable Anti-Corruption Laws and Principles.

16.11 *Partnership*

Nothing in the Contract is intended to, or shall be deemed to, constitute a partnership or joint venture of any kind between 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.

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 Buyer.

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 Third Party Representative 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 fulfil 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.