
General Terms and Conditions (medicinal specialities and contract manufacturing) of Lomapharm GmbH

1. General - Scope of application

- 1.1 The following terms and conditions apply to all present and future business relationships between Lomapharm GmbH and its customers, including consultancy services, unless otherwise agreed.
- 1.2 Conflicting or supplementary general terms and conditions of the customer shall not become part of the contract, even if known, unless their validity is expressly agreed to in writing.
- 1.3 These terms and conditions only apply to natural persons or legal entities or partnerships with legal capacity acting in the exercise of a commercial or independent activity (entrepreneurs) as well as to legal entities under public law and special funds under public law. Deliveries are not made to consumers.

2. Offer, conclusion of contract

- 2.1 Offers from Lomapharm GmbH that are not limited in time are subject to change and non-binding in all parts, unless expressly agreed otherwise. They constitute an invitation to the customer to submit an offer to conclude a contract.
- 2.2 Contracts are concluded by our order confirmation sent in writing or in text form (i.e. in particular also by e-mail) or by executing the order.
- 2.4 In the case of contract manufacturing, the quantities of goods ordered from us may be slightly exceeded or fallen short of, depending on the manufacturing method. Unless otherwise agreed in the specific contract, a quantity tolerance or deviation of up to 10% shall be deemed to be in accordance with the contract. Within this tolerance, the customer is obliged to accept manufactured goods or to limit the order. Invoicing shall be based on the quantity actually delivered.

3. Prices and dispatch

- 3.1 Unless otherwise agreed, our prices including packaging are ex works (Incoterm 2020 = EXW) for the territory of the Federal Republic of Germany. Special conditions apply to pharmacy and wholesale shipments in accordance with the respective valid price lists.
- 3.2 At the customer's request, we will also dispatch the goods to the location specified by the customer. The customer shall bear the shipping costs. In the case of express shipments, the customer shall in any case bear the difference between the freight costs incurred for a standard delivery and the type of shipment requested by the customer.
- 3.3 If there are more than four months between the conclusion of the contract and delivery, either party may demand that the price for the ordered goods be adjusted appropriately if, after the conclusion of the contract, there are cost reductions or cost increases due to changes in raw material prices or freight rates which change the manufacturing costs by more than 5%. Should this be the case, the customer will be informed immediately, but no later than 14 days before delivery. The additional or reduced costs must be proven to the other party to the contract upon request. In this case, the other party shall be entitled to cancel the order within 7 days of receipt of the price adjustment request.
- 3.4 Delivery shall be made in standard commercial packaging at our discretion. Transport packaging and all other packaging in accordance with the packaging regulations will not be taken back, with the exception of pallets. The customer shall dispose of the packaging for us at his own expense. Standard pallets shall remain our property and shall be returned to us step by step or shall be charged at cost price.

4. Delivery and performance time

- 4.1 Unless delivery periods are expressly agreed as binding, delivery periods quoted are only to be understood as expected delivery dates and are not binding. Fixed delivery dates require our express written confirmation in order to be binding.
- 4.2 In the case of contract work, the delivery period shall only commence after receipt of the materials to be provided by the customer, after receipt of the release certificates to be provided by the customer and after clarification of all product requirements to be specified by the customer.
- 4.3 We are entitled to make partial deliveries and render partial services.

5. Force majeure

- 5.1 Cases of force majeure, in particular strikes, lockouts, war, pandemics, shortages of raw materials and energy, operational and traffic disruptions for which we are not responsible as well as obstructive sovereign decrees shall suspend the contractual obligations of the parties for the duration of the disruption and to the extent of its effect, even if they make the execution of the affected transaction uneconomical for the foreseeable future. This shall also apply if one of the above-mentioned cases of force majeure occurs at our suppliers and another delivery option does not exist or exists only under unreasonable conditions.
- 5.2 If the resulting delays exceed a period of six weeks, both contracting parties shall be entitled to withdraw from the contract with regard to the affected scope of services.
- 5.3 Claims for damages by the customer are excluded in cases of force majeure.

6. Contract manufacturing

- 6.1 In the context of contract manufacturing, the customer must provide formulations, manufacturing specifications, in particular requirements regarding stability, solubility, decomposition, abrasion resistance, other special features and special quality requirements prior to conclusion of the contract.
- 6.2 We assume no liability or warranty for goods produced to order according to customer formulations with regard to harmful, therapeutic, pharmacological and other properties relating to efficacy and quality, including bioavailability and stability, even if the active ingredients used have been purchased by us. The formulation risk remains with the customer even in the case of contract work according to the customer's formulation.
- 6.3 The customer shall be solely liable for the permissibility of the manufacture and distribution of the medicinal products manufactured by us in accordance with the applicable statutory provisions, in particular the provisions of the German Medicinal Products Act, unless compliance with specific manufacturing and control regulations has been contractually delegated to us in writing.

7. Quality liability

- 7.1 Samples submitted by us shall be regarded as approximate type samples and shall only be binding if this is expressly confirmed by us. We expressly reserve the right to deviations which are unavoidable despite all care taken in the manufacture of the goods and the determination of the values.
- 7.2 We provide information and advice on statutory provisions, third-party property rights, pharmaceutical, pharmacological and other issues relating to the development and/or manufacture of medicinal products to the best of our knowledge based on our experience and knowledge, unless they are the subject of a separate consultancy agreement. All details and information in this respect are non-binding for us and do not exempt the customer from carrying out his own tests and trials.
- 7.3 The customer is responsible for compliance with statutory or official regulations during storage, onward transport and use of our goods.

8. Place of fulfilment

The place of fulfilment for all rights and obligations arising from the contractual relationship is Emmerthal.

9. Transfer of risk

- 9.1 If the goods are dispatched to a place other than the place of fulfilment at the customer's request, the risk shall pass to the customer - unless otherwise agreed - as soon as the goods have been delivered to the forwarding agent, the carrier or the person or institution otherwise designated to carry out the dispatch. This shall also apply if partial deliveries are made or if we have assumed other services such as shipping costs or transport.

- 9.2 Complaints due to transport damage must be reported by the customer directly to the transport company without delay, but at the latest within the special deadlines provided for this purpose, and confirmed in writing.
- 9.3 Transport insurance is only provided at the customer's request and expense. The quantities, weights and unit numbers determined at the station of departure shall be decisive.

10. Guarantee

- 10.1 The customer must inspect the delivered goods immediately upon receipt for defects, incorrect delivery and deviations in quantity - as far as can be reasonably expected, also by means of trial processing.
- 10.2 Complaints must be made in writing within the framework of the provisions of commercial law (§ 377 HGB), but at the latest within 10 days of receipt of the goods or, in the case of hidden defects, within 8 days of their discovery.
- 10.3 The warranty period is 12 months from delivery.
- 10.4 In the event of warranty claims, we shall, at our discretion, initially deliver missing quantities, supply a replacement or rectify the defect. If rectification or replacement is not possible or has finally failed or is unreasonably delayed, the customer may demand a reduction in price. The customer may demand cancellation of the contract if the contracting parties fail to reach agreement on the reduction.
- 10.5 The warranty is excluded if a defect is based on the fact that the recipes, manufacturing instructions, analyses, specifications and other information to be provided by the customer were misleading, incomplete or incorrect and we were unable to recognise this during a proper inspection.
- 10.6 We accept no liability for the stability of medicines manufactured by us under extreme climatic conditions. We assume no liability or warranty for the suitability of packaging materials provided by the customer or specified by us or used by the customer himself, unless we have confirmed their suitability in writing.

11. Liability

- 11.1 We are liable for intent and gross negligence in accordance with the statutory provisions.
- 11.2 Liability for damage caused by gross negligence on the part of ordinary vicarious agents is limited to the typical foreseeable damage.
- 11.3 We shall only be liable for simple negligence in the event of a breach of a material contractual obligation and in the event of injury to life, limb or health.
- 11.4 Liability under the Product Liability Act and the Medicinal Products Act remains unaffected.
- 11.5 Liability is otherwise excluded.

12. Terms of payment

- 12.1 Unless otherwise agreed, payment shall be made without deduction immediately upon receipt of the invoice.
- 12.2 An agreed discount can only be granted if all older invoices due have been settled and the customer has paid the outstanding invoice amount in full.
- 12.3 The customer shall be deemed to be in default in accordance with Section 286 (3) BGB if he fails to make payment within 30 days of the due date and receipt of the invoice or an equivalent payment schedule.
- 12.4 If the customer is in default, default interest of 8 percentage points above the base interest rate per annum may be charged. We reserve the right to claim additional or further damages.
- 12.5 Offsetting and rights of retention can only be exercised by the customer if his counterclaims have been legally established or are undisputed.

13. Retention of title

- 13.1 The delivered goods shall remain the property of Lomapharm GmbH until all our claims against the customer have been paid in full.
- 13.2 The customer may only dispose of our reserved goods in the ordinary course of business as long as he fulfils his obligations arising from the business relationship with us in good time.
- 13.3 If our goods are processed, we are deemed to be the manufacturer; the processing is carried out on our behalf. We acquire ownership of the newly created goods or co-ownership in the ratio of the invoice value of our goods to that of other materials used, while the customer's expectant right to our goods continues in the new item. This shall also apply in the event of combination and mixing.
- 13.4 The customer is obliged to inform us immediately of any access by third parties to the goods delivered subject to retention of title and to provide us with the information and documents required to assert our rights.
- 13.5 The customer assigns to us by way of security all claims against his customers arising or still to arise from the sale or further processing or other legal claims which result in our loss of ownership until all claims arising from the business relationship have been settled in full with all ancillary rights to the extent of our ownership share in the sold or further processed goods. In this case, the customer shall only receive the purchase price as trustee for us and undertakes to transfer it to us immediately after receipt and to keep it separate from his assets as trustee for us until then. The same applies to claims arising from insurance contracts. The customer is obliged to inform us immediately of any access by third parties to the claims assigned to us.
- 13.6 The customer shall be entitled to demand the release of the securities insofar as their realisable value exceeds the value of the claim to be secured by 20%. The customer shall be entitled to collect the claim as long as it properly fulfils its obligations towards Lomapharm GmbH. Upon request, the customer shall be obliged to provide the addresses of its customers and the amount of the claims with copies of invoices.
- 13.7 If payment is no longer made by the customer in accordance with the contract, we may withdraw from the contract without prejudice to our other rights and demand the return of the purchased item.
- 13.8 The customer assures that he has not yet disposed of the aforementioned claims assigned to us in any other way.

14. Place of jurisdiction, applicable law

- 14.1 The place of jurisdiction for all legal disputes arising from the contractual relationship shall be determined by our registered office in Emmerthal.
- 14.2 The law of the Federal Republic of Germany shall apply to the exclusion of the UN Convention on Contracts for the International Sale of Goods.

15. Data protection

We comply with the relevant statutory provisions, namely the German Federal Data Protection Act (BDSG). Personal data is only collected, processed and used if, insofar and as long as this is necessary for the establishment, execution or termination of a contract. To check the solvency of the customer, we will utilise the services of credit agencies and transmit data to them for this purpose or make enquiries with them. The entity responsible for all data protection-related issues and for exercising the customer's rights is [name, legal form, address and other contact details of the company].

Emmerthal, May 2024

Lomapharm GmbH