

HWI development GmbH

Strassburger Str. 77 | 77767 Appenweier | Germany

1 SCOPE OF APPLICATION

1.1 Our General Terms and Conditions (*Allgemeine Geschäftsbedingungen, AGB*) shall apply to all contracts concluded between HWI development GmbH (hereinafter "HWI DEVELOPMENT") and companies as defined in § 14 German Civil Code (*Bürgerliches Gesetzbuch, BGB*), legal entities under public law or public special assets (hereinafter referred to as the "Customer").

1.2 These General Terms and Conditions shall apply exclusively. Conflicting or deviating conditions or regulations have to be agreed in writing to be legally valid and have to be signed by a person authorized therefor. Persons authorized within the meaning of these General Terms and Conditions are only managing directors, division managers and project managers of HWI DEVELOPMENT. Agreements made with other employees, in particular by telephone, shall only become valid if confirmed in writing (*Textform*) by one of the above-mentioned authorized persons.

1.3 The General Terms and Conditions of the Customer shall not apply even if HWI DEVELOPMENT fails to expressly object to their application in the individual case. Even if HWI DEVELOPMENT makes reference to a document which contains the General Terms and Conditions of the Customer or a third party or makes reference thereto, this shall not be deemed as agreement of HWI DEVELOPMENT with the applicability of those terms and conditions.

2. PLACEMENT OF ORDERS AND CONTRACT CONTENT

2.1 In principle, orders shall be placed in writing. In case of an order placement made only verbally, transmission errors as well as any misunderstandings shall be for the account of the Customer. As far as the order is confirmed by HWI DEVELOPMENT in writing, the contract shall be deemed to be concluded upon receipt of said order confirmation by the Customer. In case of doubts, the scope and content of the contract are as set forth in the order confirmation. Amendments of the contractually agreed scope of performance must be agreed in writing (*Textform*) and can be made only with a person accordingly authorized by HWI DEVELOPMENT.

2.2 Contracts on research and development services create only rights of the Customer to claim the performance of the work to achieve the research and development objectives. As a result, they are

governed by the law of service contracts (*Dienstvertragsrecht*).

2.3 The commissioning of HWI DEVELOPMENT with a service is a binding offer from the Customer. This offer can be accepted by HWI DEVELOPMENT within 2 (two) weeks from receipt of such offer by sending an order confirmation upon which the contract comes into effect. An order must be placed in writing (*Textform*). In case of an order placement made only verbally, transmission errors as well as any misunderstandings shall be for the account of the Customer. If an order confirmation has been made in writing, the scope and content of the contract comes therefrom.

2.4 Deadlines for performing orders for research and development work or consultancy services are non-binding unless expressly agreed to be binding in writing (*Textform*). HWI DEVELOPMENT shall be liable for failure to meet deadlines according to the statutory provisions, insofar as the default in performance is based on an intentional or negligent breach of contract for which HWI DEVELOPMENT is responsible; HWI DEVELOPMENT is responsible for faults of its representatives or vicarious agents.

2.5 In an event of force majeure, such as labor disputes, unrest, public authority measures and similar circumstances, which are beyond HWI DEVELOPMENT's control, HWI DEVELOPMENT shall be released from its obligations to perform its contractual duties for the duration of the disruption. This shall also apply, if these circumstances occur at HWI DEVELOPMENT's subcontractors or if these events occur at a point in time at which HWI DEVELOPMENT is already in default. HWI DEVELOPMENT shall notify the Customer of the start and end of such inability to perform.

3. DELIVERY

Documents delivered within Germany shall be free of packaging, postage and shipping costs. The right to make partial deliveries is reserved. The costs of goods delivered within Germany and abroad shall always be charged to the Customer. In case of deliveries abroad which are subject to VAT, the Customer shall provide all documents which are required by HWI DEVELOPMENT for deduction of input tax.

4. PRICES, PAYMENT DUE DATE, DEFAULT

4.1 The remuneration for research and development work and/or other services shall be agreed upon at

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the conclusion of the contract. If the parties do not agree on a price different from the price defined in the offer, the price in the offer shall be valid. In accordance with § 271 BGB, the invoice amount is to be paid immediately unless a payment date has been agreed within the contract or has been specified by HWI DEVELOPMENT on the invoice. The invoice amount is payable net; no deduction shall be granted. The stipulated prices are net of VAT.

4.2 The Customer may only set off counter-claims or assert a right of retention to the extent that the counter-claims are uncontested, or have been established by a court, or if the claim of HWI DEVELOPMENT is in a relationship of mutuality with the counter-claim by the Customer.

4.3 HWI DEVELOPMENT reserves the right to process an order by means of payment of cash on delivery, partial advance payment or advance payment. As applicable, the Customer will be informed accordingly in advance.

4.4 In cases of default of payment by the Customer, HWI DEVELOPMENT shall be entitled to charge interest for late payment from the due date at a rate of 5 (five) percentage points above the base interest rate. If the claim for late payments is towards an entrepreneur, HWI DEVELOPMENT shall charge interest for late payment from the due date at a rate of 9 (nine) percentage points above the base interest rate. The claim for a higher rate of interest and for additional damages in case of default remains unaffected.

4.5 If the Customer fails to pay an agreed installment when due, either in whole or in part, HWI DEVELOPMENT shall have the right to demand either immediate payment of the full amount owed or to rescind the contract following the futile lapse of a payment extension period. In this case, the Customer shall reimburse HWI DEVELOPMENT for the damage accruing therefrom.

5. DATA PROTECTION

The personal data of the client collected in connection with the performance of the contract (in particular the first names and surnames of authorized representatives, e-mail addresses and other contact data of employees) will be processed in compliance with data protection regulations.

6. WARRANTY CLAIMS

6.1 HWI DEVELOPMENT shall be liable for the defectiveness of delivered data, data carriers, research and development work or other services (advice, information) and shall fulfil such liability by repeating the defective delivery or service free of charge. Should the defects not be remedied or HWI DEVELOPMENT is not prepared or in a position to render remedy of the defect or replacement delivery or should such be delayed beyond a reasonable extension period for reasons for which HWI DEVELOPMENT is not responsible, the Customer shall be entitled to rescind the contract or to demand reduction of the purchase price. For damage claims and reimbursement of wasted expenses/efforts (*Vergebliche Aufwendungen*) due to a defect, § 7 Liability hereof shall apply.

6.2. The Customer has to notify HWI DEVELOPMENT in writing of any defects within 30 days after sending the work results; otherwise any claims because of such a defect are excluded.

6.3 The Customer's claims for defects shall be time-barred after expiration of 1 (one) year after the complete and final performance of the service by HWI DEVELOPMENT. The statutory period of limitation shall apply instead of the 1 (one)-year period in the following cases: i) in the case of liability caused by intentional misconduct, ii) in cases of fraudulent non-disclosure of a defect, iii) for claims due to damage arising out of death, injury to body or health which are based on a negligent breach of obligation by HWI DEVELOPMENT, iv) for claims due to damage arising out of death, injury to body or health which is based on an intentional or negligent breach of obligation of a legal representative or vicarious agent of HWI DEVELOPMENT, v) for other claims which are based on a grossly negligent breach of obligation of HWI DEVELOPMENT or an intentional or grossly negligent breach of obligation of a legal representative or a vicarious agent of HWI DEVELOPMENT.

7. LIABILITY

7.1 Liability on the part of HWI DEVELOPMENT, regardless of the legal grounds therefor, is limited according to the following sub-clauses as far as fault (*Verschulden*) is relevant in the respective case (including the fault of company organs, legal representatives, employees or other vicarious agents).

7.2 HWI DEVELOPMENT shall be liable in cases of slight negligence only for breach of material contractual obligations. A material contractual obligation includes without limitation the delivery free from defects and/or service which should make the use of the contractual results possible for the Customer according to the contract. In such cases, liability is limited to the foreseeable damages typical for such contracts.

7.3 Indirect damage and consequential damage caused by defects of the work results shall only be reimbursable as far as such damage could typically be expected despite proper use.

7.4 The limitations of this clause shall not apply for liability on the part of HWI DEVELOPMENT insofar as a limitation of liability is mandatorily precluded by law. This relates especially to the liability for willful misconduct and gross negligence and for the injury to life, body and health.

8. TRANSPORT DAMAGE

Should the Customer detect damage to the packaging (transport damage), the Customer shall have the damage attested by the transport carrier upon acceptance of the shipment. Transport damage which is first determined after unpacking the goods must be notified to and received by HWI DEVELOPMENT within 3 (three) business days.

9. RIGHTS TO WORK RESULTS/PROTECTION OF WORK RESULTS

9.1 The Customer shall be the owner of all rights to the work results. Work results within the meaning of these General Terms and Conditions are certificates of analysis, reports, expert opinions and other documents which the Customer receives within the framework of the contract. This shall not apply to results made only on the occasion of the performance under the contract without any connection concerning the content of the contract and to results which are made or could arise independently from the corresponding project and without using the Confidential Information of the Customer.

9.2 The know-how which HWI DEVELOPMENT uses or gains during the work, in particular, technological and analytical procedures and methods, remains the property of HWI DEVELOPMENT. Insofar as this know-how is part of the contract, the Customer shall receive a limited, non-exclusive right to use such know how according to the contract. HWI

DEVELOPMENT reserves the right to freely use its own know-how including, but not limited, to fulfil contracts of other customers and/or for publications.

9.3 HWI DEVELOPMENT shall inform the Customer immediately about any invention of employees of HWI DEVELOPMENT. As far as the Customer is interested in acquiring the invention, HWI DEVELOPMENT will claim it and transfer the rights to such invention to the Customer. If HWI DEVELOPMENT has to pay a fee for the invention to the employee according to the German employee invention act (ArbnErfG), the Customer shall reimburse HWI DEVELOPMENT for such fee.

9.4 The Customer shall use the work results prepared by HWI DEVELOPMENT within the framework of the analyses only for its own purposes and the purposes described in the respective individual contract. Within this framework, reproduction and transfer to third parties (e.g. regulatory authorities) shall be permitted. Any improper reproduction and/or transfer is prohibited and shall only be permitted upon prior consent of HWI DEVELOPMENT in writing (*Textform*). In case the Customer is a part of a group of subordinated affiliates or parallel affiliated companies, transfer to the group companies shall require the express consent of HWI DEVELOPMENT (prohibition of sub-licensing).

10. CONFIDENTIALITY

HWI PHARMA SERVICES and the Customer agree to keep information they receive in connection with the referring work order, business and trade secrets ("information") secret and confidential and HWI DEVELOPMENT agrees neither to publish nor to make work results accessible to third parties. Furthermore, HWI DEVELOPMENT agrees to keep all information of the work results secret and confidential. Insofar as employees, affiliated companies and/or third parties must receive information pursuant to the contract, the party affected is allowed to forward the information to them, if they are obliged to keep the information secret and confidential for their part.

11. STORAGE OF SAMPLES

If not otherwise agreed in writing (*Textform*), samples given for analysis, provided their condition allows so, shall be kept by HWI DEVELOPMENT for a maximum period of 3 (three) months. The samples can be destroyed after this time period. If the Customer wishes HWI DEVELOPMENT to return

samples, such transfer shall be undertaken at the cost and risk of the Customer.

12. RETENTION OF TITLE TO OWNERSHIP, COPYRIGHT

12.1 HWI DEVELOPMENT retains the title to ownership (*Eigentumsvorbehalt*) including, but not limited to, all copyrights of the delivered items (documents, data and data carriers) until receipt of the agreed remuneration in total. The Customer is obligated to notify HWI DEVELOPMENT of every change of its registered office as long as accounts receivable are outstanding due to delivered documents or data or documents or data have not yet been delivered.

12.2 Any processing or alterations of the delivered items by the Customer shall always be undertaken on behalf of HWI DEVELOPMENT (*Herstellerklausel*). Should the items be processed with other items not belonging to HWI DEVELOPMENT, HWI DEVELOPMENT shall acquire co-ownership in the new items in the proportionate relationship of the value of the delivered items to the other processed items on the date of processing.

12.3 Should the delivered items be mixed with other items not belonging to HWI DEVELOPMENT, HWI DEVELOPMENT shall acquire co-ownership in the new items in the proportionate relationship of the value of the delivered items to the other mixed items on the date of mixture. If the item of the Customer is deemed to be the main item, the Customer shall transfer to HWI DEVELOPMENT pro rata co-ownership to the mixed item.

13. TERMINATION

Either party may terminate laboratory work and other services at any time within four (4) weeks in writing. If the Customer terminates the contract, the Customer shall reimburse HWI DEVELOPMENT for all actually accrued costs (in particular, but not limited to, personnel, material, travel costs and expenses) up to the effective date of termination. In addition, in the case of a termination by the Customer, HWI DEVELOPMENT is entitled to receive a percentage share of the agreed fee. This share shall be calculated by the actually elapsed development time in relation to the time which has been taken into consideration for the entire contract. In this case, the Customer is not entitled to receive the documentation related to the concluded sub-sections or partial results of the process development. If HWI DEVELOPMENT

terminates the contract, the Customer shall have the right to receive the documentation of such part of results up to this date; however, the Customer has to reimburse HWI DEVELOPMENT for the accrued work hours, as well as the full costs (including personnel material and travel costs as well as expenses) until the effective date of termination.

14. TERMINATION FOR GOOD CAUSE

Should it be determined during a process development that achieving the aimed objective (development of a certain procedure or drug product) has become impossible for factual, legal or commercial reasons, HWI DEVELOPMENT shall be entitled to termination for good cause, whereby HWI DEVELOPMENT shall be entitled, in addition to receipt of payment of accrued costs (especially personnel, material and travel costs as well as expenses), to a percentage share of the agreed fee. This share shall be calculated in accordance with Clause 13 of these General Terms and Conditions. In this case, the Customer shall be entitled to receive the documentation of the previous sub-sections and partial results.

15. SEVERABILITY

If one provision or several provisions of these Terms and Conditions become(s) invalid, void or unenforceable or prove(s) to be incomplete, the rest of the contract shall remain valid. The parties will – if necessary by adequate form – replace the invalid, void or unenforceable provision(s) by such provision(s) or add such provision(s) which come(s) as close to the commercial purpose agreed to by the parties as possible.

16. APPLICABLE LAW, PLACE OF PERFORMANCE, JURISDICTION

These General Terms and Conditions and the contract shall be governed by German law without regard to its conflict-of-law provisions which would submit these General Terms and Conditions and the contract to other than German law. The rules of the UN Convention on the International Sale of Goods (CISG) (Vienna Convention) shall not apply. Place of performance is the registered office of HWI DEVELOPMENT. If the Customer is a merchant, jurisdiction is in Offenburg (Baden-Württemberg).