

Ferro Pharma Group

General Sales Conditions

Scope of Application

Ferro Pharma Group includes Ferro Pharma GmbH, Budapester Strasse 47, 20359 Hamburg, Germany, Commercial Register No. HRB 43235 as well as all subsidiary companies of Ferro Pharma GmbH, Budapester Strasse 47, 20359 Hamburg, Germany, Commercial Register No. HRB 43235. Ferro Pharma Group therefore includes – but is not limited to – Ferro Pharma Europe Ltd., 49, Stonecroft, Dr Guze Miceli Street, Gzira, GZR1723, Malta.

All contracts of Ferro Pharma Group are exclusively governed by the terms and conditions fixed by us in written form and by our following General Sales Conditions. We herewith explicitly object to deviating or conflicting General Purchase Conditions of our Buyer, unless otherwise explicitly agreed in writing.

1. Offer and Acceptance

Our offers are non-binding. Orders from our Buyer shall not be binding on us until the earlier of our written confirmation or our delivery.

2. Prices and Payment

- 2.1. The purchase price is payable without any deduction by the due date.
- 2.2. In the event of delayed payment, the Buyer shall pay interest from the date of maturity to definite receipt of payment at a rate of 6 percentage points above the basic interest rate announced by Deutsche Bundesbank if the amount is invoiced in euros, or, if invoiced in any other currency, at a rate of 8 percentage points above the discount rate of the central bank of the country of the invoiced currency at the time the payment is due.
- 2.3. In the event of any reasonable doubts concerning the Buyer's ability to pay and particularly if a default in payment has already occurred, we shall be entitled – without prejudice to any other rights – to revoke any credit terms granted and to demand payment in advance or sufficient collateral.
- 2.4. Set-off or retention with counterclaims other than those that are not disputed by us or are confirmed by final court decision shall be excluded.
- 2.5. Regardless of the place of delivery of goods or documents, the place of payment shall be our place of business.

3. Delivery

- 3.1. Delivery shall be effected as agreed in the contract. General Commercial Terms shall be interpreted in accordance with the Incoterms in force on the date the contract is concluded.
- 3.2. In the event of delayed delivery on our part, the Buyer shall be obliged to grant a reasonable period of grace.

4. Product Quality

- 4.1. Unless otherwise agreed explicitly in writing, the quality of the goods is exclusively determined by our product specifications.

- 4.2. Identified uses under the European Chemicals Regulation REACH relevant for the goods shall neither represent an agreement on the corresponding contractual quality of the goods nor the designated use under this contract.
- 4.3. The properties of specimens and samples are binding only insofar as they have been explicitly agreed in writing to define the quality of the goods.
- 4.4. Quality and shelf-life data as well as other data shall constitute a guarantee only if explicitly agreed and designated as such in writing.

5. Advice

- 5.1. Any advice rendered by us is given to the best of our knowledge. Any advice and information with respect to suitability and application of the goods shall not relieve the Buyer from analysing and testing the goods.
- 5.2. Technical and chemical specifications are no warranty or guarantee for a particular suitability or application of the goods.

6. Retention of title

- 6.1. Simple retention of title: Title to the goods delivered shall not pass to the Buyer before the purchase price has been paid in full.
- 6.2. Right of access and disclosure: at our request, the Buyer shall provide all necessary information on the inventory of goods owned by us and/or shall identify our title to the goods on their packaging.
- 6.3. Late payment: in the event of late payment by the Buyer, we shall be entitled - without rescinding the sales agreement and without granting a period of grace - to demand the temporary surrender of the goods owned by us at the Buyer's expense.
- 6.4. Partial waiver clause: should the value of the securities exceed our claims by more than 15%, we will waive securities of our choice to this extent.
- 6.5. Expanded retention of title: if the Buyer has paid the purchase price for the goods delivered but not yet completely fulfilled other debts arising from his business relationship with us, we shall retain, in addition, title to the goods delivered until all such outstanding debts have been completely paid.
- 6.6. Extended retention of title with processing clause: if the Buyer processes the goods delivered by us, we shall be considered manufacturer and shall directly acquire sole title to the newly produced goods. If the processing involves other materials, we shall directly acquire joint title to the newly produced goods in the proportion of the invoice value of the goods delivered by us to the invoice value of the other materials.
- 6.7. Retention of title with combination and blending clause: if the goods delivered by us are combined or blended with material owned by the Buyer and such material has to be considered the main material, it is deemed to be agreed that the Buyer shall transfer to us the joint title to such main material in the proportion of the invoice value of the goods delivered by us to the invoice value (or, if the invoice value cannot be determined, to the market value) of the main material. The Buyer shall hold in custody for us any sole or joint ownership originating therefrom at no expense for us.
- 6.8. Extended retention of title with blanket assignment: in the ordinary course of business, the Buyer shall have free disposal of the goods owned by us, provided the Buyer meets his obligations under the business relationship with us in due time. When concluding the sales agreement with us, the Buyer already assigns to us all claims in connection with the sale of goods to which we reserve the right of retention of title; should we have acquired joint title in case of processing, combination or blending, such assignment to us shall take place in the proportion of the value of the goods delivered by us with retention of title to the value of the goods sold by the Buyer. The Buyer already assigns to us any future confirmed balance claims under current account agreements in the amount of our claims outstanding when concluding the sales agreement with us.

- 6.9. Right of access and disclosure: furthermore, at our request, the Buyer shall provide all the necessary information on the claims assigned to us and/or shall notify his customers of the assignment of the claims to us.

7. Defects

- 7.1. The Buyer is required to inspect goods promptly after delivery and to give notice in writing of any defect, false delivery or deviation in quantity immediately but not later than 30 days after delivery. Delivered goods are deemed accepted if no written complaint is made. Defects that could not be discovered during inspection after delivery must be notified in writing immediately but no later than one week after discovery.
- 7.2. In the case of timely and justified complaints, the warranty claims of the Customer are initially limited at our discretion to the delivery of non-defective goods or to remedying the defect.
- 7.3. If our supplementary performance according to Sec. 8.2 fails, the Buyer may reduce the purchase price or withdraw from the purchase contract at his discretion. Claims for damages under Sec. 9 shall remain unaffected.
- 7.4. The filing of a complaint or any other claim does not release the Buyer from his obligation of payment.
- 7.5. We do not warrant or guarantee that the product is free from patents or other intellectual property rights of third parties.
- 7.6. The Buyer's claims for defective goods become time-barred one year after receipt of our products, notwithstanding any statutory provisions for a longer limitation period.

8. Liability

We shall be generally liable for damages in accordance with the law and according to the following rules: (i) In the event of a simple negligent violation of fundamental contractual obligations, however, our liability shall be limited to compensation for typical, foreseeable losses. (ii) In the event of a simple negligent violation of non- fundamental contractual obligations, we shall not be liable. (iii) The foregoing limitations on liability do not apply to damage to life, body or health.

9. Data Privacy

- 9.1. Within the framework of the business relationship, FERRO PHARMA saves the customer's personal data. Storage is limited only to business-relevant data.
- 9.2. FERRO PHARMA is entitled to collect, store, use, process and disclose data and information about the customer to third parties, to the extent necessary to perform the contract or to protect the legitimate interests of FERRO PHARMA and not contrary to the legitimate interests of the customer. FERRO PHARMA is authorized to pass on data for the purpose of claims collection or for outsourcing debt management. If requested to do so, FERRO PHARMA shall provide information about saved data at any time.

10. Compliance

The customer is obligated to adhere to applicable laws, rules and regulations as well as to any other regulations on bribery and corruption, including the relevant laws of the United States and Great Britain (FCPA and UK Bribery Act), and not to engage in any dealings which involve the offer, demand, promise, giving or receiving of unlawful payments and which constitute an offense under the above-mentioned provisions. The customer agrees to immediately inform FERRO PHARMA of any circumstance which could constitute a breach of the above-mentioned provisions.

A breach of this clause constitutes a fundamental breach of the contract, thereby entitling FERRO PHARMA to terminate the contractual relationship without notice. FERRO PHARMA is not liable for any claims, losses or damages incurred by the customer for not complying with this provision. The customer is obligated to indemnify and hold FERRO PHARMA harmless for all costs, losses or damages resulting to him/her due to disregarding this clause.

11. Force Majeure

To the extent that any incident or circumstance beyond our control (including natural occurrences, war, strikes, lock-outs, shortages of raw materials and energy, obstruction of transportation, breakdown of manufacturing equipment, fire, explosion, acts of government) reduces the availability of goods from the plant from which we receive the goods, meaning that we cannot fulfil our obligations under this contract (taking account of other supply obligations on a pro-rata basis), we shall (i) be relieved from our obligations under this contract to the extent we are prevented from performing such obligations and (ii) have no obligation to procure goods from other sources. The first sentence also applies to the extent that such incident or circumstance renders contractual performance commercially useless for us over a long period or occurs with our suppliers. If the aforementioned occurrences last for a period of more than 3 months, we shall be entitled to rescind the contract without the Buyer having any right to compensation.

12. Miscellaneous

- 12.1. The place of jurisdiction is Hamburg. However, we shall be entitled to sue the Buyer at his place of business.
- 12.2. The laws of the Federal Republic of Germany apply, excluding the German rules regarding the conflict of laws and the provisions of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 12.3. If a provision of these foregoing General Sales Conditions is or becomes legally invalid, the validity of the remainder of the provisions shall not be affected thereby.