

AMRI SSCI, LLC TERMS AND CONDITIONS

Standard Terms & Conditions (Feb. 19, 2015 version)

1. Definitions

“**SSCI**” means **AMRI SSCI, LLC**, a limited liability company organized under the laws of the State of Delaware, having its principal offices at 3065 Kent Avenue, West Lafayette, IN 47906, USA, together with its Affiliates.

“**Agreement**” shall have the same meaning as set out under Article 3 below.

“**Affiliate**” with respect to an entity shall mean any other entity that directly, or indirectly through one of more intermediaries, controls, is controlled by or is under common control with such entity; “control” and, with correlative meanings, the terms “controlled by” and “under common control with”, shall mean (a) the possession, directly or indirectly, of the power to direct the management or policies of an entity, whether through the ownership of voting securities, by contract or otherwise, or (b) the ownership, directly or indirectly, of at least fifty percent (50%) of the voting securities or other ownership interest of an entity.

“**Change Order**” shall mean a description of a change in the Services to be performed, the product to be manufactured by SSCI or the prices of such Services for each project agreed upon by the parties. A Change Order shall refer to the applicable Agreement in which the changed Services appear.

“**Confidential Information**” means any and all information and know-how of a private, secret or confidential nature, in whatever form, that relates to the business, financial condition, technology, products or services of the party, its Affiliates, customers, suppliers, or potential customers or suppliers, provided or disclosed to the other party or which become known to the other party, whether or not marked as “confidential” or with any other legend indicating its proprietary nature.

“**Contract**” means a document such as a proposal or quotation for Services defining amongst other things, the Aptuit contracting entity, the Client, the scope and nature of Services, the fees and expenses, the payment schedule and the timescales.

“**Client**” as defined in the attached Contract.

“**FDA**” shall mean the Food and Drug Administration as created under 21 USC 9.

“**Intellectual Property Rights**” shall mean proprietary information, trade secrets, patent rights, trademarks, trade names, service marks, domain names, copyrights, moral rights, technology, know-how and any other intellectual property, developments, techniques, data, methods, processes, instructions, formulae, recipes, drawings, specifications, rights in and to databases and design rights, whether or not any of them are registered, and including applications for registration of any such rights.

“**Services**” shall mean such drug substance or drug product services, preclinical technology services, pharmaceutical sciences services, packaging and logistic services, consulting services, lead optimization services, clinical sciences services and other related services requested by Client and agreed to by SSCI as set forth hereunder.

“**Specifications**” shall mean the documentation, protocols and other clear written instructions provided or approved by the Client and accepted by SSCI.

“**Taxes**” shall mean sales, use, gross receipts, excise, compensating, withholding or other taxes (including value added tax), licenses, duties, charges or fees (excluding SSCI’s net income and franchise taxes).

2. Parties’ Obligations.

(i) Pursuant to the terms and conditions of this Agreement, SSCI will provide Client with Services on a non-exclusive basis in accordance with the standard operating procedures, then-current United States and/or European Union, as applicable, Good Manufacturing Practices, Good Clinical Practices and/or Good Laboratory Practices.

(ii) Client represents, warrants and covenants that it will not request or require SSCI to perform any assignments or tasks in a manner that would violate any applicable law or regulation or to handle any substances or materials that do not have specific safe handling instructions. Client shall be solely responsible for its decision to use or report (or not use or report) data or information provided by SSCI. Client will cooperate with SSCI in taking any actions that SSCI reasonably believes are necessary to comply with any regulatory obligations that are agreed by the parties to be transferred by Client to SSCI in accordance herewith (at Client’s sole cost and expense). SSCI shall inform Client of the result of any regulatory inspection which directly concerns or affects the Services

(to the extent that such information is capable of being disclosed by SSCI without breaching any obligation of confidentiality, law or regulatory requirement).

3. Complete Agreement. This Agreement incorporates in the entirety the Proposal, Change Orders and the Specifications, and, when appropriate, any SSCI Technical or Quality Agreement (“Ancillary Agreements”). In the event of any ambiguity, doubt or conflict, the terms and conditions of this Agreement will take precedence over any terms and conditions which appear in Ancillary Agreements save that a Technical or Quality Agreement shall take precedence in relation to quality issues. For the sake of clarity the parties acknowledge and agree that any changes to any of the terms in this Agreement may only be made by agreed amendments to this Agreement and may not be made in any Ancillary Agreements.

4. Specifications. Client is responsible for the Specifications (whether provided or approved by Client) and SSCI will make all commercially reasonable efforts to provide Client with Services in accordance with Specifications.

5. Cooperation; Client Delays. SSCI will not be liable to Client nor be deemed to have breached this Agreement for errors, delays or other consequences arising from Client’s failure to provide necessary documents, materials or information as agreed and/or in a timely manner. Nor will SSCI be liable to Client if Client fails to otherwise reasonably cooperate in order for SSCI to perform its obligations, and any such failure by Client will automatically extend any timelines affected by a time period that reasonably takes into account such failure in providing documents, materials, information or cooperation. If Client delays or suspends a project under this Agreement, SSCI will make all reasonable efforts to re-allocate such personnel and mitigate costs and expenses incurred as a result of such delay or suspension; however Client will be responsible for all reasonable costs and expenses that SSCI is not able to mitigate.

6. Payment of Fees and Expenses.

(i) Client will pay SSCI applicable fees and expenses in accordance with this Agreement, as well as any Taxes, if any, required to be paid by SSCI in respect of fees for Services under this Agreement.

(ii) Client will pay each undisputed invoice issued by SSCI within thirty (30) days of the date such invoice is sent to Client. If any portion of an invoice is disputed in good faith, Client will pay the undisputed amounts and promptly notify SSCI in writing of the nature of the dispute, whereupon the parties will use good faith efforts to reconcile the disputed amount as soon as practicable.

(iii) Client will pay a late payment fee of one percent (1%) per month (or the maximum amount allowed by law if less than 1% per month) for any undisputed payment owing and not received by SSCI within thirty (30) days after date of such invoice.

(iv) If Client fails to pay undisputed invoices when due, in addition to its other rights under this Agreement, in law or under equity, SSCI will have the right, in its discretion, to cease all activities hereunder and withhold all data, information, reports, and material of any kind (including Client’s materials and drug substances) until all outstanding and undisputed invoices have been paid in full. It is understood that prior to ceasing all activities and withholding all data, information, reports and materials, SSCI will make all reasonable efforts to initiate good faith discussions with Client with a view to resolving the payment issues otherwise.

7. Price Changes. Client agrees to accept changes to the prices in the Agreement and to any other aspect of the Services to be performed by SSCI resulting from changes to the scope of Services, the Specifications, assumptions, or requirements that arise during the performance of the Services (“Price Changes”), provided that such Price Changes do not arise as a result of SSCI’s failure to either perform the Services in a commercially reasonable manner or otherwise act in good faith. Any such Price Changes will be memorialized in Change Orders to be executed by both parties.

8. Confidentiality. Each party (receiving party) will maintain in confidence all Confidential Information disclosed orally or in writing by the other party or an Affiliate of such party (disclosing party), including the terms hereof. The receiving party will not disclose such Confidential Information to any third party other than its Affiliates without the express written permission of the disclosing party or use such information for any purpose other than for the purposes of this Agreement. These obligations of confidentiality and non-use will remain in effect for a period of five (5) years from the termination of this Agreement. The foregoing confidentiality and non-use obligations will not apply to Confidential Information of the disclosing party that: (a) is or has become generally available to the public other than as a result of a disclosure by the receiving party or any of its employees, Affiliates, or agents; (b) is known to the receiving party and at its free disposal at the time of disclosure to it by the disclosing party as shown by written records available to the disclosing party on request; (c) becomes available to the receiving party on a non-confidential basis from a source which is not prohibited from disclosing such information; or (d) was developed by the receiving party independently of any disclosure by the disclosing party. A receiving party may disclose Confidential Information of the disclosing party when required to do so by applicable law or regulation or compelled to do so by order or decree. In the event the receiving party is required by order, decree or requirement of law or regulation to disclose Confidential Information of the disclosing party, the receiving party will, to the extent it is able to do so by law or regulation, use reasonable efforts promptly to notify the disclosing party of the contents of the intended disclosure in advance and shall minimize the disclosure solely to the extent necessary to comply with such request. Further, each party may disclose the terms of this Agreement to such party’s permitted acquirers or assignees under Section 17 of this Agreement, and its agents, so long as such parties are bound prior to disclosure by confidentiality and non-use restrictions at least as restrictive as those contained in this Section.

9. Ownership and Inventions. Each party acknowledges that all Confidential Information and Intellectual Property Rights generated before or outside the Services by the other party, will at all times remain in the ownership of the other party. Other than improvements to SSCI's Intellectual Property Rights, all Intellectual Property Rights generated from the performance of the Services shall belong to Client. SSCI shall promptly and fully disclose any Client Intellectual Property generated as result of the Services and SSCI shall take steps necessary or as requested by Client to vest title to such Intellectual Property in Client, at Client's expense. SSCI hereby grants Client a worldwide, royalty-free, non-exclusive license with right to sub-license any and all SSCI Intellectual Property Rights used in the performance of the Services by SSCI to the extent necessary for Client's full use of the Services.

10. Records and Materials. Subject to regulatory requirements and/or the Technical or Quality Agreement, at the completion of the Services by SSCI, SSCI shall deliver to Client the relevant materials and copies of information and data in such form as is then currently in the possession of SSCI. SSCI reserves the right to retain, at its cost and subject to the confidentiality provisions herein, materials, information or data that SSCI determines may be needed to satisfy regulatory requirements.

11. Audits; Debarment.

(i) SSCI will permit Client or its representatives (unless such representatives are competitors of SSCI) to audit the SSCI facility where the Services are performed upon reasonable advance written notice and during regular business hours, once per calendar year at no cost. Client will reimburse SSCI for its time and expenses associated with any additional audit during such calendar year unless such audit is as a result of an SSCI breach of, or reveals that SSCI has breached, this Agreement or any applicable law or regulation.

(ii) To the extent necessary in connection with the provision of the Services, SSCI shall comply with all provisions of the Generic Drug Enforcement Act of 1992, PL 102-282, 106 Stat. 149 (1992) (the "Act"). SSCI further agrees that to the best of its knowledge none of its employees has been debarred by the FDA under the provisions of the Act and that SSCI will not knowingly use in any capacity in connection with this Agreement the services of any person (as defined in the Act) debarred under the provisions of the Act.

12. Third Party Agreements. If Client requests that SSCI enter into agreements to retain third parties to perform the Services, then such third parties will be independent contractors and will not be considered the employees, agents, or subcontractors of SSCI. Client will pay SSCI for all costs incurred by SSCI in connection with the retention of such third parties and any inspections, audits or other actions undertaken at Client's direction by SSCI of such third parties.

13. Insurance. Each party shall maintain during the term of this Agreement policies of insurance in the amounts and of the types reasonably appropriate for the conduct of their respective businesses.

14. Limitation of Liability.

(i) NOTWITHSTANDING ANY OTHER PROVISION IN THIS AGREEMENT OTHER THAN SECTION 14(ii) BELOW, SSCI'S AGGREGATE LIABILITY UNDER OR IN RELATION TO THIS AGREEMENT TO CLIENT WILL NOT EXCEED THE TOTAL AMOUNT OF FEES PAID OR PAYABLE BY CLIENT TO SSCI FOR THE SERVICES PERFORMED UNDER THE AGREEMENT. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE OR INDIRECT OR INCIDENTAL DAMAGES, INCLUDING ANY LOST PROFITS OR ANY LOST REVENUES RELATING TO THE PERFORMANCE OF THIS AGREEMENT WHETHER SUCH LIABILITY IS IN CONTRACT, TORT (INCLUDING NEGLIGENCE OR BREACH OF STATUTORY DUTY) OR OTHERWISE.

(ii) NOTHING CONTAINED HEREIN IS INTENDED TO EXCLUDE OR LIMIT ANY LIABILITY FOR (a) DEATH OR PERSONAL INJURY CAUSED BY A PARTY'S NEGLIGENCE; OR, (b) FRAUD.

(iii) THIS SECTION 14 DEFINES THE ENTIRE LIABILITY OF SSCI TO CLIENT IN RELATION TO THIS AGREEMENT.

15. Disclaimers. EXCEPT AS EXPRESSLY SET FORTH WITHIN THIS AGREEMENT OR THE TECHNICAL OR QUALITY AGREEMENT AND TO THE EXTENT PERMITTED BY LAW, SSCI MAKES NO EXPRESS OR IMPLIED WARRANTIES RELATING TO THE SERVICES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT.

16. Indemnification.

(i) SSCI will indemnify and hold harmless Client from and against any liability, loss, damage, action, claim or expense (including reasonable attorney's fees) actually incurred (collectively, "Losses") and arising from any third party claim relating to (a) SSCI's breach of this Agreement or its failure to comply with applicable law or regulations, (b) SSCI's negligence or willful misconduct or (c) SSCI's or Client's infringement of third party intellectual property rights based solely on the methods or processes used by SSCI, which are not methods or processes provided by Client to SSCI, in the performance of the Services in each case save for any Losses for which Client is obligated to indemnify SSCI hereunder.

(ii) Client will indemnify and hold harmless SSCI from and against any Losses arising from any third party claim relating to (a) Client's breach of this Agreement, (b) Client's negligence or willful misconduct, (c) Client's or SSCI's infringement of third party

intellectual property rights during or associated with the performance of the Services, or (d) Client's use or sale of the work product (tangible or intangible) resulting from the Services; in each case save for any Losses for which SSCI is obligated to indemnify Client hereunder.

(iii) The indemnified party will notify the indemnifying party forthwith upon becoming aware of the claim. The indemnified party's failure to so notify the indemnifying party or take all action reasonably requested by the indemnifying party will not relieve the indemnifying party of its obligations under this Section unless the indemnifying party is materially prejudiced thereby.

17. Assignment/Change of Control. Neither party may assign this Agreement without the prior written consent of the other party and any attempted assignment without such consent will have no force or effect, except that either party may assign this Agreement without the prior written consent of the other party to an Affiliate of the assigning party or in connection with the acquisition (whether by merger, consolidation, sale or otherwise) of such party's entire issued shareholding or the whole or part of such party's business to which this Agreement relates, provided that the assigning party provides written notice within thirty (30) days to the non-assigning party of such assignment and the assignee thereof agrees in writing to be bound as such assigning party hereunder.

18. Shipment. All products and materials shipped by SSCI will be shipped F.C.A. SSCI's facilities (as such term is defined by Incoterms 2010). Absent specific instructions from Client, SSCI will select the carrier and ship freight prepaid, with the cost thereof charged to Client.

19. Force Majeure. Neither party will be liable for any failure to perform or for delay in performance resulting from any cause beyond its reasonable control or due to compliance with any regulations, orders, or act of any regional, provincial, state, or municipal government, or any department or agency thereof, civil or military authority, strike, lockouts, labor troubles, inability to procure materials or services, failure of power or restrictive government or judicial orders, or decrees, riots, insurrection, war, terror, delays or shortages in transportation, Acts of God, or unexpected and severe weather conditions, provided that Client will not be excused from payment of money owed when due notwithstanding the occurrence of any such force majeure.

20. Contracted Currency. Unless otherwise specified in this Agreement, the currency to be used for invoice and payment will be US Dollars (the "Contracted Currency"). If SSCI incurs expenses in a currency other than the Contracted Currency, then Client will reimburse SSCI for SSCI's actual costs in the Contracted Currency based on the Oanda.com foreign currency exchange rate for the applicable currencies on the date that SSCI makes payment in respect of such expenses.

21. Authority. Client hereby grants SSCI full right and authority to use any Client materials or substances necessary to perform the Services hereunder. Each party represents and warrants that: (a) it is an entity validly organized and existing and in good standing under the laws of the jurisdiction in which it is organized and it has full right and authority to enter into this Agreement and to accept the rights and licenses granted herein, (b) it has taken all necessary action on its part to authorize the execution and delivery of this Agreement, (c) this Agreement has been, and any Change Orders will be, duly executed and delivered by it, and (d) this Agreement constitutes, and any Change Order will constitute, a legal, valid and binding obligation, enforceable against such party in accordance with its terms.

22. Duration and Termination

(i) This Agreement will be effective beginning on the date that it has been fully executed and returned to SSCI and will expire, unless earlier terminated in accordance with this Section, upon the completion of all outstanding Services to be provided by SSCI hereunder.

(ii) Client may terminate this Agreement for any reason at any time immediately on written notice to SSCI.

(iii) Should either party be in breach of any of its obligations under this Agreement and not remedy such breach within sixty (60) days after receipt of written notice of default by the other party, then such other party will have the right to terminate this Agreement forthwith by notice in writing.

(iv) Should either party become insolvent or unable to pay its debts as they fall due or make an assignment for the benefit of creditors or should voluntary or involuntary bankruptcy or similar proceedings be instituted against it or if any action, application or proceeding is made with regard to it for a voluntary arrangement, composition or reconstruction of its debts, or the presentation of an administrative petition, or its winding-up or dissolution, or the appointment of a receiver, liquidator, trustee or similar officer of its property be appointed, then the other party will have the right to terminate this Agreement forthwith by notice in writing.

(v) If this Agreement is terminated other than for breach or the cure period has expired without a substantial cure of the breach, the parties will promptly meet to prepare a close-out schedule and SSCI will cease performing all work not required for the orderly close-out of Services or to comply with legal requirements. If SSCI in its discretion determines that its continued performance of Services could constitute a potential or actual violation of regulatory requirements, then SSCI may terminate this Agreement by giving notice stating the effective date of such termination.

(vi) Client will pay SSCI for all Services performed in accordance with this Agreement and reimburse SSCI for all costs and expenses incurred as contemplated by this Agreement or as otherwise agreed to in writing by the parties, including non-cancelable costs incurred before termination of this Agreement but paid after the effective termination date, and any termination payments specified in this Agreement. If payments due to SSCI under this Agreement are based on the reaching of certain milestones, then SSCI will inform Client of the percentage of completion of the milestone and Client will pay SSCI a pro rata portion of such milestone payment based on such percentage. In addition, Client will pay SSCI for expenses incurred to complete activities related to termination and close-out of the Services, including fulfillment of any regulatory requirements.

23. Independent Contractor Relationship. The parties are independent contractors and nothing contained in this Agreement will be construed to place them in the relationship of partners, principal and agent, employer/employee or joint venturers.

24. Survival. Upon any termination or expiration of this Agreement, those provisions contained in Sections 6 (Payment of Fees and Expenses) 8 (Confidentiality), 9 (Ownership and Inventions), 10 (Records and Materials), 14 (Limitation of Liability), 15 (Disclaimers), 16 (Indemnification), 18 (Shipment), 20 (Contracted Currency), 22 (Duration and Termination), 23 (Independent Contractor Relationship), 24 (Survival), 25 (Governing Law), 26 (Miscellaneous), and 27 (Notices) will survive. Expiration or termination of this Agreement for any reason shall not relieve the parties of any liability or obligation which accrued hereunder prior to the effective date of such termination or expiration.

25. Governing Law. This Agreement, the rights of the parties and all actions arising in whole or in part under or in connection therewith, will be governed by and construed in accordance with New York law, without giving effect to any choice of law or conflict of laws provision or rule that would cause the application of the laws of any other jurisdiction. Each party irrevocably agrees to submit to the exclusive jurisdiction of New York courts over any claim or matter arising from or in connection with this Agreement or the legal relationships established by this Agreement. The United Nations Convention on Contracts for the International Sale of Goods will not apply to this Agreement. This provision shall operate without prejudice to either party's ability to seek injunctive or other interlocutory relief in any court accepting jurisdiction in order to protect and enforce its intellectual property rights.

26. Miscellaneous.

(i) This Agreement, together with the applicable Ancillary Agreements contains the entire understandings of the parties with respect to the subject matter herein, and supersedes all previous agreements (oral and written), negotiations, arrangements, understandings and discussions with respect to the subject matter of this Agreement and except as expressly provided herein is intended by the parties to be the complete and exclusive statement of the terms and conditions of this Agreement.

(ii) Any modifications to the provisions herein, to be effective, must be in writing and signed by both parties' authorized representative (which writing and signature may be in a PDF document exchanged via e-mail).

(iii) No term or condition of this Agreement will be deemed waived and no breach excused unless such waiver or excuse is in writing and signed by an authorized officer of the party claimed to have waived or excused the excuse. Failure to exercise a right or remedy will not be deemed a waiver of such right or remedy.

(iv) This Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein expressed or implied shall give or be construed to give to any person, other than the parties hereto and such assigns, any legal or equitable rights hereunder.

27. Notices. Any notice required or permitted to be given hereunder by either party hereunder shall be in writing and shall be deemed given on the date received if delivered personally or by a reputable overnight delivery service, or three days after the date postmarked if sent by registered or certified mail, return receipt requested, postage prepaid to the following addresses (each party may specify a different address by giving notice in accordance with this Section to the other party):

If to SSCI:
AMRI SSCI, LLC
3065 Kent Avenue
West Lafayette, IN 47906
USA
Attn: David Engers, Site Head

If to Client:
Per the Client primary contact details within the Proposal