

PURCHASE ORDER TERMS & CONDITIONS

For USA Purchase Orders (Revised May 2, 2022)

1. ACCEPTANCE: Any PURCHASE ORDER issued by Merck Sharp & Dohme LLC ("MERCK") under these terms and conditions shall (together with such terms and conditions) become a binding contract when accepted by acknowledgment of SUPPLIER or commencement of performance by SUPPLIER within the time frame therefore set forth in said PURCHASE ORDER. Any different or additional terms or conditions in any SUPPLIER quotation, acknowledgment, commencement, or invoice shall constitute a counteroffer and no contract shall exist unless accepted in writing by MERCK. Notwithstanding the foregoing, if SUPPLIER has commenced performance prior to MERCK's written acceptance aforesaid, then said different or additional terms shall be deemed null and void and these terms and conditions shall prevail. MERCK may, from time to time, change or supplement these terms and conditions. For avoidance of doubt, nothing in these terms and conditions is intended to supersede the terms of any agreements between MERCK and SUPPLIER that pre-date these terms and conditions.

2. CHANGES: MERCK may, at any time, direct in writing additions, deletions, or changes to all or any part of the scope of the PURCHASE ORDER, and SUPPLIER agrees to perform such work as changed. If any such change causes an increase or decrease in the cost of or in the time required to perform such work, SUPPLIER shall submit detailed information substantiating such claims. If required, an equitable adjustment shall be made to the price or time of performance, or both, and the PURCHASE ORDER shall be modified in writing accordingly.

3. QUALITY: All goods are subject to MERCK's approval notwithstanding prior inspection or payment and, if not satisfactory or in accordance with specifications, may, at MERCK's sole option, be returned to SUPPLIER at SUPPLIER's expense for transportation both ways or the amounts paid therefore by MERCK promptly refunded to MERCK.

All services are subject to MERCK's approval notwithstanding prior inspection or payment and, if not satisfactory or in accordance with specifications, may, at MERCK's sole option, be performed at SUPPLIER's expense or the amounts paid therefore by MERCK promptly refunded to MERCK. SUPPLIER warrants that the goods sold pursuant to any PURCHASE ORDER (including without limitation any goods provided in connection with services) conform to all SUPPLIER drawings, specifications, samples and other written descriptions furnished to MERCK, are new, unused and under all applicable manufacturers' warranties unless otherwise specified in the PURCHASE ORDER, are fit for the purpose(s) represented by SUPPLIER, and are merchantable, of highest quality and workmanship and free from defects.

SUPPLIER shall promptly repair or replace, at no cost to MERCK, any part of the goods MERCK finds to be defective at any time within one (1) year of acceptance. In addition to the foregoing warranties, SUPPLIER shall pass to MERCK any and all manufacturers' warranties.

SUPPLIER warrants that the services pursuant to any PURCHASE ORDER shall be performed in a professional workmanlike manner, in conformity with standard practices and all applicable laws, rules and regulations, and shall be fit for the purpose(s) represented by SUPPLIER and of highest quality and workmanship.

If MERCK chooses to accept defective or nonconforming goods and/or services, MERCK may do so. In such event, the price set forth in the relevant PURCHASE ORDER shall be reduced by the difference between (1) the value as set forth in the relevant PURCHASE ORDER and (2) the value of the goods and/or services (as appropriate) as accepted, as reasonably determined by MERCK.

The following shall apply to any SUPPLIER of 1) cGMP materials or products that will be used by MERCK in manufacturing; 2) wood pallets; and/or 3) noncGMP materials or products whereby MERCK has previously notified SUPPLIER to comply; SUPPLIER expressly agrees and represents, warrants and covenants that any shipment to a MERCK site or location using wood pallets shall only be done if the wood pallets meet the following criteria:

Certified heat treated wood pallets, in accordance with the International Standards for Phytosanitary Measures (ISPM) 15 "Regulation of Wood Packaging Materials in International Trade", developed by the International Plant Protection Convention (IPPC), as amended; provided, however, that nothing herein or therein shall permit the use of any chemical on wood pallets to be supplied to MERCK.

No additional chemical treatments have been used on such wood pallets, including, but not limited to Methyl Bromide.

Contain the heat-treatment certification (stamped "HT"), the country of origin twoletter designator, the regional identifier and a registration number in accordance with ISPM, and such stamp, designator and number will be located on the wood pallet to allow MERCK to visually inspect the wood pallet, upon receipt.

Any materials derived from humans ("Human Material") must be properly collected with all necessary approvals, consents and/or authorizations for the collection, use and/or transfer of such Human Material as contemplated by this PURCHASE ORDER without any obligation on MERCK to those who contributed the Human Material. SUPPLIER shall provide documentation of such approvals, consents, and authorizations upon MERCK's request.

4. DATA INTEGRITY: Any documentation or data relevant to activities performed, including without limitation any GMP documentation, must be attributable, original, accurate, legible, complete, controlled, retrievable, and safe from intentional or unintentional manipulation or loss. These items are required throughout the retention period of such data / documentation.

5. PRICE: The prices set forth in any PURCHASE ORDER shall not be increased without MERCK's prior written consent. If a price is not stated for any goods and/or services in any PURCHASE ORDER, SUPPLIER shall invoice such goods and/or services at their then current list prices less any applicable price discounts. If, at any time during the performance of any PURCHASE ORDER, SUPPLIER shall quote or sell, at lower net prices, similar goods and/or services under similar conditions and (as to goods) in similar quantities, such lower prices shall be substituted for the prices identified in said PURCHASE ORDER.

6. INVOICING AND PAYMENT: SUPPLIER shall issue an invoice to MERCK on or at any time after the completion of the delivery and only in accordance with these terms and conditions. If authorized by the PURCHASE ORDER, or if SUPPLIER does not issue an invoice in due course, MERCK may generate the invoice and proceed to payment accordingly. SUPPLIER shall notify MERCK of any error on an invoice generated by MERCK.

If SUPPLIER is enabled to transact business with MERCK electronically, SUPPLIER agrees to submit invoices in electronic form to MERCK's Accounts Payable organization through the MERCK approved electronic method. If SUPPLIER is not so enabled, it agrees to submit invoices to MERCK's Accounts Payable organization at the "bill-to" address set forth on the PURCHASE ORDER.

MERCK shall make payment for invoices received pursuant hereto (or the undisputed portions of such invoices) within ninety (90) days from receipt of a properly prepared invoice. Where, however, other payment terms appear on the front of any PURCHASE ORDER, payment shall be made in accordance with those terms and conditions.

7. SHIPMENT AND DELIVERY: Shipment of all goods purchased pursuant hereto shall be effected as set forth in the PURCHASE ORDER. Unless otherwise expressly set forth in the relevant PURCHASE ORDER, SUPPLIER shall not charge MERCK for insurance on shipments of goods, or for packing, crating, or drayage of goods. SUPPLIER shall notify MERCK immediately of any situation that may delay or threaten to delay the timely delivery and/or performance of any PURCHASE ORDER. All or any portion of any PURCHASE ORDER may, at MERCK's option, be canceled without liability by MERCK, if delivery is not made as or when specified in said PURCHASE ORDER and these terms and conditions.

For Trade Compliance instructions for Shipping to the US and Puerto Rico, please visit <https://www.merck.com/wp-content/uploads/sites/5/2022/11/3rd-party-trade-compliance-shipping-us-pr.pdf>

8. "HASSLE-FREE" RETURN/REPLACEMENT POLICY: Any goods shipped by SUPPLIER in excess of the quantity designated in any PURCHASE ORDER or tolerance from quantity previously agreed to in writing may be returned by MERCK at SUPPLIER's sole expense.

For goods and/or services purchased pursuant hereto with a price (as to services) or unit price (as to goods) under \$1,000, MERCK shall be entitled to a "hassle free" return/ replacement policy as follows: If an end user has not received the goods and/or services ordered or has deemed the goods and/or services delivered by the SUPPLIER to be unacceptable for any reason, the SUPPLIER shall immediately provide the correct goods and/or services upon notification, or (as to goods) at MERCK's sole discretion, accept a return of the original goods shipped to MERCK without question. In such latter event, restocking fees, freight charges, or any other new or additional charges will not be imposed upon MERCK. If replacement goods are available, they will be provided at the price set forth in the PURCHASE ORDER. The cost of any returned goods will be credited to MERCK, and any costs associated with the return of goods to the SUPPLIER will be borne by the SUPPLIER.

9. FORCE MAJEURE: Neither party shall be liable to the other for failure to perform when and as specified in these terms and conditions or in any PURCHASE ORDER if such failure to perform is caused by war, fire (outside of the reasonable control of the party claiming the force majeure), flood, strike, labor dispute, accident (outside of the reasonable control of the party claiming the force majeure), riot, act of God, act of governmental authority, or other contingencies beyond the control of the non-performing party interfering with said party's ability to perform its obligations hereunder.

10. ASSIGNMENT: SUPPLIER shall not assign, in whole or in part, to any person, firm, corporation or governmental agency, its rights, interests or obligations under any PURCHASE ORDER placed pursuant to these terms and conditions without MERCK's prior written consent.

11. RECORDS AND RIGHTS TO AUDIT: MERCK shall have the right to examine and audit the books and records of SUPPLIER at any reasonable time. Such books and records will be maintained for four (4) years in accordance with generally accepted accounting principles and will be adequate to enable determination and substantiation of: (1) the accuracy of any payments required to be made under the relevant PURCHASE ORDER; and (2) compliance with the provisions of the relevant PURCHASE ORDER. SUPPLIER shall ensure that all requirements in this SECTION are incorporated into all subcontracts at any tier.

12. RIGHTS TO DATA: All drawings, plans, specifications, and data developed or produced under the relevant PURCHASE ORDER shall become the property of MERCK.

13. PROPRIETARY INFORMATION: In the course of providing goods and/or while performing services pursuant hereto and at any time subsequent, SUPPLIER will not, without prior written approval of MERCK, use for itself or for others, or disclose to any third party, any confidential information, knowledge or data of or regarding MERCK, concerning any product, apparatus, process, formula, manufacturing method, or manner of doing business that may be used, developed, or investigated by SUPPLIER or may come to SUPPLIER's attention in the course of providing the goods and/or performing the services (hereinafter individually and collectively referred to as "INFORMATION"). The obligations in this paragraph shall not apply to any information, knowledge or data already known to SUPPLIER or that, prior to the time of disclosure, are properly in the public domain.

SUPPLIER shall promptly notify MERCK of any order or request by a governmental authority for INFORMATION and shall provide reasonable assistance requested by MERCK in preparing and filing any request for confidentiality with such governmental authority.

If so requested by MERCK, SUPPLIER further agrees to require its employees to execute a nondisclosure agreement prior to providing goods and/or performing any services pursuant hereto. SUPPLIER understands and agrees that any use or disclosure of INFORMATION in violation of these terms and conditions will cause MERCK irreparable harm without an adequate legal remedy and shall therefore entitle MERCK to injunctive relief from any court having jurisdiction.

14. DATA PRIVACY AND SECURITY: In the course of providing goods and/or while performing services pursuant hereto, SUPPLIER agrees that when collecting, accessing or using any personal information that can identify an individual, SUPPLIER will only collect, access, use and disclose the minimum information necessary to enable SUPPLIER to perform its obligations and that it will do so only in accordance with Merck's instructions or where disclosure is required by law; which required disclosure shall be reported to Merck by SUPPLIER in sufficient time prior to any such disclosure as to allow Merck to take any protective action if it deems necessary. SUPPLIER agrees to protect such information from loss, misuse, unauthorized access, disclosure, alteration or destruction and promptly notify Merck of any loss, misuse unauthorized access, disclosure, alteration or destruction to such information of which SUPPLIER becomes aware.

15. INDEMNITY: SUPPLIER hereby releases and shall indemnify, defend and hold harmless MERCK, and its subsidiaries and affiliates, and representatives of all the foregoing from and against any and all suits, actions, legal or administrative proceedings, claims, demands, damages, liabilities, interest, reasonable attorney's fees, costs and expenses of whatsoever kind or nature, including those arising out of injury to or death of SUPPLIER's employees, whether arising before or after delivery of the goods or completion of the services pursuant hereto and in any manner directly or indirectly caused, occasioned, or contributed to in whole or in part, or claimed to be caused, occasioned or contributed to in whole or in part, by reason of any act, omission, fault or negligence whether active or passive of SUPPLIER, its subcontractors or anyone acting under its direction or control or on its behalf in connection with or incidental to the performance of any PURCHASE ORDER.

16. INSURANCE:

A. When SUPPLIER is performing services at a MERCK site, SUPPLIER shall, in connection with each PURCHASE ORDER, at its sole expense, maintain in effect at all times during the performance of the services under the PURCHASE ORDER insurance coverage with limits as follows:

Worker's Compensation Limits

Statutory *

Applicable Federal Statutory (e.g. Longshoremen's) If Applicable

Employer Liability \$1,000,000

*Worker's Compensation Insurance providing for payment of benefits to and for the account of employees in connection with the work covered under this PURCHASE ORDER as required by the statutes of the state or local country requirement where the work is being performed where the work is being performed. This shall include an Alternate Employer endorsement if Merck employees are directing the activities of contractor employees.

Commercial General Liability - Occurrence Form

Coverage for Bodily Injury/Property Damage-Each Occurrence, Personal and Advertising Injury, Products/Completed Operations, Contractual Liability \$2,000,000

General Aggregate \$2,000,000

Product Liability (for Contract Manufacturing)

(Coverage for contract manufacturers should be listed as a separate policy from Commercial General Liability) \$10,000,000

Environmental / Pollution Liability – Occurrence Form

Damage per occurrence and in the aggregate

Includes Pollution from Suppliers activities and covers non-owned disposal sites and transportation \$5,000,000

Automobile Liability

Bodily Injury/Property Damage Combined Single Limit/Each Accident

Covering Owned, Non-owned or Hired Automobiles \$2,000,000

Excess Liability – Umbrella

Excess Liability limit is excess of Commercial General Liability, Products Liability, Automobile Liability and Employers Liability \$5,000,000

Aircraft Liability/Watercraft Liability

Owned and non-owned \$5,000,000

Professional Liability

For Contract Manufacturing specifically, coverage should include **Manufacturers E&O** \$5,000,000

Cyber/Network/Privacy Liability

Comprehensive cyber/network/privacy liability \$1,000,000

Property

Applicable to Merck property held in partner's care, custody and control (e.g., warehouse). Merck must be named as an additional insured or loss payee. *

* Limits commensurate with replacement value of property.

The SUPPLIER shall deliver to MERCK, prior to the commencement of work pursuant to this PURCHASE ORDER, Certificates of Insurance, as evidence that policies providing such coverage and limits of insurance are in full force and effect, with insurers with an A. M. Best rating of A- or better, acceptable to MERCK. These Certificates shall provide that not less than thirty (30) calendar days advance notice will be given in writing to MERCK of any cancellation, nonrenewal, or material alteration of said insurance policies. All policies, with the exception of worker's compensation and professional liability, shall name Merck & Co., Inc. its officers, directors and employees, as an additional insured and shall waive all rights of subrogation against MERCK. Also, the SUPPLIER's insurance shall be primary with no contributions by MERCK's insurers.

MERCK shall not maintain any insurance on behalf of SUPPLIER covering loss or damage to the work or to any other property of SUPPLIER unless otherwise specifically set forth in the purchase order.

Notices, in original and one copy of cancellation, non-renewal and alteration of such policies shall be delivered to MERCK's Purchasing Representative.

When SUPPLIER is not entering a MERCK site to perform the services, SUPPLIER shall upon MERCK's request, furnish a certificate from its insurance carrier showing that it carries Worker's Compensation, Public Liability and Property Damage insurance coverage in forms and amounts which MERCK may require.

16. LAWS, REGULATIONS, AND PERMITS: SUPPLIER and all subcontractors of SUPPLIER shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a), and 60-741.5(a), if applicable. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors, including if applicable SUPPLIER, and its subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.

17. RELEASE AGAINST LIENS OR CLAIMS: SUPPLIER shall promptly pay all claims of persons or firms furnishing labor, equipment or materials used in connection with the goods and/or the services pursuant to these terms and conditions. MERCK may require SUPPLIER to submit satisfactory evidence of payment and of all such claims. If there is any evidence of any such unpaid claim, MERCK may withhold any payment until SUPPLIER has furnished such evidence of payment and release, and SUPPLIER shall indemnify and defend MERCK against any liability or loss arising from any such claim. SUPPLIER agrees that no mechanic's lien shall be filed by it or by any subcontractor against any MERCK property or improvements and in any event, shall provide for the release thereof. The SUPPLIER shall do all things necessary to permit MERCK to file and index, as and to the extent provided and permitted by law, an appropriate waiver of liens in the form required by MERCK, in the proper venue before SUPPLIER commences any work under this PURCHASE ORDER. Where applicable law prohibits or fails to recognize waivers of liens, SUPPLIER shall provide and execute a partial release of liens, and an affidavit of payment for debts and claims, and all other properly executed waivers or releases as typically provided in the state where the goods are delivered and/or the services are performed.

18. NON-EXCLUSIVITY: The parties understand and agree that neither these terms and conditions nor any PURCHASE ORDER shall create rights or obligations of exclusivity inuring to the benefit of SUPPLIER. Nothing in these terms and conditions or in any PURCHASE ORDER shall limit MERCK's right to, at all times, purchase goods and services from other SUPPLIERS.

19. INDEPENDENT CONTRACTOR: SUPPLIER is an independent contractor, and all persons employed by SUPPLIER in connection herewith shall be its employees and not employees of MERCK in any respect.

20. HEADINGS: The headings of the provisions of these terms and conditions are inserted for convenience only and shall not constitute a part hereof.

21. GOVERNING LAW: These terms and conditions and any contract created by any PURCHASE ORDER placed hereunder shall be governed by the laws of the State of New Jersey without reference to any rules of conflict of laws. The parties agree that the United Nations Convention on the International Sale of Goods shall not apply to these terms and conditions and shall not apply to any PURCHASE ORDER issued in connection herewith.

22. SEVERABILITY: In the event that any provision of these terms and conditions or any PURCHASE ORDER shall be found to be void or unenforceable, such findings shall not be construed to render any other provision of these terms and conditions or any PURCHASE ORDER either void or unenforceable, and all other provisions shall remain in full force and effect unless the provisions which are invalid or unenforceable shall substantially affect the rights or obligations granted to or undertaken by either MERCK or SUPPLIER.

23. SUBSIDIARIES/AFFILIATES: If a subsidiary or affiliate of MERCK is identified in the “Ship to” address in the relevant PURCHASE ORDER, then: (1) said PURCHASE ORDER shall be and be deemed to have been placed by such subsidiary or affiliate; and (2) the references to MERCK in the NOTE TO SUPPLIERS REGARDING TERMS AND CONDITIONS SECTION of said PURCHASE ORDER shall be and be deemed to be references to such subsidiary or affiliate; and (c) the references to MERCK herein shall be and be deemed to be references to said subsidiary or affiliate; provided, however, the references to MERCK in **SECTIONS 13, 14, 15 and 17** shall be and be deemed to be references to both such subsidiary or affiliate and all MERCK entities.

24. MERCK’S BUSINESS PARTNER CODE OF CONDUCT: MERCK endeavors to hold itself and its SUPPLIER to the highest ethical and compliance standards, including basic human rights, encouraging fair and equal treatment for all persons, the provision of safe and healthy working conditions, respect for the environment, the adoption of appropriate management systems and the conduct of business in an ethical manner. Without limiting any of SUPPLIER's other obligations hereunder, and without conflicting with or limiting any of the warranties, obligations or other provisions expressly set forth elsewhere in this Agreement, including without limitation its obligations hereof, SUPPLIER agrees that it will abide by the letter and spirit of MERCK's Business Partner Code of Conduct (the “Code”), as in effect from time to time, a copy of which is available at <https://www.merck.com/company-overview/culture-and-values/code-of-conduct/business-partner-code-of-conduct/>. SUPPLIER agrees that it will provide all documentation reasonably requested by MERCK to demonstrate compliance with the Code. In the event of a conflict between the obligations in this SECTION 24 and the Code, on the one hand, and any other provision in this PURCHASE ORDER, on the other hand, such other provision of this PURCHASE ORDER shall control (but only to the extent of the conflict). MERCK reserves the right, in its sole discretion, to audit SUPPLIER’s operations, books and records to ensure compliance with the Code. MERCK will provide reasonable advance notice of such an audit, and may conduct this audit on its own or using a third-party auditor of its choosing. SUPPLIER shall acknowledge receipt of MERCK’s notice as promptly as practicable after receipt of such notice and will confirm the date on which the audit will occur within 14 days after receipt of such notice. MERCK or its third-party auditor may interview SUPPLIER’s employees as part of or in connection with the audit. This audit right shall be in addition to any other audit rights granted in this AGREEMENT. In the event an audit identifies a non-conformance by SUPPLIER with the Code, SUPPLIER will promptly take corrective action to remedy the non-conformance. MERCK reserves the right to approve all corrective actions. Corrective actions shall be implemented by SUPPLIER at SUPPLIER’s expense. MERCK will endeavor, whenever practicable, to work with SUPPLIER to remedy the issue and put in place a corrective action plan.

In the event SUPPLIER refuses to allow an audit, or fails or refuses to take corrective action, then in addition to any other remedy available to it under this Agreement, at law or in equity, MERCK reserves the right to terminate this AGREEMENT in the event SUPPLIER fails to cure such refusal or failure within 90 days after written notice from MERCK.

25. SUPPLIER EXPECTATIONS: Without limiting any of SUPPLIER's other obligations hereunder and without limiting any of the express warranties or obligations agreed to elsewhere in this Agreement, including without limitation its obligations hereof, MERCK expects that SUPPLIER will abide by the letter and spirit of MERCK's Supplier Performance Expectations, as in effect from time to time, a copy of which is available at https://www.merck.com/wp-content/uploads/sites/5/2020/09/Merck_supplier_performance_expectations.pdf

In the event of a conflict between the obligations in this SECTION 25 and MERCK's Supplier Performance Expectations, on the one hand, and any other provision in this Agreement, on the other hand, such other provision of this Agreement shall control (but only to the extent of the conflict).

26. NO CONFLICT MINERALS. SUPPLIER hereby acknowledges that MERCK is a subsidiary of a corporation whose securities are listed with the United States Securities and Exchange Commission ("SEC"). As such, MERCK has an obligation to report, under Section 13(p) of the United States Securities Exchange Act of 1934, as amended (15 U.S.C. §§78m, et seq.) on its use of "conflict minerals," as that term is used in such Section 13(p) and on Securities and Exchange Commission Form SD, in each case as may be amended from time to time ("Conflict Minerals"). SUPPLIER further acknowledges that MERCK is endeavoring to avoid, whenever possible, the use or inclusion of Conflict Minerals in its Products, including the packaging and manufacturing processes therefor. Consequently, SUPPLIER hereby agrees to use reasonable commercial efforts to source any of the minerals included in the definition of the term Conflict Minerals and (i) used by SUPPLIER to manufacture products for MERCK, (ii) incorporated into products manufactured for MERCK by SUPPLIER or (iii) sold to MERCK hereunder from sources which certify that the minerals provided by them are ultimately sourced from conflict-free smelters and are not and do not include any Conflict Minerals. Further, SUPPLIER agrees to provide any and all information reasonably requested by MERCK and its Affiliates in connection with MERCK's and its Affiliates' obligation to identify, assess and report on their use or non-use of Conflict Minerals.

27. ENTIRE AGREEMENT: Subject to SECTION 1, the terms and conditions herein, together with the relevant PURCHASE ORDER, represent the entire agreement between MERCK and SUPPLIER with respect to the goods and/or services set forth in said PURCHASE ORDER and supersede any inconsistent or additional provisions heretofore made by SUPPLIER. Neither these terms and conditions nor any PURCHASE ORDER placed by MERCK hereunder may be altered except in a subsequent writing signed by MERCK.