

PURCHASE ORDER TERMS AND CONDITIONS

(CANADA)

These terms and conditions (the “Terms and Conditions”) shall be applicable to each purchase order (each, a “Purchase Order” and together with the Terms and Conditions, the “Agreement”) that incorporates these Terms and Conditions by reference or to which these Terms and Conditions are attached. The entity placing the Purchase Order shall be referred to as “Patheon”, and the supplier or vendor set forth in the Purchase Order shall be referred to as “Supplier”. Patheon has issued such Purchase Order to the Supplier for the materials, supplies, items, or equipment (the “Products”) and/or to perform the services (the “Services”) described in the Purchase Order. Nothing in this Agreement may be interpreted to prevent Patheon from obtaining from any other third party, or providing to itself, the Products or Services or from ceasing to use Supplier to provide the Products or Services.

If there is conflict or inconsistency between any of the provisions of this Agreement and any of the provisions of a signed written agreement between Patheon and Supplier, or between any affiliated entity of either such party that by its terms applies to purchase orders placed by Patheon to Supplier, which covers the Products or Services (a “Master Agreement”), the provisions of such Master Agreement will govern and supersede the conflicting or inconsistent provisions of this Agreement. In the absence of a Master Agreement, this Agreement constitutes the entire agreement of the parties with regard to the subject matter, and supersedes all previous written and oral representations, agreements, and understandings between Patheon and Supplier and any different or additional terms and conditions.

Supplier’s acceptance of the Purchase Order and these Terms and Conditions may be in writing, email, fax, EDI, or other manifestation of acceptance such as, but not limited to, Supplier’s initiation of performance, or through Supplier’s provision of any Products or Services covered by the Purchase Order, or through Supplier’s acceptance of any payment made pursuant to the Purchase Order. Except to the extent expressly accepted in writing by Patheon, Patheon hereby affirmatively rejects any different or additional terms and conditions proposed by Supplier or contained in any acknowledgement, invoice or other form of Supplier, notwithstanding Patheon’s acceptance or payment for any Products or Services or any similar act of Patheon.

1. **PRICE; INVOICING; PAYMENT**

(a) Price. The price for the Products will, as applicable, cover the net weight of the Products, and include all other related charges including without limitation for boxing, packaging, pallets, or crating. No extra charges will be allowed unless specifically agreed to in advance in writing by Patheon. The price for Services will cover all activities required to perform the Services as contemplated in this Agreement.

(b) Taxes. The amount of taxes imposed will be separately stated in the Purchase Order and any related invoice will include all municipal, provincial or federal sales, use, excise and similar taxes applicable to the Products or Services sold or provided under this Agreement or the materials used in connection therewith. Supplier will pay these taxes, except taxes required by Law (as defined in Section 4(a) below) to be paid or borne by Patheon. Notwithstanding the foregoing, Patheon and Supplier will each bear sole responsibility for all taxes of any kind imposed by a federal, state, local, or foreign governmental authority, directly on the party, including, but not limited to, those on, or measured by or referred to as income, gross receipts, financial operations, franchise, profits, license, excise, premium, windfall profits taxes, duties or similar fees, assessments or charges of any kind whatsoever, together with any interest and any penalties, additions to tax or additional amounts imposed by the governmental authority for that party’s income, operations, employment, property (whether owned, leased or deemed to be owned or leased) or business operations.

(c) Invoice; Payment; Billing Disputes. Unless otherwise specified by Patheon, Supplier will invoice Patheon for the Products or Services provided under the Purchase Order only after the Products or the Services are received by Patheon. Final payment will not be required until the Products or Services provided meet the requirements specified in this Agreement. Unless otherwise specified by Patheon in the Purchase Order, payment terms will be net 60 days after Patheon’s receipt of the applicable invoice submitted in accordance with, and containing any information specified in the Purchase Order, including the applicable Purchase Order number, line number, and vendor name. Patheon may set off any amount owing from Supplier to Patheon against any amount payable by Patheon. Patheon may withhold payment of any invoiced amounts that it disputes in good faith and the parties will work in good faith to resolve the billing dispute. A billing dispute will not be cause for Supplier’s nonperformance of Services and/or non-delivery of Products, as the case may be, under the Purchase Order. Payment by Patheon will not result in a waiver of its rights under this Agreement.

2. **DELIVERY; CANCELLATION; INSPECTION; ACCEPTANCE**

(a) Product Delivery. Supplier will be responsible for packaging, loading and shipping the Products in accordance with any packaging specifications, shipping methods, and other related requirements and industry guidelines, including, but not limited to current Good Manufacturing Practices, those set forth in this Agreement, or otherwise communicated in writing to Supplier by Patheon, and in accordance with all applicable Laws. If the specifications, methods or requirements are not specified, Supplier will be responsible for packaging, loading, and shipping the Products in a manner sufficient to prevent

damage and loss to the Products during shipment. Shipments must equal the quantity ordered, unless otherwise agreed to by Patheon in writing. Supplier will provide a packing list to Patheon (which will be securely attached to the outside of the package) for all shipments referencing the Purchase Order number. Unless otherwise specifically provided for in the Purchase Order, Supplier will be responsible for freight and delivery to the destination specified on the applicable Purchase Order. All freight and delivery charges will be borne by Supplier, unless otherwise agreed to in advance, in writing by Patheon. If Patheon agrees to accept the freight and delivery charges in advance, the amount allocated for product freight delivery will be separately stated in the Purchase Order and any related invoice, and all amounts shown will include all packaging, loading, and shipping applicable to the Products or Services sold or provided under the Purchase Order or the materials used in connection therewith. Notwithstanding any provision in this Agreement to the contrary, Supplier will bear all risks of loss and damage to the Products until final acceptance by Patheon at Patheon's "ship to" destination specified on the applicable Purchase Order. Further, Supplier will bear the same risks for any Products rejected by Patheon or as to which Patheon has revoked its acceptance from the time of the rejection or revocation.

(b) Certificate of Analysis; Material Safety Data Sheets. Supplier will include with each delivery of Product a certificate of analysis and/or other certification as applicable (e.g. certificate of compliance or certificate of sterilization). Supplier represents and warrants that the Product conforms to the terms and conditions set forth in this Agreement and to the specifications provided by Patheon in connection herewith. Patheon will be entitled to rely solely on the certificate of analysis regarding the fitness of the Product for its intended use and purpose, notwithstanding any disclaimer on the certificate. Supplier will provide to Patheon all information related to the safety, safe handling, environmental impact, and disposal of the Product including, without limitation, material safety data sheets. Supplier will promptly deliver to Patheon, as it becomes available to Supplier, any updates or amendments to the information provided under this Section and any new information relating to the safety, safe handling, environmental impact, or disposal of the Product.

(c) Cancellation for Delay. The delivery of Products and/or Services will strictly comply with the delivery date or delivery schedule, if any, specified by Patheon. If at any time it appears that Supplier will not meet the delivery date or schedule, Supplier will promptly notify Patheon in writing of reasons for, and the estimated duration of, the delay. In addition to its other remedies, Patheon reserves the right to cancel all or any part of this Agreement for the undelivered Products or unperformed Services if Supplier does not deliver the Products or perform the Services as specified in this Agreement.

(d) Inspection; Acceptance of Products and Services. All Products or Services delivered or performed will be subject to final review, inspection and acceptance by Patheon, notwithstanding any payment or initial inspections. Acceptance of Products and Services will occur when the Products or Services delivered under this Agreement have been inspected by Patheon and determined to meet the requirements specified in this Agreement. Patheon will make this inspection within one hundred twenty (120) days after the applicable Products have been delivered or Services completed by Supplier. There will be no time restrictions applicable to Patheon providing notice of rejection of any Product for any latent defects, which will include any defects that may not be detected by Patheon through standard inspection and testing of a Product sample or that may affect only a portion of Product. Acceptance of any Product or Service will not limit or exclude any other rights or remedies of Patheon at law or in equity, including under Sections 4 and 5 of these Terms and Conditions.

3. **CONFIDENTIAL INFORMATION**

(a) Supplier agrees that in the provision of Services or Products under this Agreement, Patheon may disclose to Supplier or Supplier may otherwise obtain information that Patheon (or any of its subsidiaries, affiliated companies, vendors or customers) considers confidential, including the existence of this Agreement. This information may include all information relating to the subject matter of this Agreement, whether furnished to or obtained by Supplier or its representatives before, on or after the date of the Purchase Order, in any form, including, but not limited to, written, verbal, visual, electronic or in any other media or manner ("Confidential Information"). All Personal Information (as defined below in this Section 3(a)) made available to Supplier is Confidential Information. Supplier will keep Confidential Information strictly confidential as competitive-sensitive information. Supplier will exercise the same degree of care for the Confidential Information of Patheon as it uses to protect its own confidential information, but in any event, not less than reasonable care, including, without limitation, the requirements of this Agreement. Supplier will not disclose Confidential Information without the prior written consent of Patheon to any person or entity not a party to this Agreement (other than as required by applicable Law) in any manner whatsoever. Supplier will use Confidential Information only for the purposes permitted by this Agreement. Confidential Information may be disclosed by Supplier only to its directors, officers, employees and agents (including subcontractors) who have a legitimate need to know the Confidential Information for carrying out Supplier's obligations under this Agreement and who have agreed to comply with the confidentiality provisions of this Agreement. Supplier will be responsible for any breach of this Section 3(a) by its directors, officers, employees or agents (including any subcontractors of Supplier). As used herein, "Personal Information" means the personally identifiable information, including name, address, e-mail address, telephone number, any other Patheon-, Supplier- or third party-issued identifier, and/or IP address in any media or format, including, without limitation, computerized or electronic records and paper-based files of an Individual. "Individual" means a natural person.

(b) Notwithstanding the restrictions set forth above, if Supplier is required by Law to disclose any Confidential

Information, Supplier may make the required disclosure. But prior to making this disclosure, Supplier will give Patheon (i) written notice of the proposed disclosure in order to give Patheon sufficient opportunity to seek a protective order or other similar order preventing or limiting the proposed disclosure; and (ii) reasonable assistance in seeking the protective order or other similar order.

(c) Upon completion or termination of this Agreement, and at Patheon's written request at any time, Supplier will promptly return to Patheon or destroy (at Patheon's election) all copies of all documents or other materials, in whatever form, that contain Confidential Information and are in the possession or under the control of Supplier or any Supplier Personnel (as defined below in Section 4(a)) and will certify to Patheon in writing that Supplier has done so in accordance with applicable Laws.

(d) Supplier, and on behalf of Supplier Personnel, agrees to provide to Patheon prompt written notice with reasonable detail of all incidents that involve, or which Supplier reasonably believes may involve, the attempted or successful unauthorized access, use, disclosure, modification, destruction or loss of Confidential Information or interference with system operation in an information system or in any medium or format (a "Security Incident"). Supplier, at its sole expense, will promptly take all necessary and appropriate corrective action including, without limitation, at the written request of Patheon or any regulatory body, to provide notices to Individuals whose Confidential Information may have been affected, whether or not the notice is required by Law, and cooperate with any regulatory investigations of, and respond to and/or defend any litigation (including any class action suits or similar proceedings) relating to the Security Incident.

(e) The obligations of Supplier (and Supplier Personnel) in this Section 3 will be in addition to any other indemnification obligations Supplier (and Supplier Personnel) may have under the indemnification provisions of this Agreement. These obligations may be considered indemnification obligations if necessary to make Patheon and any affected Individuals whole. Any payments under this Section 3 will be deemed direct damages not limited by any limitation of liability or consequential, special, punitive, indirect or special damages limitations. Further, the obligations under this Section 3 will survive the completion of the Services or provision of Products, as well as not be limited by any arbitration, limitation of actions or other similarly limiting provisions.

4. **ADDITIONAL REPRESENTATIONS, WARRANTIES AND COVENANTS**

(a) Products and Services. Supplier represents, warrants, and covenants that its performance and all Products and Services provided under this Agreement will for a period of at least two years after the date of acceptance or, in the case of an applicable Product for the stated shelf life of the Product: (i) be free from defects in design, workmanship and materials; (ii) be of the kind, quantity and quality described in, and conform with, the requirements specified in this Agreement; (iii) be fit for the purpose intended; (iv) perform in the manner specified; (v) comply with all other requirements of this Agreement; and (vi) are not, as of the date of delivery, adulterated or misbranded within the meaning of the Food, Drug, and Cosmetic Act (the "FDC Act") and are not articles which may not, under the provisions of Section 404, 505 or 512 of the FDC Act, be introduced into interstate commerce, and are also not adulterated or misbranded within the meaning of the food drug or cosmetic laws of any state or local municipality. Supplier represents, warrants and covenants, that its performance and all Products and Services provided under this Agreement will, for a perpetual duration (A) be free and clear of all liens, claims, and encumbrances, including without limitation claims of misappropriation of any third party intellectual property; and (B) comply with all applicable global, international, federal, country, state, local, foreign and other laws, rules, and regulations, ordinances, decrees, orders, codes, standards, and requirements (including, but not limited to, current Good Manufacturing Practices, if applicable to the Products, and any requirements for consents, permits, licenses, certificates, approvals, inspections), as the same are promulgated, supplemented and/or amended from time to time ("Laws") that apply to or govern the Services or Products to be provided by Supplier or any of the employees, contractors, subcontractors or agents of Supplier and its subcontractors (collectively, "Supplier Personnel") under this Agreement.

In the case of Services provided hereunder, Supplier represents, warrants and covenants that (i) the Services reflect industry standard levels of professional knowledge and judgment, (ii) that any qualifications, experience and expertise held by Supplier with respect to the Services so represented by Supplier to Patheon are true and accurate and that Supplier holds all necessary licensures under all applicable laws, regulations, and guidelines, and (iii) Supplier has not entered into any agreement, whether written or oral, in conflict of this Agreement. Supplier will maintain, in accordance with generally-accepted accounting principles, complete and accurate records of the work performed and expenses incurred sufficient to document the fees and any expenses invoiced to Patheon for at least three (3) years following the date of the invoice, and will provide Patheon with such records at Patheon's request.

Supplier represents, warrants, and covenants that its performance under this Agreement does not and will not conflict with, or constitute a default under, any agreement, understanding, or expectation with or of any third party.

Supplier will, without additional cost to Patheon, within 30 days of receipt of written notification of any non-conformance with the warranties set forth above in this Section 4(a), as directed by Patheon, correct any such non-conformance by: (i) repairing, replacing or re-performing the non-conforming Products or Services; or (ii) refunding to Patheon all fees paid by Patheon hereunder for the non-conforming Products or Services and those Products or Services that are dependent on the non-

conforming Products or Services. The foregoing shall not be construed to limit or exclude Patheon's rights under Section 5 or any other rights or remedies available to Patheon at law or in equity. The warranty for to any corrected Products or Services will be subject to the same terms as the warranty provided for in this Section 4(a).

(b) Wooden Pallets. If products are shipped on wooden pallets or in wooden crates to Patheon, the Supplier shall ensure that such wooden pallets/crates comply with the following: (i) wooden pallets/crates will be made from wood that is certified to be free of 2, 4, 6-tribromophenol (TBP) and any other form of phenol-based fungicide treatment, (ii) shall comply with the international standards for phytosanitary measures publication no. 15, 2009 revision (ISPM 15) for heat treatment only, and (iii) shall not have been fumigated with methyl bromide. All wooden pallets/crates must properly display that they meet the requirements with a specified mark as shown in ISPM 15 Annex II.

(c) Supplier Approved Facilities; Change Control. Patheon retains the right to specify which manufacturing facility of Supplier will supply or manufacture any Product, as well as the materials and process used to manufacture the Product. If Patheon so specifies, Supplier will not (i) use a subcontractor for any material component of the Products or Services or (ii) change the manufacturing facilities, the materials (composition, characteristics, source, or ingredients), or process or controls used in the manufacture of the Products without first obtaining the written consent of Patheon to the change. Supplier agrees to notify Patheon immediately of any change in violation of this paragraph.

(d) No Debarment. Supplier represents, warrants, and covenants that Supplier: (i) has not been debarred by any governmental authority; (ii) is not subject to any notice of possible or planned debarment by a governmental authority; and (iii) will not use, in any capacity, in connection with the delivery of the Products or the Services performed under this Agreement, any person or entity who or that has been debarred, or to Supplier's knowledge, is the subject of debarment proceedings by any governmental authority. If Supplier learns that a person or entity performing on its behalf under this Agreement has been debarred by any governmental authority, or has become the subject of debarment proceedings by any governmental authority, Supplier will so promptly notify Patheon and will prohibit such person or entity from performing on its behalf under this Agreement.

(e) Authority. Supplier is validly existing and in good standing under the laws of the jurisdiction of its organization and has the power and authority to enter into the Agreement. This Agreement has been duly accepted, executed, and/or delivered by Supplier and constitutes the valid and binding obligation of Supplier, enforceable against it in accordance with its terms except as enforceability may be limited by bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general equitable principles. The execution, acceptance, delivery, and performance of this Agreement have been duly authorized by all necessary action on the part of Supplier, its officers and directors.

(f) Compliance with Laws: Supplier represents, warrants, and covenants that Supplier has and will comply with all applicable laws and regulations, including, but not limited to, the United States Foreign Corrupt Practices Act and California Transparency in Supply Chains Act, the United Kingdom Bribery Act and Modern Slavery Act, and the Canadian Corruption of Foreign Public Officials Act. Supplier also represents, warrants, and covenants that Supplier (i) has not and will not infringe the principles set out in the International Labour Organisation Convention 138: Minimum Age, 1973 or the International Labour Organisation Convention 182: Worst Forms of Child Labour Convention, 1999; (ii) does not use forced labor in any form (prison, indentured, bonded or otherwise), including any form that would be an offence under the Modern Slavery Act 2015 if carried out in the United Kingdom; (iii) does not discriminate against any workers on any ground (including race, religion, disability or gender); and (iv) it complies with all laws on working hours and employment rights in the countries in which it operates. In addition, Supplier represents, warrants, and covenants that it will use reasonable commercial efforts to impose equivalent obligations on its suppliers and choose, monitor, and manage those suppliers proactively with the aim of minimizing the risk of those suppliers failing to comply with those obligations. If Supplier learns of any breach of this representation, or that any of its suppliers has breached a similar representation, Supplier will promptly notify Patheon in writing.

5. **INDEMNIFICATION**

(a) To the fullest extent permitted by applicable Law, Supplier hereby agrees to defend, indemnify, and hold harmless Patheon, its affiliates (and their respective directors, officers, employees, agents, successors and assigns) (each, an "Indemnified Party") from and against any and all claims, liabilities of every kind, including liability based on contributory, vicarious, or any other doctrine of secondary liability, or character, arising out of or relating to any and all claims, liabilities, liens, demands, damages, obligations, actions, proceedings, suits, judgments, awards, settlements, expenses, or losses, including costs of litigation and reasonable attorneys' fees, and causes of action of every kind (collectively, "Losses"), regardless of whether or not the Losses are caused in part by a party indemnified hereunder, arising directly or indirectly from: (i) the acts or omissions of Supplier or Supplier Personnel in connection with the provision of the Services or Products under this Agreement; (ii) any individual's (including any Supplier Personnel's) prospective, then-current or former employment by Supplier, including (A) any claim arising under any applicable Law, (B) any claim based on or arising out of any theory that Patheon is an employer or joint employer of any Supplier Personnel, (C) any claim arising out of any termination or separation

from Supplier; and (D) any claim arising out of Supplier's failure to pay any of its Personnel (iii) a breach by Supplier of the representations, warranties, covenants, or any other provisions set forth in this Agreement, including, but not limited to, any confidentiality, privacy and/or security obligation stated in Section 3 above and the obligations to comply with Laws; (iv) any claim charging that Supplier's provision or Patheon's purchase or use of the Products or Services provided under this Agreement constitutes misappropriation or infringement of any Intellectual Property Rights (as defined in Section 9 below) or breach of a confidential relationship; (v) injury to or death of any person or damage to any property resulting from and/or caused by Supplier or its Personnel in connection with the Supplier's performance or non-performances of Supplier's obligations under the Agreement; and (vi) Supplier's failure to require any consultant or subcontractor to be insured as set forth under the terms of this Agreement.

(b) If the Products or Services, or the use of the Products or Services, are held to constitute an infringement or misappropriation and their sale or use is enjoined, Supplier will, at Supplier's expense and option, either procure for Patheon the right to continue to use the Products or Services, or replace the same with equivalent non-infringing Products or Services, or modify the same so they become equivalent non-infringing Products or Services; *provided, however*, if the foregoing is not commercially practicable or upon request by Patheon, Supplier will refund to Patheon all fees paid by Patheon under this Agreement for the Products or Services and those Products or Services that are dependent thereon.

(c) Supplier will keep the Indemnified Party fully informed concerning the status of any litigation, negotiations or settlements of any claim, demand or action for which the Indemnified Party seeks indemnification hereunder. The Indemnified Party will be entitled, at its own expense, to participate in any litigation, negotiations and settlements with counsel of its own choosing. Supplier will not have the right to settle any claim without the prior written consent of the Indemnified Party. This Section 5 will not be construed to limit or exclude any other claims or remedies at law or in equity that an Indemnified Party may assert.

6. **INSURANCE**

During the time this Agreement is in effect and for two years after its expiration or termination for any reason, Supplier, at its own expense, will maintain in full force and effect commercial general liability insurance, including blanket contractual liability, covering the obligations of Supplier under this Agreement with limits of at least \$5,000,000.00 per occurrence for personal injury liability, products liability and property damage liability. In addition, Supplier will carry sufficient liability insurance; but in no case less than \$2,000,000.00 for whichever conveyance it utilizes to deliver the Products or to provide the Services to Patheon. Supplier will also abide by any statutory requirements to provide Workers' Compensation/Employers' Liability Insurance for its employees in the U.S. and its equivalent outside the U.S. Supplier's liability is in no way limited to the extent of Supplier's insurance coverage required under this section. Upon request by Patheon, Supplier will submit to Patheon certificates evidencing the above. With the exception of the Workers' Compensation/Employers' Liability policy, all other insurance policies referred to herein will name Patheon as an "additional insured" only to the extent of the obligations under this Agreement.

7. **LIMITATION OF LIABILITIES**

Notwithstanding the form (e.g., contract, tort or otherwise) in which any legal or equitable action may be brought, under no circumstances will Patheon or its affiliates be liable for consequential, indirect, special, punitive, or incidental damages or lost profits, whether foreseeable or unforeseeable, based on claims of Supplier or any other party arising out of breach or failure of express or implied warranty, breach of contract, misrepresentation, negligence, strict liability in tort, failure of any remedy to achieve its essential purpose, or otherwise. Notwithstanding the form (e.g., contract, tort or otherwise) in which any legal or equitable action may be brought, in no event will Patheon or its affiliates be liable for any damages or losses that exceed, in the aggregate, the amount of fees paid and payable by Patheon for the Products or Services that gave rise to these damages or losses for each respective breach or series of related breaches. This Section 7 will not apply only when and to the extent applicable Law specifically requires liability despite the foregoing disclaimer, exclusion and limitation.

8. **TERM AND TERMINATION**

(a) Term. This Agreement will commence upon Supplier's acceptance of the Purchase Order and will continue through Patheon's acceptance of the Services or Products, as may be further specified in the Purchase Order.

(b) Termination. In addition to Patheon's termination rights set forth elsewhere herein, Patheon may terminate this Agreement, in whole or in part, in its sole discretion: (i) upon 15 days prior written notice to Supplier for any reason; (ii) immediately upon written notice to Supplier if Supplier breaches this Agreement; (iii) if reasonable grounds for insecurity arise with respect to Supplier's performance and Supplier fails to furnish adequate assurances within five days after written demand by Patheon for this assurance; or (iv) immediately upon written notice to Supplier if Supplier becomes insolvent or otherwise makes an assignment for the benefit of creditors, commits an act of bankruptcy or files or has filed against it a petition in bankruptcy or reorganization proceedings. During any notice period, Supplier will cease to provide the cancelled Services or Products to Patheon as soon as commercially practicable after receiving this notice.

(c) Effect of Termination/Expiration. Upon termination or expiration of this Agreement: (i) Patheon will be entitled to the ownership, possession, use and license of any and all work in process under this Agreement to which it is entitled under Section 9 below; (ii) Supplier will invoice Patheon for all outstanding fees and expenses incurred for Services satisfactorily performed and/or Products delivered under this Agreement through and including the date of the termination or expiration; and (iii) Supplier will comply with its obligations under Section 3(c) above. The provisions of Sections 1(b) and (c), 3-10, and any other provisions which are expressly or by implication intended to continue in force after the termination or expiration will survive the termination of this Agreement.

9. INTELLECTUAL PROPERTY

For all work products and deliverables created under this Agreement through the performance of the Services, Supplier and Supplier Personnel hereby assign and transfer to Patheon all rights to possession of, and all right, title, and interest, including all patent, copyright, trademark, trade secret and other proprietary and intellectual property rights ("Intellectual Property Rights") in and to the work products and deliverables created under this Agreement, in whatever form or medium captured, and in and to all physical and electronic materials, papers, and documents (including drawings), hereinafter referred to as "Works," and copies, abstracts, and summaries thereof, which are developed or conceived or which may come into their possession in any manner by reason of the provision of Services under this Agreement. All Works will be deemed to be "works made for hire" exclusively for Patheon, with Patheon having sole ownership of the Works and the sole right to obtain and to hold in its own name any Intellectual Property Rights therein and thereto. Supplier hereby agrees to give Patheon or any person designated by Patheon, at Patheon's expense, all reasonable assistance required to perfect the rights hereinabove defined. Supplier represents, warrants, and covenants that it has caused or will cause all Supplier Personnel to enter into an enforceable agreement with Supplier prior to their performance of any Services, which agreement includes appropriate confidentiality, assignment of work product and invention provisions to effectuate the provisions of this Agreement. Notwithstanding the foregoing provisions, Patheon's ownership rights do not apply or extend to any of the following (collectively, the "Supplier Property"): (i) any methodologies, methods of analysis, ideas, concepts, know-how, models, tools, techniques, skills, knowledge and experience or other materials or property owned or licensed by Supplier before the provision of the Services under this Agreement; (ii) any improvements or other modifications to any of the foregoing that Supplier creates during the performance of the Services under this Agreement without the use of any of Patheon's Confidential Information or Intellectual Property Rights; or (iii) any of the Intellectual Property Rights in or to any of the items described in the preceding clauses (i) and (ii). All right, title, and interest in and to the Supplier Property is and will remain in Supplier, and Supplier will not be restricted in any way with respect to the Supplier Property. Notwithstanding the foregoing, to the extent that any Supplier Property is incorporated into or embodied in any of the Works, or covers or controls any of the Works, or is necessary in order to fully and freely use any of the Works, Supplier hereby grants to Patheon and its affiliates a perpetual, irrevocable, worldwide, royalty-free, non-exclusive license, with the right to grant sublicenses, to (A) use the Supplier Property solely as part of or in connection with the Works or any derivative work based upon the Works, and (B) to modify the Supplier Property, solely to the extent the modification is necessary to create a derivative work based upon the Works.

10. MISCELLANEOUS

(a) Governing Law; Venue. The validity, interpretation and performance of this Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without regard to the principles of conflicts of law. THE PARTIES EXPRESSLY AGREE THAT THE APPLICATION OF THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS (1980) IS SPECIFICALLY EXCLUDED AND WILL NOT APPLY TO THIS AGREEMENT. All actions and proceedings under this Agreement will be brought exclusively in a state or federal court of competent subject matter jurisdiction in the Province of Ontario. Each Party hereby waives (i) any objection which it may have at any time to the venue of the proceedings in these courts, (ii) any claim that the proceedings have been brought in an inconvenient forum and (iii) the right to object that these courts do not have jurisdiction over the Party. IN ANY CONTROVERSY OR CLAIM, WHETHER BASED IN CONTRACT, TORT OR OTHER LEGAL THEORY, ARISING OUT OF OR RELATING TO THIS AGREEMENT, ITS NEGOTIATION, ENFORCEABILITY OR VALIDITY, OR THE PERFORMANCE OR BREACH HEREOF OR THE RELATIONSHIPS ESTABLISHED HEREUNDER, ALL PARTIES HEREBY WAIVE THEIR RIGHT TO TRIAL BY JURY.

(b) Relationship of the Parties. Patheon engages Supplier only for the purposes and to the extent set forth in this Agreement and, accordingly, Supplier will not be considered a partner, agent, employee, or representative of Patheon, but will remain in all respects an independent contractor.

(c) Assignment; Subcontracting. Neither this Agreement nor any right or obligation arising therefrom may be assigned or transferred or delegated, in whole or in part, by Supplier in the absence of Patheon's prior written consent thereto and any purported assignment or transfer absent this consent will be automatically deemed null and void. No delegation or subcontracting by Supplier hereunder will relieve Supplier of any of its obligations or responsibilities under this Agreement. Supplier will remain responsible for obligations, services and functions performed by its subcontractors to the same extent as if

they were performed by Supplier.

(d) Force Majeure. No Party will be liable for any failure to perform or any delays in performance, and no Party will be deemed to be in breach or default of its obligations set forth in this Agreement, if, to the extent and for so long as, the failure or delay is due to any causes that are beyond its reasonable control and not to its acts or omissions, including, without limitation, such causes as acts of God, natural disasters, flood, severe storm, earthquake, civil disturbance, lockout, riot, order of any court or administrative body, embargo, acts of government, war (whether or not declared), acts of terrorism, or other similar causes (“Force Majeure Event”). Raw material price increases, rejections, unavailability of raw materials, equipment breakdowns, and labor disputes will not be deemed a Force Majeure Event. If a Force Majeure Event occurs, the Party prevented from or delayed in performing will promptly give notice to the other Party and will use commercially reasonable efforts to avoid or minimize the delay. The Party affected by the other Party’s delay may elect to: (a) suspend performance and extend the time for performance for the duration of the Force Majeure Event, or (b) cancel all or any part of the unperformed part of this Agreement.

(e) Severability. If and solely to the extent that any court or tribunal of competent jurisdiction holds any provision of this Agreement to be unenforceable in a final non-appealable order, the unenforceable provision will be stricken and the remainder of this Agreement will not be affected thereby. If this occurs, the parties will in good faith attempt to replace any unenforceable provision of this Agreement with a provision that is enforceable and that comes as close as possible to expressing the intention of the original provision.

(f) Waiver; Partial Invalidity. The failure of Patheon to insist upon strict performance by Supplier of any provision of this Agreement will not be construed as a continuing waiver of that item, or waiver of any other provision of this Agreement or any corresponding Agreement. If any provision of this Agreement will be held illegal or unenforceable by any governmental authority having jurisdiction over this Agreement, the validity of the remaining portions will not be affected thereby.

(g) Notice. Any notice to be given under this Agreement will be in writing and addressed to the party at the address stated in the front of the Purchase Order with a copy to the address noted below:

Patheon Inc.
Attention: Legal Department
2100 Syntex Court
Mississauga, Ontario
L5N 7K0 Canada

Notices will be deemed given and effective (i) if personally delivered, upon delivery, (ii) if sent by an overnight service with tracking capabilities, upon receipt; (iii) if sent by fax or electronic mail, at such time as the party which sent the notice receive confirmation of receipt by the applicable method of transmittal; or (iv) if sent by certified or registered mail, within five days of deposit in the mail.

(h) It is the express wish of the parties that this Agreement and all related documents, including notices and other communications, be drawn up in the English language only. Il est la volonté expresse des parties que cette convention et tous les documents s’y rattachant, y compris les avis et les autres communications, soient rédigés et signés en anglais seulement.”

[End of Terms and Conditions]