



## STANDARD PURCHASE TERMS

### BY PLACING AN ORDER WITH CIPLA, THE PHARMACY EXPRESSLY AGREES WITH THE TERMS OF THIS AGREEMENT

The following Standard Purchase Terms (“**Agreement**”) govern the non-exclusive purchase and sale of pharmaceutical products from Cipla USA, Inc. (“**Cipla**”) by the purchasing pharmacy (“**Pharmacy**”) and become effective immediately upon order placement.

1. **Product and Pricing.** Available Product(s) and Pricing is established through Pharmacy’s Group Purchasing Organization (“**GPO**”) relationship and will be provided to Pharmacy by GPO. GPO is responsible for providing Pharmacy with current Product(s) and Pricing as well as changes related to Product(s) and Pricing.

2. **Purchase Orders, Shipping.** Pharmacy will raise all purchase orders with Cipla via its e-commerce platform, electronically using EDI, ANSI X.12 format or in writing to the attention of Cipla USA Inc., via Fax (302-353-4156) or via e-mail ([ciplacs@ups.com](mailto:ciplacs@ups.com)). Upon acceptance of Purchase Order, Cipla shall use commercially reasonable efforts to deliver the Products ordered under a Purchase Order within six (6) business days after the receipt of the Purchase Order. Pharmacy agrees that each purchase order should, at the minimum, (i) be US\$ 250 in value; and (ii) meet the Minimum Order Quantity (MOQ) of the Product as determined by Cipla from time-to-time. Cipla will use its preferred carrier for the shipment of the Product to the Pharmacy. Cipla reserves the right to reject a Purchase Order, including, if (i) Purchase Order does not meet the above requirements, (ii) if Pharmacy has exceeded its established credit limit, (iii) is not current with its payment obligations, or (iv) if GPO informs Cipla that Pharmacy is no longer a member of GPO as of the date the Purchase Order is placed.

3. **Shelf Life.** Products delivered by Cipla will not have less than a twelve (12) month interval between a Product’s date of delivery by Cipla and its expiration date.

4. **Payment Terms.** Payments are due net thirty (30) days from the invoice date. Preferred payment method is ACH. If available, payments can also be made via credit card.

5. **Return of Products.** The Pharmacy shall have the right to return Products to Cipla, in accordance with Cipla’s current return goods policy (“**Return Policy**”). Cipla’s Return Policy is and will continue to be consistent with prevailing practices in the pharmaceutical industry, provided, however, such Returns Policy may be modified by Cipla, at its option, from time to time.

6. **Product Recalls.** In the event of a general recall or a limited recall by the U.S. Food and Drug Administration, Cipla shall promptly notify Pharmacy of such recall. In connection with any such recalls, Pharmacy will provide the services and assistance requested in writing by Cipla in connection with such recall. Cipla shall reimburse Pharmacy for those services and assistance requested by Cipla at the time of the recall announcement according to Healthcare Distribution Management Association guidelines.

7. **Warranty, Defect & Limitation.** If any Products are found to be in non-compliance of the warranties of Cipla under this [Section 7](#) and a claim is made by the Pharmacy on account of such defect, Cipla shall, as its sole liability, either replace the defective Products with substantially similar products or credit the Pharmacy. This Section and the obligations contained herein shall survive the expiration or earlier termination of this Agreement. The remedies set forth in this Section are not in addition to, and are a limitation on, any other rights or remedies that may be available against Cipla. EXCEPT AS EXPRESSLY PROVIDED HEREIN, CIPLA DOES NOT MAKE ANY WARRANTY OF ANY KIND, EXPRESS, STATUTORY, IMPLIED OR OTHERWISE, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY AN EMPLOYEE OR REPRESENTATIVE OF CIPLA SHALL CREATE A WARRANTY FOR ANY PRODUCTS.

8. **Compliance with Law.** Each party represents and warrants that to the best of its knowledge, after due inquiry, it is, and for the Term shall be, in compliance with all federal and state laws, ordinances and regulations that are material to the operation of its business and the performance of its obligations under this Agreement (“**Legal Requirements**”), including, but not limited to, Legal Requirements pertaining to the safety of the Products, occupational health and safety, environmental protection, nondiscrimination, antitrust, health care regulation, the Health Insurance Portability and Accountability Act (“**HIPAA**”) and equal employment opportunity.

9. **Pharmacovigilance.** Pharmacy shall forward to Cipla all reports of any Product complaints or Adverse Event (as defined below) made through any means to Pharmacy within the earlier of (a) one (1) business day: or (b) three (3) calendar days of receipt of the report. Pharmacy shall also use no less than commercially reasonable efforts, to notify Cipla’s Drug Safety Department in accordance with this section as soon as possible upon receipt of notice of a Product complaint or Adverse Event for a Product listed under this Agreement. Pharmacy shall forward to Cipla any additional medical updates on each Adverse Event report that Purchaser receives within one (1) business day or three (3) calendar days of receipt by Pharmacy, whichever is earlier. Pharmacy shall cooperate with Cipla’s reasonable requests for additional information related to any Adverse Event report. Pharmacy shall maintain all records of Adverse Events as required by federal law. Pharmacy shall capture patient information (subject to HIPAA and applicable law), reporter information (if other than patient), Product information (including the GTIN) and details of the Adverse Event or Product complaint. All such information shall be forwarded to Cipla as directed immediately below mail: Cipla USA, Inc., Attention: Drug Safety Department, 10 Independence Blvd., Suite 300, Warren, NJ 07059 or via e-mail: [Drugsafety@Cipla.com](mailto:Drugsafety@Cipla.com).

10. **Insurance.** Each party shall maintain and keep in force during the Term commercial general liability insurance that includes the products-completed operations hazard. Such insurance shall contain a minimum combined single limit of liability for bodily injury and property damage in the amount of not less than \$2,000,000 per occurrence and \$4,000,000 in the aggregate. The liability limits may be satisfied through a combination of primary and excess policies including deductibles or self-insured retentions. Pharmacy shall not amend, in any material respect that affects the interests of Cipla, or terminate the insurance obtained under this Section 10, except after providing thirty (30) days' prior written notice to Cipla.

11. **Release and Indemnity.** Each party shall release, indemnify, hold harmless the other party their respective officers, directors, regents, agents, subsidiaries, affiliates and employees (collectively, the “**Indemnitees**”), from and against any claims, liabilities, damages (including, without limitation, damage to property, bodily injury or death), actions, costs and expenses (including, without limitation, attorneys’ fees and expenses,

expert fees and court costs) of any kind or nature, whether at law or in equity (collectively, “**Claims**”), arising from or caused in any part by the breach of any representation, warranty, covenant or agreement of a party contained in this Agreement. Such indemnification, hold harmless and right to defense shall not be applicable to the extent the Claim arises as a result of an act or failure to act of Indemnitees. This Section and the obligations contained herein shall survive the expiration or earlier termination of this Agreement. The remedies set forth in this Section are in addition to, and not a limitation of, any other rights or remedies that may be available against Cipla. In no event shall Cipla be liable under any theory of liability for consequential, incidental, indirect, special or punitive damages, losses or expenses (including but not limited to business interruption, lost business, or lost profits) even if it has been advised of their possible existence.

12. Audit Rights; Books and Records. Pharmacy shall keep, maintain and preserve current and accurate books, records, and accounts (collectively, “**Records**”) of sales of the Product category, including, but not limited to, Records relating to pricing, pricing tiers, discounts, rebates and membership records. All such Records shall be provided in an unfiltered electronic format for inspection and audit by Cipla’s authorized representatives within twenty (20) days of Cipla’s request during the Term of this Agreement and for four (4) years thereafter. Cipla may, at its own expense, conduct an audit of Customer’s Records at Pharmacy’s place of business during normal business hours upon at least twenty (20) days’ prior notice, but no more frequently than twice in any consecutive twelve (12)-month period. Any such audit shall continue to remain open until all identified issues are resolved. Notwithstanding the foregoing, Pharmacy shall pay Cipla’s reasonable costs of audit in the event the audit reveals that Pharmacy underpaid Cipla in excess of a five percent (5%) variance for the audit period. The exercise by Cipla of the right to inspect and audit is without prejudice to any other or additional rights or remedies of Cipla. In addition to the foregoing audit rights, Pharmacy shall provide such additional information as Cipla may reasonably request for ensuring compliance with the terms of this Agreement. Pharmacy shall provide such information within twenty (20) days of Cipla’s written request.

13. Confidential Information. Except as otherwise expressly provided in this Section, Pharmacy hereby covenants and agree (i) to keep any information disclosed under or pursuant to this Agreement, including the terms of this Agreement and the pricing contained in Exhibit A (collectively, the “**Confidential Information**”), strictly confidential, and (ii) not to disclose the Confidential Information to any third party. In addition, the foregoing confidentiality obligation shall not apply to information that is required to be disclosed by law; provided, however, that the receiving party so required to disclose shall first notify the disclosing party to enable it to seek relief from such requirement, and render reasonable assistance requested by the disclosing party in connection therewith. This Section and the obligations contained herein shall survive the expiration or earlier termination of this Agreement. The parties acknowledge that, in the event of a violation of any restrictions set forth in Section 12.A above, or in the event such a violation is likely to occur, the disclosing party shall be entitled to preliminary and permanent injunctive relief without having to prove actual damages or immediate or irreparable harm or post a bond. Notwithstanding the foregoing, if the restrictions contained herein are judged unreasonable by any court of competent jurisdiction, the parties agree to the reformation of such restrictions by the court to limits that may reasonably grant the disclosing party the maximum protection permitted by applicable law in such circumstances, and the receiving party shall not assert that such restrictions should be eliminated in their entirety by such court.

14. HIPAA. To the extent that each party is or becomes subject to, directly or indirectly, the privacy and security rules promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 (“**HIPAA**”), codified at 45 C.F.R. Parts 160, 162 and 164, and/or other relevant administrative simplification rules promulgated pursuant to HIPAA, then such party shall comply with such rules and, upon the other party’s request, shall agree to amend this Agreement accordingly and/or enter into any additional agreement between or among Cipla and Pharmacy, as appropriate.

15. Use of Names, etc. The parties agree that they shall not use in any way in their promotional, informational or marketing activities or materials (1) the names, trademarks, logos, symbols or a description of the business or activities of the other party without in each instance obtaining the prior written consent of the party owning the rights thereto; or (2) the award or the content of this Agreement without in each instance obtaining the prior written consent of the other party.

16. Choice of Law. This Agreement shall be governed by and construed in accordance with the internal substantive laws of the State of New York and the Federal and State Courts for New York, New York shall have jurisdiction over all matters relating to this Agreement.

17. Notices. Except as otherwise expressly provided herein, all notices or other communications required or permitted under this Agreement shall be in writing and shall be deemed sufficient when mailed by United States mail, delivered by Federal Express or similar overnight delivery service, or delivered in person to the party to which it is to be given, as follows: If to Pharmacy, at Pharmacy’s primary address provided during account creation and if to Cipla: Cipla USA, Inc., Attn: Director, Legal, 10 Independence Blvd., Suite 300, Warren, NJ 07059.

18. Force Majeure. Neither party shall be liable to the other for failing to perform its obligations under this Agreement if such failure to perform is caused by war, fire, flood, strike, labor dispute, accident, riot, act of God, act of governmental authority, or other contingencies beyond the control of the non-performing party interfering with such party’s ability to perform its obligations hereunder. Further, in the event there is a shortage of any Product, Cipla, in its sole discretion, shall have the right to apportion such Product among its customers in such a manner as it deems appropriate.

19. Miscellaneous: This Agreement shall be binding upon the parties, inure to the benefit of, and be enforceable by the parties, as well as their respective successors and assigns. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. However, in the event that any provision of this Agreement becomes prohibited or invalid under applicable law, or is otherwise held unenforceable, then such provision, upon the mutual agreement of the parties, shall be modified to reflect the parties’ intent, consistent with applicable law. No modification, amendment, variation, extension, or waiver of this agreement or any provision hereof shall be binding or effective unless in writing and signed by a duly authorized representative of each of the parties. This Agreement constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior agreements, arrangements, dealings or writings between the parties. It is expressly understood and agreed that Pharmacy and Cipla shall at all times be independent of one another. It is expressly understood and agreed by the parties that nothing contained in this Agreement shall be construed to create a joint venture, partnership, association, or like relationship between the parties with respect to the subject matter hereof. In no event shall either party be liable for the debts or obligations of the other party.