

## **JRS Pharma LP Standard Terms and Conditions of Sale**

All goods services furnished by JRS Pharma LP ("Supplier") are governed by these standards and conditions, and every agreement or other undertaking by Supplier is expressly conditioned on assent hereto by the buyer, and any end-user with whom Supplier undertakes to deal, of Supplier's goods and services ("Customer"). These standard terms and conditions may be varied only by a typed or legible handwritten notation on the face of Supplier's quotation or order acknowledgement or by a separate, signed distributorship agreement, service agreement, or other individually negotiated agreement in writing expressly varying one or more of these standard terms and conditions. Product and sales policy sheets and the like published from time to time by Supplier shall supplement but not supersede these standard terms and conditions.

1. **Offers**

Unless otherwise specified, any offers are not binding. All purchase orders for goods and services as well as contracts concluded through Supplier's sales representatives will only become binding when confirmed by Supplier in writing or executed. This requirement of writing may only be waived by written agreement.

2. **Amendments.**

Unless otherwise specified, amendments, verbal collateral agreements, guarantees, representations on the condition of the goods and subsequent supplementary stipulations shall only be valid if confirmed by the Supplier in writing. This also applies to statements made by our employees and any other vicarious agents.

3. **Price/Delivery.** Unless otherwise specified on Supplier's order acknowledgement, price and delivery terms are FOB place of shipment (Supplier's or consignee's plant or warehouse as selected by Supplier in its reasonable discretion), and such prices do not include sales, use or other taxes or transportation, freight handling charges or the like, all of which shall be paid and/or absorbed by Customer, who shall indemnify Supplier against all claims and liabilities therefor. Unless specified on Supplier's order acknowledgement as "firm", delivery dates are estimates only. Prices are subject to change with regard to an unexpected increase in production costs such as, but not limited to raw material or wages. In such cases we are entitled to adjust our prices accordingly even for orders which have already been confirmed. This shall not apply to fixed prices.

4. **Payment/Security.** Unless otherwise agreed to, payment terms are net 30 days from date of invoice. Invoices not paid within 30 days shall have a service charge added to the amount due of one and one half percent (1 ½%) per month. All payments when due shall be made in lawful money and in the currency as specified by the Supplier. Whenever Supplier in good faith deems itself insecure, Supplier may cancel any outstanding contract with Customer: revoke any extension of credit to Customer: reduce any unpaid debt by enforcing its security interest, created hereby, in all goods (and proceeds therefrom) furnished by Supplier to Customer: and take any other steps necessary or desirable to secure Supplier fully with respect to Customer's payment for goods and services furnished or to be furnished by Supplier.

5. **Inspection/Acceptance/Return.** In the absence of appropriate written notice sent to Supplier after Customer's inspection of the goods, Customer shall be conclusively deemed to have inspected and accepted the goods within 10 days after receipt. Any Deficiency in the quality or quantity of such goods must be reported within 30 days after such deficiency is or should have been discovered during the inspection period. Where the parties agree to inspection by Customer at Supplier's plant, such inspection, acceptance, and deficiency report must be made prior to delivery. Customer's claims regarding any such deficiency not discovered or discoverable during the inspection period shall be barred if not reported within the reporting period, except and to the extent that such claims are valid under Supplier's warranty. Customer may not return any goods, under warranty claim or otherwise, without first reporting to Supplier the reasons for such return and first obtaining and then observing such reasonable instructions as Supplier may give in authorizing any return.

6. **Warranty.** Supplier warrants that all new and unused goods furnished by Supplier are free from defect in workmanship and material as of the time and place of delivery by Supplier and that all services furnished by Supplier are performed properly under applicable industry standards as of the time and place of performance.

As a matter of general warranty policy, Supplier honors an original purchaser's warranty claims in the event of failure, within 12 months from the date of shipment by Supplier, of warranted goods which have been used under normal conditions and in accordance with generally accepted industry practices. The foregoing are general policies only and may be expanded or limited for particular categories of products or customers by written agreement signed, or warranty policy announcement published, by Supplier from time to time.

THE EXPRESS WARRANTIES PROVIDED ABOVE ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSES ARE EXCLUDED WITH RESPECT TO ANY AND ALL GOODS AND SERVICES FURNISHED BY SUPPLIER. THIS WARRANTY IS THE SOLE AND EXCLUSIVE REMEDY OF CUSTOMER AGAINST SUPPLIER.

In the case of Supplier's breach of warranty or any other duty with respect to the quality of any goods, the exclusive remedies therefor shall be: (1) repair, (2) replacement, or (3) payment of or credit for the purchase price (less reasonable depreciation based upon actual use) upon return of the goods. In the case of Supplier's breach of warranty or any other duty with respect to the quality of any services (including repair under warranty), the exclusive remedies therefor shall be payment or credit for Supplier's actual charge therefore or, in the absence of an actual charge, the customary or reasonable charge for such services, and, if such breach also involves impairment of Supplier's goods, the remedies available for breach of warranty with respect to the goods. Selection among the exclusive remedies described above shall in each case be at Supplier's reasonable discretion and subject to Supplier's reasonable return procedures.

7. **Force/Majeure.** Supplier and Customer assume the non-occurrence of the following contingencies which, without limitation, might render performance by Supplier impractical: ACTS OF God. Governmental actions, terrorist acts, utility interruptions, strikes, riots, fires, war, assertions by third parties of infringement claims, late or non-delivery by suppliers to Supplier, and all other contingencies beyond the reasonable control of Supplier.

8. **NO CONSEQUENTIAL DAMAGES.** UNDER NO CIRCUMSTANCES WHATSOEVER SHALL SUPPLIER AND CUSTOMER BE LIABLE TO EACH OTHER FOR ANY INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES, WHETHER FORESEEABLE OR UNFORESEEABLE AND WHETHER BASED UPON LOST GOODWILL, LOST RESALE PROFITS, LOSS OF USE OF MONEY, WORK STOPPAGE, IMPAIRMENT OF OTHER ASSETS, OR OTHERWISE AND WHETHER ARISING OUT OF BREACH OF WARRANTY, BREACH OF CONTRACT, STRICT LIABILITY IN TORT, NEGLIGENCE, MISREPRESENTATION, OR OTHERWISE, EXCEPT ONLY IN THE CASE OF PERSONAL INJURY WHERE APPLICABLE LAW REQUIRES SUCH LIABILITY.

9. **Governing Law/Limitations.** New York law shall govern all transactions to which these standard terms and conditions apply. Any legal action with respect to any such transaction must be commenced within one year and one day after the cause of action has accrued. All limitations herein on Supplier's liability and remedies for breach of any duty of Supplier to any buyer or user of Supplier's goods or services are extended to Supplier's affiliates, suppliers, distributors, and service providers, insofar as they may have any duties to any buyer or user of Supplier's goods or services, except only in the event and to the extent they may expressly and in writing waive the benefits of this provision.