



## Standard Terms and Conditions of Purchase

### 1. Validity

The present conditions of contract are valid for Zoetis Deutschland GmbH (each in the following: purchaser) a Pfizer-Group company

### 2. Conclusion of Agreement

All delivered goods and provided services are subject to the following terms and conditions. Orders must be placed in writing to be valid.

Each order shall be confirmed by the supplier in writing, indicating the binding delivery date, price, and our purchase order number, insofar there is no other agreement. With the order confirmation, any drawings or other records attached to the purchase order become an integral part of the agreement. All correspondence, invoices and shipping documents must contain the purchase order number, date and the item number.

### 3. Prices

If the purchase order does not specify a price, it is non-binding until the parties have agreed on a price. Alternatively, it becomes binding if the receiving party does not object to the price indicated in the order confirmation within 5 working days.

The confirmed prices are deemed fixed prices.

### 4. Delivery Date

The agreed delivery period shall commence on the date of order placement. As soon as the supplier is aware that he is unable to make the delivery, in whole or in part, on the agreed date – irrespective of the cause of the delay – he shall notify the purchaser immediately, specifying the reasons and the expected duration of the delay. If such notice is given without delay, the purchaser may extend the agreed delivery period, taking into account his business requirements and legal obligations. If the supplier fails to notify the purchaser immediately, he may rescind the agreement in whole or in part without granting an extension of the delivery period. In any case, partial deliveries that have been made shall not be considered independent performance of the contract.

### 5. Shipment

The place of performance is the headquarter of Zoetis Deutschland GmbH in Berlin or any other address specifically provided. Unless otherwise agreed, the risk of the good shall pass with acceptance at the place of delivery.

All shipping charges must be paid in advance where free delivery to our facilities has been agreed. The purchaser does not pay freight charges in advance.

The purchaser has taken out insurance for transportation and for all deliveries made to him, he waives the right to insurance in accordance with the German Freight Forwarders' Standard Terms and Conditions (Allgemeine Deutsche Spediteurbedingungen, ADSp).

The supplier warrants that all consignments that are subject to an obligation to identify and mark the consignments, are duly identified and marked in accordance with the valid statutory provisions. If shipment is handled by a carrier, parcel service, or postal service,



the delivery note shall be attached to the consignment. With regard to railway consignments, the delivery note shall be delivered on the date of shipment.

The information entered in the shipping documents, including, in particular, the purchase order number, shall be sufficient to allow inspection and checking on receipt. Invoices are not deemed delivery notes.

## **6. Warranty**

The purchaser is obliged to inspect the delivered goods, if and to the extent that is possible within regular business operations. He shall notify the supplier of any apparent defects at the latest within one (1) month after inspection, and latent defects at the latest within one (1) month after their discovery. To this extent, the supplier waives its defence of a delayed notice of defect.

The statutory provisions governing quality defects and defects of title shall apply, unless otherwise provided herein.

These provisions shall also expressly apply to the specified quantities to be supplied and used, including items which have been obtained from sub-suppliers by the supplier.

The supplier warrants that the delivered goods or the provided services conform with the generally accepted engineering and manufacturing standards, the [German] Law on the Protection Against Hazardous Substances (Chemicals Act), the applicable rules and regulations of environmental protection, the work safety provisions and the relevant accident prevention rules and regulations of the employers' liability insurance associations (German Berufsgenossenschaften), as applicable.

The warranty period of two (2) years commences upon the commissioning or use of the delivered goods.

The warranty period shall be extended by such period during which the defective item is unfit for use for reasons coming from the field of the supplier.

Warranty claims based on defects shall come under the statute of limitations two (2) years after the respective notice of defect, however, not prior to the expiration of the agreed warranty period.

The statute of limitations for warranty claims shall also be suspended during such period in which the supplier has not finally rejected the purchaser's claims in writing after notice of defect has been given.

If, after due notice of defect, the supplier fails to re-perform or begin to remedy the defect, the purchaser may, in urgent cases, remove the defect(s) at the supplier's expense or hire a third party to remedy the defect. Expenses incurred in remedying the defect may be offset or payment(s) may be withheld, even if the claim and liability have not arisen out of the same business transaction.

## **7. Packaging and Transportation**

Supplier shall use proper (prescribed, where applicable) packaging and sufficient identification and marking. The supplier shall select the most suitable and economic means of shipment for the performance of the agreement, unless otherwise agreed. Only



environmentally friendly, and, where possible, recyclable packaging materials shall be used.

### **8. Invoicing and Payment**

Shipment invoices showing the purchaser details, the purchase order number, and the item number of the specific item must be sent for every delivery. Invoices shall be sent by separate mail and shall not be included in the consignment. Incorrectly submitted invoices shall not be accepted and the "date of receipt" shall only be that of the subsequently correctly submitted invoice.

In case the supplier already participates at the e-invoicing through OB10, it is compulsory to charge the invoices electronically.

The purchaser reserves one's rights to involve further supplier within the e-invoicing process.

Payment periods shall commence on the date of receipt of invoice. If the ordered item or the records related to the purchase order are received after the invoice, the payment periods shall commence on such later date. Collateral expenses for which evidence in the form of force account work, time sheets, etc., must be provided will only be accepted following checking and approval. The supplier may not assign the claim to the purchase price, except with the purchaser's prior consent. Consent shall not be withheld without cause.

In case of deduction from the purchase price the purchaser reserves the right to withhold the payment(s) until agreement on such deduction has been reached.

In case of rescission the purchaser reserves the right to withhold the purchased item until the repayment of the purchase price which has already been paid.

The purchaser may also withhold payment(s), if there is no legal relationship between the obligation and the claim.

Otherwise, the purchaser reserves the right to offset his claims against the supplier's claims.

Unless otherwise agreed, the purchaser shall - at his discretion - settle invoices by bank transfer within 14 days less 3% discount or within sixty (60) days net.

Place of fulfilment for the payments of Zoetis Deutschland GmbH is Berlin.

### **9. Third Party Claims**

The supplier warrants that the supply, use or operation of the supplied goods or services does not infringe upon patents or other proprietary rights of third parties.

The supplier agrees – on first request – to indemnify and hold the purchaser harmless from and against any claims that may be asserted against the contractor by a third party due to an infringement upon such proprietary rights.

### **10. Order Documents**

The supplier shall promptly supply us, free of charge and without request, with all



drawings and other documentation, particularly those required for the installation, operation, and maintenance or repair of the supplied goods.

All information, drawings, designs, films, originals, etc., that are made available to the supplier for the performance of an agreement remain the purchaser's property, and may not be reproduced, made available to third parties, or used for any other purpose. The same applies to drawings that the supplier prepares in accordance with information the purchaser has provided.

The supplier shall consider the purchase order and any related work as company confidential and shall treat same as confidential. The supplier is liable for any damages arising from a violation of the purchaser's property and industrial property rights. Any documentation, including any copies or reproductions thereof that are made available to the supplier shall be immediately returned to the purchaser on request.

### **11. Legal Venue**

Berlin is the exclusive venue for disputes arising out of or in connection with the purchase agreement concluded with Zoetis Deutschland GmbH. The contractual relationship between the supplier and the purchasers shall be exclusively governed by German law.

### **12. General Provisions**

If any provision is held to be invalid, this shall not affect the validity of the other terms and conditions.

The purchaser reserves the right to rescind an agreement if bankruptcy proceedings or judicial or extra-judicial settlement proceedings are instituted against the other party to the contract.

Any exploitation of the business relationship existing between the supplier and the contractor requires the purchasers' written permission.

### **13. Anti-Corruption Program**

The supplier shall be required to give his assurance and to guarantee

- a) that in the performance of the contract/in the still to be provided services and shipments, he has observed the enclosed Pfizer Anti-Corruption Principles.
- b) that neither he nor his personnel, will directly or indirectly promise, offer or approve any form of advantage to a Government Official in the sense of the anti-corruption guideline, or attempt to illegally influence a Government Official and that he has not attempted to do so. If the supplier himself is a Government Official, he herewith gives his assurance that he has not accepted any such advantage and will not do so in the future.
- c) that for the duration of this Agreement, and for a reasonable period after its expiration, which shall not exceed a term of three years, employees of Zoetis and/or agents of Zoetis shall be granted access to all relevant business files, documents and records of the Contract Partner that are related to the business transactions mentioned in this Agreement during normal business hours and upon making a timely appointment.

Zoetis shall be entitled to terminate the present contract/ cooperation with immediate effect by means of a written notification to the supplier, if Zoetis suspects a breach on the



part of the supplier or his personnel of the obligation concerning his compliance with the Pfizer Anti-Corruption Principles and the supplier cannot dispel any such suspicion. Should Zoetis terminate the present contract/ cooperation in accordance with this section, the supplier shall not be entitled to claim compensation or any further remuneration, regardless of any activities or agreements with additional third parties entered into before the termination of the contract. Furthermore, the supplier shall be liable to pay compensation and the costs of any subsequent legal proceedings.

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## **PFIZER ANTI-CORRUPTION PRINCIPLES**

The Corporate Policy § 201 (Lawful and Ethical Behavior) provides that Pfizer colleagues must conduct all Pfizer business in a lawful and ethical manner, in accordance with applicable laws and regulations, as well as in full compliance with corporate policies and procedures. These specifically address anti-bribery procedures designed to support compliance with the U.S. Foreign Corrupt Practices Act of 1977 (the FCPA). The FCPA prohibits making, promising, or authorizing the making of a corrupt payment or providing anything of value to a Government Official to induce that official to make any governmental act or decision to assist a company in obtaining or retaining business. The FCPA also prohibits a company or person from using another company or individual to engage in any of the foregoing activities. As a U.S. company, Pfizer Inc. must comply with the FCPA and may be held liable for violations of the FCPA as a result of acts of third parties (hereinafter called business partners) committed anywhere in the world by someone acting on behalf of Pfizer.

Pursuant to this guideline, third parties may be external natural entities, legally competent general partnerships (German OHG), legal entities (LLC, Inc.), registered associations or all other types of corporations that perform their activities under one of the aforementioned forms of organization. Consequently, Pfizer requires all of its business partners to perform all Pfizer-related business activities in compliance with said principles.

### **Definition of "Government Officials"**

The term government official is used within the scope of Pfizer's Anti-Corruption Procedure, which aims at the aversion of bribery and corruption in reference to government officers, employees and individuals in Germany who

1. are government officials holding the position of government officers or judge pursuant to German law, civil servants who are employed in any other public law agency position or who have been otherwise appointed to carry out tasks of public administration at another entity or on behalf of such other entity regardless of the organizational structure chosen for the fulfillment of such assignments; or
2. perform public administrative tasks as healthcare partners as described in (1); or
3. who act as functionaries for or in the name of a political party or an international organization.

Government officials pursuant to §§ 331 subsequent StGB [German penal code] are not only employees of medical facilities who are employed as government officer or public law staff. Employees of facilities that are private law organizations (Hospital LLC or Inc.) may be government officials as well, if they are assigned to sovereign tasks – for instance in research or patient care. Pursuant to the statute on the prevention of international bribery, the term government officials also pertains to foreign government officials.

### **FCPA, Anti-Corruption and Anti-Bribery Principles**

Business partners are not allowed to make, promise or authorize directly or indirectly the making of any corrupt payments and they shall also not be permitted to make available to a Government Official any advantages in a manner that would constitute an act of



corruption with the objective of inducing the relevant Government Official to take any government action or make a decision that assists Zoetis to obtain or retain business. This means that business partners are prohibited from ever making a payment to a Government Official and from ever granting such an official any tangible or intangible position of advantage, regardless of the value, if such a Government Official is not legally entitled to same and if it serves as an unfair inducement to obtain approval for a Zoetis product, or reimbursement of its costs through a health insurance provider or to prescribe it, or to influence the outcome of a clinical trial or to support the business activities of Zoetis in any other unfair manner.

### **Understanding of and Compliance with Local Statutes**

In conjunction with their business activities on behalf of Zoetis, business partners shall be required to comply with all applicable laws, guidelines and provisions. Besides the provisions stipulated in the Agreement, this shall, in particular, comprise the code of the members of the association "Freiwillige Selbstkontrolle für die Arzneimittelindustrie e.V." [≈Voluntary Self-Auditing Association of the Pharmaceutical Industry] and the "Gemeinsamer Standpunkt zur strafrechtlichen Bewertung der Zusammenarbeit zwischen Industrie, medizinischer Einrichtungen und deren Mitarbeiter" [≈Joint Opinion on the Criminal Assessment of the Collaboration Between Manufacturers, Medical Facilities and Their Employees], which may be reviewed at [www.fs-arzneimittelindustrie.de](http://www.fs-arzneimittelindustrie.de).

When performing any Zoetis-related activities, business partners shall be required to take into account and comply with any and all applicable restrictions. In the event that a business partner should have any misgivings in reference to the meaning or applicability of defined limits, restrictions or disclosure obligations related to interactions with Government Officials, said business partner should discuss the matter with his or her primary contact at Zoetis before pursuing any such activities.

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