

LONG GROVE PHARMACEUTICALS - STANDARD TERMS AND CONDITIONS OF PURCHASE

1. **Applicability.** The purchase order ("Purchase Order") together with these terms and conditions, which are attached or hyperlinked from the Purchase Order or otherwise provided to Seller, collectively constitute a binding agreement (the "Agreement") between the Buyer and the Seller (as each is shown on the face of the Purchase Order), and apply to all purchases of products ("Products") and services ("Services" and together with the Products, "Ordered Items") by Buyer from Seller, as such Ordered Items may be described on the face of the Purchase Order. Forecasts, to the extent any are provided by Buyer, are strictly non-binding, do not constitute any commitment by Buyer to purchase, and may not be relied upon by Supplier. In the event of any conflict between the Agreement and any other document or instrument submitted by Seller, the Agreement will govern. Seller must reject Purchase Orders within three days of receipt or the Agreement will be deemed accepted by Seller. Buyer expressly limits acceptance of the Agreement to the terms stated herein. Any additional, different, or inconsistent terms or conditions contained in any form, acknowledgment, acceptance, or confirmation used by Seller in connection with the implementation of the Purchase Order are hereby objected to and rejected by Buyer, however such proposal does not operate as a rejection of the Agreement (unless such variances are in the terms of the description, quantity, price or delivery schedule of the Ordered Items), but will be deemed a material alteration thereof, and the Agreement shall be deemed accepted by the Seller without any additional, different or inconsistent terms. As an exception to the foregoing, any written agreement (including, without limitation, a quality agreement or a confidentiality agreement) between Buyer and Seller in effect at the time Buyer submits a Purchase Order that contains terms and conditions that are inconsistent with these terms and conditions will have priority over these terms and conditions.

2. **Shipment and Delivery; Alternate Source.**

(a) All Products must be (i) suitably packed or otherwise prepared by Seller for shipment to prevent damage, to obtain the lowest transportation and insurance rates, and to meet the carrier's requirements, and (ii) shipped in accordance with Good Distribution Practices and the instructions on the Purchase Order. Expenses incurred due to failure to comply with these terms are the responsibility of Seller. Seller's name, complete ship to address and Purchase Order number must appear on all invoices, bills of lading, packing slips, cartons and correspondence. Bills of lading must be attached to invoices submitted, showing carrier, number of cartons and weight and date of shipment. Packing slips must accompany all shipments listing contents of shipment in detail.

(b) Time is of the essence. Deliveries are to be made only in the quantities and at the times specified in the Purchase Order Unless otherwise provided in the Purchase Order, delivery terms are DAP Buyer's designated destination per INCOTERMS 2010 if shipment is international, and FOB Buyer's designated destination if shipment is domestic). Title to and all risk of loss or damage to Products remains with Seller until receipt by Buyer of conforming Products at the required destination in accordance with the applicable delivery term. If delivery is not expected to be made on time, Seller must immediately notify Buyer and take reasonable steps, at its cost, to expedite delivery. Buyer may cancel any order if delivery is not made on time or if notice is given that a delivery is expected to be late.

(c) Buyer may reject any delivery or cancel all or any part of any Purchase Order if Seller fails to make delivery in conformity with the terms and conditions of the Agreement including, without limitation, any failure of Products to conform to the specifications ("Specifications") and performance criteria published by Seller for Products. Buyer's acceptance of any non-conforming delivery shall not constitute a waiver of its right to reject future deliveries. If Seller (i) fails to supply Products, (ii) fails to supply Products meeting Specifications, or (iii) fails to meet Buyer's delivery schedules and delivery requirements, then Buyer may, in its sole discretion, purchase Products from another supplier as an alternate source as Seller, in its sole discretion, deems necessary. In such event, Seller shall reimburse Buyer for any additional costs and expenses incurred by Buyer in purchasing Products from such other supplier as an alternate source. Upon identification and notification of defective Products or nonconforming shipments, Buyer shall receive full credit either for scrap or return, which credit will include full costs paid to Seller, together with shipping, processing and related costs, if applicable. Within thirty (30) days of the shipment of the defective Product, Seller shall submit to Buyer a written explanation of the root cause and corrective actions implemented to prevent recurrence.

3. **Prices; Payment.** Prices for all Ordered Items will be as stated in the Purchase Order, and include all applicable federal, state, provincial and local

taxes; provided, however, that in no event will the price charged by Seller under the Agreement be less favorable than the lowest price charged by Seller to other customers purchasing similar or lesser quantities of the Ordered Items. Payment terms for all Ordered Items will be as stated in the Purchase Order, and if not stated on the Purchase Order shall be Net 60 days. Buyer shall be entitled to set off any amounts owing at any time from Seller to Buyer or any of its affiliated companies against any amount payable at any time by Buyer or such affiliates in connection with the Agreement. Seller shall provide its banking information and other information necessary to accommodate payment.

4. **Changes.** Any change to the Ordered Items set forth in the Purchase Order shall be approved in writing by Buyer before the Seller implements any such change. Should Seller change the Ordered Items without prior written approval from Buyer, without waiving any other rights against Seller, Buyer shall not be liable for charges related to such changes.

5. **Inspection/Testing.** Payment for the Ordered Items does not constitute acceptance thereof. Buyer has the right to inspect within ninety (90) days from the date of receipt of Ordered Items and to reject any or all Ordered Items that are in Buyer's judgment defective or nonconforming. Buyer shall provide Seller notice of rejection of any Ordered Items with respect to any latent defects within thirty (30) days of discovery. Buyer may request, at its option, prompt replacement of rejected Ordered Items or a refund of the purchase price. Ordered Items supplied in excess of the quantities specified in the Purchase Order may be returned to Seller at Seller's expense. Buyer reserves the right to use rejected materials, as it believes advisable or necessary to meet its contractual obligations to customers, without waiving any rights against Seller. Nothing contained in the Agreement relieves Seller from the obligation of testing, inspection and quality control.

6. **Confidentiality.** Any specifications, drawings, sketches, models, samples, tools, technical information, methods, processes, techniques, shop practices, plans, know-how, trade secrets, or data, written, oral or otherwise (collectively, the "Information") furnished to Seller under, or in contemplation of, the Agreement remain Buyer's property. All copies of such Information, in written, graphic or other tangible form, must be immediately returned to Buyer upon its request. The Information shall be kept strictly confidential by Seller, shall be used only in the fulfillment of Purchase Orders, or in performing Seller's obligations under the Agreement, and may be disclosed or used for other purposes only upon such terms as may be agreed upon between Buyer and Seller in writing.

7. **Proprietary Rights.** Seller hereby grants to Buyer a perpetual, transferable, sublicensable, and royalty-free license to use, sell, offer for sale, import, distribute, advertise, market and promote Ordered Items (including through packaging, repackaging, labeling, bundling and documentation) that incorporate in whole or in part the patent, copyright, trademark, trade dress or other intellectual property rights of Seller. Seller hereby assigns to Buyer, and not otherwise to make use of, any invention, improvement or discovery (whether or not patentable), conceived or reduced to practice in the performance of the Agreement by Seller or any employee of Seller or any other person working under Seller's direction, and such assignment shall be considered as additional consideration for the making of the Agreement. Upon request of Buyer or completion of performance of the Agreement, Seller shall deliver to Buyer any and all information relating to any such invention, improvement or discovery, and shall cause employees or others subject to Seller's instruction to sign as appropriate all documents necessary to enable Buyer to file applications for patents throughout the world and to obtain title thereto.

8. **Warranties.** Seller represents and warrants that: (a) all Ordered Items and Seller's performance under the Agreement will (i) conform to all applicable drawings, specifications, descriptions, and samples furnished to or supplied by the Seller, and (ii) be free from defects in design, material, and workmanship; (b) the Ordered Items (including packaging, labeling and documentation) do not infringe upon or violate any intellectual property, right of privacy or other proprietary or property right of any third party; (c) it has the right to grant Buyer a license to any software embedded or incorporated into any Ordered Items; (d) all Services will be performed in a workmanlike manner; (e) Seller has and will maintain in effect licenses, permissions, authorizations, consents and permits needed to carry out its obligations under the Purchase Order; and (f) it has complied and shall comply with all laws applicable to its performance under the Agreement. EXCEPT AS EXPRESSLY PROVIDED HEREIN, SELLER MAKES NO EXPRESS OR IMPLIED WARRANTIES UNDER THE PURCHASE ORDER AND EXCLUDES ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

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9. **No Debarment.** Seller represents, warrants, and covenants that Seller: (a) has not been debarred (under the Generic Drug Enforcement Act of 1992, 21 U.S.C. § 335 or similar laws) by any governmental authority; (b) is not subject to debarment by a governmental authority; or (c) shall not use, in any capacity, in connection with performance under this Purchase Order, any person or entity that has been debarred, or is the subject of debarment proceedings by any governmental authority. If Seller learns that a person or entity performing on its behalf under this Purchase Order has been debarred, or has become the subject of debarment proceedings, Seller shall promptly notify Buyer and shall prohibit such person or entity from performing under this Purchase Order.
10. **Compliance with Laws.** By the acceptance of this Agreement, Seller represents and warrants that the Ordered Items provided pursuant to this Agreement shall be manufactured, labeled, shipped, stored and otherwise handled in strict compliance with all applicable laws, codes, ordinances, regulations, executive orders and industry standards, including without limitation: the Federal Food, Drug and Cosmetic Act; current Good Manufacturing Practices; the Drug Quality and Security Act; the Federal Occupational Safety and Health Act of 1970; the Fair Labor Standards Act; the Foreign Corrupt Practices Act; Executive order 11246, as amended; the Consumer Product Safety Act; Executive Order 11247, as amended by Executive Order 11375; and customs laws, along with any and all regulations, amendments and standards promulgated or adopted under any of the foregoing, all of which are incorporated by reference. Seller further represents and warrants to Buyer that it shall comply and cause each of its employees, agents and representatives to comply with all such laws, codes, ordinances, regulations and orders. Seller shall promptly furnish, upon Buyer's request, all certifications required under any such laws, codes, ordinances, regulations and orders. In providing Ordered Items, Seller shall comply with all applicable federal and state laws, regulations, guidance, ethical industry standards and Buyer's policies as provided or made available to Seller.
11. **Termination.** The term of this Agreement begins upon Seller's acceptance (or deemed acceptance as set forth in Section 1) and continues until Buyer's acceptance of the Ordered Items subject to the terms that survive termination of this Agreement. Buyer may terminate the Agreement in whole or in part upon 15 days' written notice to Seller. If Seller defaults in the performance of its obligations under the Agreement and is unable to cure the default within 10 days following notice of the default, Buyer may terminate the Agreement upon written notice. Upon the termination of the Agreement, in whole or in part, by Buyer for any reason, Seller shall immediately (a) stop all work under the terminated Agreement, (b) cause any of its suppliers or subcontractors to cease work, and (c) preserve and protect work in progress and materials on hand purchased for or committed to under the Agreement in its own and in its suppliers' or subcontractors' plants pending Buyer's instructions. Buyer shall not owe Seller any lost profit or payment for any materials or Products that Seller may consume or sell to others in its ordinary course of business.
12. **Indemnity.** Seller shall defend, indemnify and hold harmless Buyer, its affiliates, officers, employees and agents against all claims, damages, liability, losses, fines, or judgments, including costs, attorney fees, and other expenses, relating to or arising out of (a) Seller's breach of the Agreement; (b) death or injuries to persons or property due to Seller's breach of the Agreement; (c) the failure of the Products or Seller's performance of the Services to comply with the requirements of the Agreement, including the timely delivery of the Products or Services, or (d) infringement of a third party's intellectual property rights by any Products (including packaging, labeling and documentation) or Services.
13. **Insurance.** Seller shall at all times maintain commercial general liability insurance, including products and completed operations liability, with limits and in the form as requested by Buyer (and in any event not less than \$1,000,000 combined single limit). This limit may be met with an excess liability policy. Additionally, Seller shall maintain workers' compensation insurance as required by law. At Buyer's request, Seller shall have Buyer added as an additional insured on the commercial general liability insurance policy and shall furnish Buyer with a certificate of insurance.
14. **Limitation of Liability.** BUYER WILL NOT BE LIABLE FOR LOST PROFITS, LOSS OF BUSINESS OR OTHER CONSEQUENTIAL, SPECIAL, INDIRECT OR PUNITIVE DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY ANY THIRD PARTY. In no event shall Buyer's aggregate liability for any loss or damage arising out of or in connection with or resulting from the Agreement exceed the price allocable to the Products or Services or unit thereof which gives rise to the claim. Buyer shall not be liable for interest charges or penalties of any description. No lawsuit may be brought against Buyer on account of any breach by Buyer unless the suit is instituted within two years of the date of the breach.
15. **Audit.** Upon reasonable notice, Seller shall provide and shall cause Seller's contractors, subcontractors and agents (collectively "Personnel") to provide to Buyer or its representatives, including its external auditors, access to any facility of Seller (and Seller's Personnel) and to data and records relating to the Ordered Items for the purposes of: (a) verifying the integrity and security of Buyer data; (b) observing Seller's performance of its obligations under this Purchase Order; and (c) enabling Buyer to comply with all applicable laws. If any such audit reveals that Seller has overcharged Buyer, Seller shall promptly reimburse Buyer for such overcharge, and in the event that any such overcharge exceeds five percent (5%) of the amount that should have been charged, Seller shall promptly reimburse Buyer for all reasonable costs and expenses incurred in the conduct of the audit.
16. **Regulatory Inspection.** To the extent applicable, Seller shall permit regulatory authorities to have access to and inspect the facilities at which any of the Services are performed and any and all data and records, or any other information, is maintained by Seller for the Services. Seller will notify Buyer immediately upon its knowledge of a regulatory authority audit or inspection related directly to this Agreement. Seller shall cooperate with the regulatory authority and allow them access to the Records, and other relevant information. Seller shall provide Buyer with any and all copies of information provided to Seller by the regulatory authority, or received by Seller from the regulatory authority related to or that may otherwise impact the Services.
17. **Governing Law.** The Agreement and all rights and duties under the Agreement are governed by, and construed in accordance with, the laws of the State of Delaware. The United Nations Convention on Contracts for the International Sale of Goods does not apply. Buyer shall have all rights and remedies granted to it by the Uniform Commercial Code, without exclusion or limitation. Buyer's rights under the Agreement are in addition to any other legal or equitable remedies it may have against Seller.
18. **Notice.** All notices to Buyer shall be sent via registered mail or nationally recognized courier service to: Long Grove Pharmaceuticals, LLC, Attn: President, 9450 W. Bryn Mawr Avenue, Suite 200, Rosemont, Illinois 60018.
19. **Publicity.** Unless otherwise required by law, Seller shall not issue any press release or other publicity materials, or make any presentation with respect to the existence of this Purchase Order or the terms and conditions hereof without Buyer's prior written consent. Seller shall not publicize or use any name, trade name, service marks, trademarks, trade dress or logos of Buyer nor identify Buyer as a customer without Buyer's prior written consent.
20. **Force Majeure.** Neither party shall be liable for any failure to perform or any delays in performance if such failure or delay is due to any causes that are beyond its reasonable control, 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 and unavailability of raw materials shall not be deemed a Force Majeure Event. In the event of a Force Majeure Event, the party prevented from or delayed in performing shall promptly give notice to the other party and the unaffected party may elect to: (a) suspend performance and extend the time for performance, or (b) cancel all or any part of the unperformed part of this Purchase Order.
21. **General.** The invalidity of any provision contained in the Agreement will not affect the validity of any other provision. Buyer's failure to insist on performance of any term or condition or to exercise any right or privilege shall not waive any such term, condition, right or privilege. The Agreement may be amended or modified only by a written instrument separately signed by Buyer or Seller. Seller shall not subcontract or assign its rights and obligations under the Agreement, in whole or in part, without Buyer's consent. The failure of Buyer to insist in any instance upon strict performance by Seller of any provision of this Purchase Order shall not be construed as a continuing waiver of such item, or waiver of any other provision of this Purchase Order or any corresponding Agreement. Seller agrees to pay all costs and expenses paid or incurred by Buyer in enforcing its rights under this Purchase Order, including, without limitation reasonable attorney's fees and costs. The provisions of Sections 1 and 4-20 survive termination of the Agreement.

Last updated: May 4, 2023.