



General Conditions of Service

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| <p>1) General</p> <p>a) Unless otherwise agreed to under the terms of a separate written agreement, all offers for services and all resulting contractual relationship(s) between Neopharm Labs Inc. or any of its agents (the "Company") and any person or entity issuing instructions to the Company (a "Client"), shall be governed by these General Conditions of Service.</p> <p>b) Subject to section 1 (a) above, these General Conditions of Service and any Quotation contain all of the provisions which the Company and the Client (the "Parties") have agreed to in relation to the services and supersede any prior written or oral agreements, representations, proposals or understandings between the Parties. The Quotation is an estimated cost provided in writing by the Company to the Client for services.</p> <p>c) Unless the Company receives prior written instructions to the contrary from Client, no other party is entitled to give instructions, particularly on the scope of the services, or the delivery of reports or certificates resulting therefrom (the "Reports").</p> <p>2) Provision of Services</p> <p>a) The Company will provide services using reasonable care and skill and in accordance with the Client's specific, complete, and unambiguous instructions (the "Instructions") as confirmed by the Company, or, in the absence of such Instructions:</p> <ul style="list-style-type: none">i) The terms of any standard order form, specification sheet, or requisition form of the Company; and /or;ii) Any relevant trade custom, usage, or practice; and/or;iii) Such methods as the Company shall consider appropriate based on the circumstances of the service being rendered, including but not limited to technical, scientific, operational, regulatory, compliance, and/or financial grounds. <p>b) The information contained in the Reports is derived from the results of inspection or testing procedures carried out with the Instructions of the Client, and/or the Company's assessment of such results on the basis of any technical standards, trade custom or practice, regulatory or compliance standards, and/or other factors which should be taken into account in the circumstances in the Company's opinion.</p> <p>c) Reports from the testing of samples contain the Company's opinion on those samples only and do not express any opinion on the lot from which the samples were drawn.</p> <p>d) The Reports issued by the Company reflect the facts recorded by it at the time of performing the services only and within the limits of the Instructions received, or, in the absence of such Instructions, as described in section 2 (a) (i) to (iii) above. The Company is under no obligation to refer to or report upon any facts or circumstances which are outside of the Instructions received.</p> <p>e) The Company may delegate the performance of all or a part of the services to an agent or subcontractor with the prior written authorization of Client.</p> <p>f) Client acknowledges and agrees that by providing the services, Company neither takes the place of the Client or any third party, nor releases them from any of their obligations, nor otherwise assumes or undertakes to discharge any duty of Client to any third party or that of any third party to Client.</p> <p>g) All samples will be retained for 30 days and then destroyed or returned to Client. Client may be billed for special handling, shipping, disposal, or storage charges.</p> <p>3) Obligations of Client</p> <p>a) The Client will ensure that sufficient information, Instructions, and documents are given in due time to enable the services to be performed. The Client shall provide with each sample a unique purchase order, reference, Quotation, or authorization with sufficient detail to allow the Company to identify each sample and relate it to a specific Quotation or purchase order and the Company shall be entitled to rely upon such Quotation or purchase order to carry out the service.</p> <p>b) The Client shall supply all required Information about each sample and/or service requirement in order to assist Company to provide an efficient service. Where Information is incomplete, the Company reserves the right to charge for any additional work required.</p> <p>c) The Client shall be bound to inform the Company in writing prior to the Company carrying out any service on a sample that is of a dangerous or unstable nature and provide instructions on the safe handling of the sample. The Client shall indemnify the Company from and against all losses suffered by the Company, including, without prejudice to the generality of the foregoing, all damage to the Company's property and all claims in respect of injury to or deaths of any of the Company's employees, subcontractors or agents or of any third party, directly or indirectly arising from or in connection with the failure of the Client to inform the Company of the dangerous or unstable nature of a sample and/or to provide adequate instruction on the safe handling of the sample.</p> <p>4) Fees and Payment</p> <p>a) Fees shall be at the Company's rates in effect (which are subject to change without notice) unless otherwise established in a Quotation, Master Service Agreement, or other written agreement. In the event that Company submits a Quotation without first receiving and reviewing applicable test protocols, any pricing submitted may be subject to change upon protocols being made available to Company. All applicable taxes shall be payable by Client.</p> <p>b) Fees shall be paid to the Company in full, in cleared funds, without any deduction, set-off or counterclaim within thirty (30) days of the date of the Company's invoice. Client shall not be entitled to retain or to defer payment of any sums on account of any dispute which it may allege against the company.</p> <p>c) In the event of any unforeseen expenses, problems, or additional work that arise in the course of performing the services, the Company shall endeavor to inform the Client and shall be entitled to charge additional fees for the time and costs to complete the services.</p> <p>d) Time of payment is of the essence. Without prejudice to section 5 below, in default of payment within the specified timelines, the Company may: suspend any services being carried out for the Client; withhold the provision of Reports; alter or withdraw credit terms; and amend terms, prices or service levels. The amount outstanding from time to time shall bear interest (both before and after any judgment) at the rate of 18% per annum from the due date for payment until payment in full is made.</p> <p>e) If the Company is unable to perform all or part of the services for any cause whatsoever outside the Company's control including failure by Client to comply with any of its obligations provided for herein, the Company shall nevertheless be entitled to payment of the amount of all non-refundable expenses incurred by the Company and a proportion of the fee equal to the proportion of the services actually carried out.</p> | <p>5) Suspension or Termination of Services</p> <p>The Company shall be entitled to immediately and without liability either suspend or terminate provision of the services at its sole discretion, without prejudice to any other right or remedy available to the Company, in the event of: failure by the Client to comply with any of its obligations hereunder, and such failure is not remedied within 10 days that notice of such failure has been notified to Client; or any suspension of payment, arrangement with creditors, bankruptcy, insolvency, receivership or actual or threatened cessation of business by Client. Upon termination of the services, any indebtedness of the Client to the Company shall become immediately due and payable.</p> <p>6) Liability, Indemnification, and Release</p> <p>a. <u>Limitation of Liability:</u></p> <ul style="list-style-type: none">i) The company is neither an insurer nor a guarantor and disclaims all liability in such capacity. Clients seeking a guarantee against loss or damage should obtain appropriate insurance.ii) The Company shall not be liable to the Client whether in contract, tort (including negligence), breach of statutory duty or otherwise for any loss of profit, loss of business, loss of market, loss of contract, damage to goodwill, loss of anticipated savings, loss of revenue, loss or damage incurred as a result of third party claims or any indirect or consequential loss howsoever caused.iii) The company shall not be liable for any delayed, partial or total non-performance of the services arising directly or indirectly from any event outside the Company's control including failure by Client to comply with any of its obligations hereunder.iv) The liability of the Company in respect of any claim for loss, damage or expense of any nature whatsoever and howsoever arising shall in no circumstances exceed the amount of the fee paid in respect of the specific portion of the service which gives rise to such claim.v) The company shall have no liability for any indirect or consequential loss including without limitation loss of profits, loss of business, loss of opportunity, loss of goodwill and cost of product recall. The Company shall further have no liability for any loss, damage or expense arising from the claims of any third party (including, without limitation, product liability claims) that may be incurred by the Client.vi) In the event of any claim, Client must give written notice to the Company within 30 days of discovery of the facts alleged to justify such claim and, in any case, the Company shall be discharged from all liability for all claims for loss, damage or expense unless suit is brought within one year from: The date of performance by the Company of the service which gives rise to the claim; or the date when the service should have been completed in the event of any alleged non-performance. <p>b. <u>Indemnification:</u> Client shall guarantee, hold harmless and indemnify the Company and its officers, directors, employees, affiliates, agents or subcontractors against all claims (actual or threatened) by any third party for loss, damage or expense of whatsoever nature including all legal expenses and related costs and howsoever arising relating to the performance, purported performance or non-performance, of any services. Without prejudice to the above, Client agrees to indemnify, keep indemnified and hold harmless the Company and its officers, directors, employees, affiliates, agents or subcontractors from and against all losses which the Client may suffer or incur arising out of:</p> <ul style="list-style-type: none">i) any breach or negligent performance or failure in performance by the Client of the terms hereunder;ii) any breach of any law by the Client or the Company in connection with the performance of the Services; oriii) any claim threatened or made against the Company by any third party arising out of the services or out of any delay in performing or failure to perform the services (even if such claim is solely or partly attributable to the fault or negligence of the Company). <p>c. <u>Release:</u> To the extent permitted by law, Client waives and releases Company and its officers, directors, employees, affiliates, agents or subcontractors from all liability, claims, demands, actions, or causes of action for any alleged loss, damage, or injury, other than a claim for compensation pursuant to section 6 (a) (iv). This release covers all claims arising in contract or tort as well as arising under any federal, provincial, or state statute that in any way arise out of, or relate to, the services or performance or alleged non-performance under any agreement between the Parties.</p> <p>7) Miscellaneous</p> <ul style="list-style-type: none">a) If any one or more provisions of these General Conditions of Service are found to be illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.b) During the course of providing the services and for a period of one year thereafter Client shall not directly or indirectly entice, encourage or make any offer to Company's employees to leave their employment with the Company.c) Use of the Company's corporate name or registered marks for advertising purposes is not permitted without the Company's prior written authorisation.d) Company undertakes research projects and activities to overcome unanticipated or unavoidable technical and other challenges that occur in the course of performing services. Company may apply to government agencies for fiscal allowances for permitted R&D activities. The experimental work performed by the Company may be referred to in an anonymous form (i.e., without Client identity or Client proprietary information) to support Company's claims for such allowances. <p>8) Governing Law, Jurisdiction and Dispute Resolution</p> <ul style="list-style-type: none">a) The relationship between the Parties hereunder shall be governed by and construed in accordance with the laws of Quebec (and the federal laws of Canada applicable therein) and the Client submits to the exclusive jurisdiction of the courts of Quebec, District of Montreal.b) The Parties hereto hereby acknowledge that they have required this document to be drawn up in the English language. Les Parties à la présente convention confirment qu'elles ont exigé que cette entente soit rédigée en langue anglaise. |
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