



G-CON STANDARD TERMS AND CONDITIONS FOR ITEMS PURCHASED BY G-CON

1. **DEFINITIONS** - "Buyer" shall mean G-CON Manufacturing, Inc. or its Affiliate(s) as are identified on the Purchase Order. "Affiliate" shall mean any company which, directly or indirectly, controls or is controlled by or is under common control with Buyer by means of ownership of more than fifty (50) percent of the voting stock or similar interest. "Seller" shall mean the vendor supplying the goods and/or services to Buyer.
2. **ACCEPTANCE** - This order expressly limits acceptance to the Terms and Conditions stated herein and upon acceptance will constitute the entire agreement between Buyer and Seller. Any acceptance containing additional or different terms will not operate as an acceptance of this offer. If and to the extent that this order incorporates a proposal or statement of work of Seller, and such incorporated document is in any way inconsistent with this order, the terms of this order shall control. Seller's shipment of goods or performance of services in response to this order shall constitute acceptance of the Terms and Conditions set forth herein, notwithstanding any additional or different terms contained in any acknowledgement form submitted by Seller.
3. If this order relates to the purchase of machines or machinery, Buyer shall have the right to purchase repair parts, accessories, and supplies for such equipment, whenever and wherever Buyer may choose to do so.
4. **CHANGE ORDERS** - Buyer has the right, by written order to the Seller, to add to, deduct from or otherwise change the goods or services. If Buyer directs any change in the goods or services that affects the price or work schedule, Seller shall submit a Change Order Request to Buyer within a reasonable amount of time detailing the breakdown of additional costs. The breakdown of any Change Order Request shall be to a level of detail approved by Buyer, for Buyer to reasonably evaluate such Change Order Request. Seller shall not suspend or delay its delivery of goods or performance of services at any time during the Change Order process. Should Seller do so, and considering that precise damages are difficult to calculate, Seller agrees to pay to Buyer, not as a penalty, but as liquidated damages, a sum sufficient to make the Buyer whole.
5. **CHARGES** - Seller shall box, crate, or package as necessary for shipment without charge unless otherwise specified on this order.
6. **MODIFICATION** - Modification, revision or amendment of this order and any proposal, invoice, acknowledgement or the contract of sale resulting from its acceptance shall be ineffective unless approved in writing by an authorized representative of Buyer. Any changes to the printed terms hereof shall not be accepted unless expressly initialed by both the Buyer and Seller.
7. **PACKAGING** - Seller shall ship any goods or equipment ordered in a manner consistent with general industry practice for shipping goods or equipment similar or equivalent to those purchased hereunder, to prevent any deterioration or damage during transit. Seller shall design and install packing and crating based on the method(s) of transportation used to ship the goods. The cost of packing and crating shall be included in the purchase price.
8. **INSPECTION** - All goods furnished pursuant to this order shall be subject to Buyer's inspection and approval, notwithstanding prior receipt and payment, and if unsatisfactory may be returned, at Buyer's option, with transportation both ways at Seller's expense. Seller

warrants that the goods will conform to and perform in accordance with the requirements set forth in the purchase order and/or specifications.

9. Specifications of the goods cannot be changed without the prior written approval of Buyer. Any representations made by Seller in any catalog, brochure, technical paper, or quote must be strictly adhered to. Statements of Work cannot be changed without the written approval of Buyer. In case of doubt concerning quality or where rejections occur, payment may be deferred without loss of discount.
10. DELIVERY - If delivery is not made within the time stated on this order, Buyer shall have the right to cancel this order or any portion thereof without liability. Deliveries are FOB destination. Time is of the essence.
11. WARRANTIES AND GUARANTEES - Seller represents and warrants to Buyer, its contractors, customers and clients:
 - a) That Buyer's use or sale of the goods under this order will not infringe any patent, trademark, copyright or other intellectual property registered anywhere in the world.
 - b) That all goods furnished pursuant to this order are free from defects and are of merchantable quality and fit for the purposes intended and are in accordance with Buyer's specifications and scope of work described in the Request for Proposal/Quote or similar documents.
 - c) In the event that Seller is providing services to Buyer, Seller guarantees that all services provided under this order will be free from defects and performed in accordance with the standard of care, skill and diligence as normally provided by a professional in said profession and utilizing personnel with requisite knowledge, training and skills to perform the services.

The above warranties shall survive the termination of this Purchase Order and extend to G-CON and its successors or assigns and are in addition to all other express warranties and warranties implied at law.

12. VALIDATION DOCUMENTATION –
 - a) For equipment normally considered to be common to the pharmaceutical industry and GMP compliant, IQ/OQ/PQ validation documentation shall be included with the goods at no additional cost to Buyer.
 - b) Seller agrees that it shall provide the following documents, as applicable, and that such shall be a condition precedent to the complete fulfillment of this PO, (a) submittals including components, (b) detailed list of subcomponents, (c) final drawings, (d) installation, operation, and maintenance instructions, (e) warranty of equipment and all components (f) calibration certificates, (g) safety data sheets and/or material test reports.
13. INDEMNIFICATION - Seller agrees to defend, indemnify and hold harmless Buyer against all claims, costs, expenses, attorneys' fees, damages and judgments occasioned by or resulting from any defect in the goods supplied by Seller and/or breach of this order and any of the warranties or guarantees set out above, provided Buyer gives Seller reasonable notice of any such action or claim against Buyer and permits Seller to enter, defend, settle or otherwise terminate such action. If this order covers performance of labor or services by Seller, Seller shall defend, indemnify and hold harmless Buyer against all claims, damages, and injuries to any person or property arising out of the performance of any acts or omissions by Seller, and or Seller's employees, agents or subcontractors in relation to the services, regardless of fault, negligence or willful misconduct of Buyer. In the event the

liability of the Seller shall arise by reason of the sole negligence of Buyer, then and only then, shall Seller not be liable under the provisions of this paragraph. Seller further agrees upon request to furnish a certificate from its insurance carrier(s) showing that it carries Worker's Compensation, Public Liability and Property Damage insurance coverage in form and amount acceptable to Buyer. See type and minimum coverages under INSURANCE REQUIREMENTS.

14. ASSIGNMENT - Seller shall not, in any manner, delegate its duty of performance or assign its rights, interests or obligations under this order without the prior written consent of Buyer.
15. FORCE MAJEURE- Buyer reserves the right to cancel this order in whole or in part at any time where such cancellation is necessitated by termination of a government contract or other government requirements, embargoes, reduced supply of raw material, act of God, acts of terrorism, acts of civil or military authorities, civil commotion, acts of public enemy, inability to secure transportation facilities, strike, fire, explosion, or any other circumstances beyond the control of Buyer.
16. TERMINATION- Buyer may terminate this order at any time upon written notice to Seller. In the event of termination by Buyer for any reason other than Seller's breach of the terms of this order, Seller shall be reimbursed for costs incurred to the date of the notice of termination, such reimbursement in no event to exceed the approved amount set forth in this order.
17. AUDITS - Upon reasonable notice, and during normal business hours, Buyer shall have the right to inspect and audit all records associated with any goods or services provided hereunder. In addition, for those goods or services related to current Good Manufacturing Practices, Buyer shall have the right to inspect all facilities and records associated with such goods or services.
18. REVOCABILITY - This is not a firm offer and Buyer reserves the right to revoke this order at any time before acceptance by Seller.
19. CONSTRUCTION - The interpretation, construction, effect and performance of this order, and any agreement of sale resulting therefrom, shall be governed by the laws of the State of Texas.
20. BUYERS PROPERTY - All documents, drawings, dies, tools, jigs, patterns, gauges, printing plates, molds paid for by Buyer are the property of Buyer and are to be delivered at the request of Buyer.
21. INVOICES/BILLS FOR SERVICES -- Invoices must be submitted to G-CON Manufacturing, Inc. to the attention of the Accounts Payable Department. Invoices will be processed for payment based on the date received in ACCOUNTS PAYABLE. The date of actual payment of any invoice will be specified on the Purchase Order. Processing of invoices shall commence on the date of receipt of a proper invoice. All invoices must be submitted in USD, unless otherwise specified in this order or a related contractual agreement. Invoices must show Seller's purchase order number, costing consistent with this order, item number(s), manufacturer's lot number, net weights and cash payment terms. Invoices improperly rendered without a purchase order number will not be processed. Invoices for Change Orders will not be processed unless the purchase order has been amended. All bills for services shall include the name of each person providing the services, the number

of hours worked by each and the rate for each person. Failure to provide such information will result in delay of payment by Buyer without penalty.

Buyer shall always be entitled to deduct any amount that is owed by Seller to Buyer under this Order or any other agreement from any outstanding fees owed by Buyer to Seller under this Order or another agreement.

22. OSHA, SECURITY AND SAFETY REQUIREMENTS - Where applicable, at a minimum, all OSHA safety requirements are to be met. In the event Seller is to perform any of the Services on Buyer's premises, Seller agrees that it shall comply with the applicable security and safety rules and regulations of the location where the Services are to be performed.
23. CONFIDENTIAL INFORMATION - shall, for the purpose of these Terms and Conditions, mean information in any form, tangible or intangible, which may be disclosed by Buyer to Seller in writing, orally or by observation, which is either nonpublic, proprietary, a trade secret, or confidential in nature. Seller agrees to hold in trust and confidence all the information obtained from Buyer or generated by Seller during its work for Buyer. Seller further agrees that it shall not disclose all or any part of such information to any third party or make use thereof (except to perform services for Buyer pursuant to the provisions of this order), or publish or present any work that in whole or in part uses Confidential Information, without the prior written consent of Buyer. Seller shall return all such information in tangible form (including all copies, extracts or derivatives thereof) to Buyer within sixty (60) days after the termination or expiration of the term of this order, or upon request by Buyer, whichever comes first. These obligations of confidentiality and nondisclosure survive the expiration and/or termination of this order.
24. NON-SOLICITATION - During the term of performance pursuant to this Agreement and for a period of one (1) year thereafter, neither party shall, directly or indirectly, without the prior written consent of the other party, solicit or induce any officer, employee or consultant of such other party that has been involved in the performance of this Agreement for employment. For any violation hereof the defaulting party agrees to pay a finder's fee equal to 100% of the applicable person's gross annual salary to the other party. Nothing in this Agreement shall be construed to establish a fiduciary relationship between the parties.
25. INSURANCE REQUIREMENTS - Commencing with the performance of any services ordered hereunder, Seller shall maintain insurance of the type and minimum coverages indicated below, with insurance carriers satisfactory to Buyer. The terms of coverage shall be evidenced by certificates of insurance to be furnished to Buyer. Such certificates shall name Buyer as an additional insured, as its interests may appear, and provide that at least thirty (30) days written notice shall be given to Buyer prior to cancellation, modification or expiration of any of the terms of coverage of any policy.

Minimum Limits

Worker's Compensation	Statutory
Employer's Liability	\$100,000
General Liability	\$1,000,000

(Including contractual (Combined Single Limit) coverage)

Automobile - any auto \$1,000,000 (Combined Single Limit)

Professional Liability (Errors and Omissions if Applicable) \$1,000,000 (per occurrence)

26. LIMITATION OF LIABILITY

IN NO EVENT SHALL BUYER BE LIABLE TO SELLER OR ANY THIRD PARTY FOR ANY INCIDENTAL, INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES ARISING OUT OF, OR IN CONNECTION WITH, THIS ORDER, WHETHER OR NOT BUYER WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

27. SALES AND USE TAX EXEMPTIONS

Exemption from Texas state sales and use tax is claimed by indicating "Y" or "N" on the face of this Purchase Order form for one of the reference codes below. The signature of Buyer constitutes a statement to that effect

1. Property and/or services used directly in Buyer's operations of Manufacturing, Processing or Research and Development.
2. Property and/or service resold in the ordinary course of Buyer's business, either in original form or as a component of other property.
3. Wrapping supplies and nonreturnable containers used to wrap property which is sold to others.
4. Specified services exempt by law.
5. Other reasons exempt by law.

27. SHIPPING INSTRUCTIONS FOR GOODS

- A. **MARKINGS:** Each container must plainly be identified by the G-CON Manufacturing Purchase Order Number
- B. **PACKING SLIPS** - Enclose packing slip itemizing contents with each shipment. When more than one lot must be supplied, show number of containers in each lot. **SHIP FROM ONE LOT ONLY** and ship materials in original containers, whenever possible.
- C. **MSDS Notice** - For any material(s) identified as hazardous to employees during use or application, a material safety data sheet(s) must be submitted prior to shipment of hazardous material(s).
- D. **BILLS OF LADING** - Show Buyer's order number, net weights and number of containers. If drugs or chemicals, also show number of containers in each lot.

28. GENERAL

- A. Materials and equipment furnished by Buyer for use by Seller in connection with this Order shall remain the property of Buyer, shall be used only in performance of this Order by Seller, shall be maintained by Seller in good condition, and shall be insured by Seller against loss, theft or damage while in Seller's custody, care and control. Upon completion of this Order, Seller shall return to Buyer or dispose of such remaining materials and equipment at Buyer's direction.
- B. This order shall be governed by and construed in accordance with the laws of the State of Texas, without regard its conflict of laws, rules and principles.
- C. The Remedies reserved herein shall be cumulative and shall be in addition to all other remedies provided in law or in equity. No waiver of a breach of any provision of this order shall constitute a waiver of any other breach of such provision.
- D. The relationship of Seller and Buyer is that of an independent contractor and nothing herein shall be construed as creating any other relationship.



- E. Seller must obtain Buyer's written approval prior to using subcontractors to perform work under this Order.
- F. Seller shall not, in any manner, delegate or assign its obligations, rights or interest under this Order without the prior written consent of Buyer. Buyer may assign its rights under this Order without the prior consent of Seller.