

## **General Terms and Conditions of Purchase (With Purchase Order issued by Alcon)**

- 1. Acceptance - Agreement.** Seller's commencement of work on the goods and/or services subject to Purchase Order or other documents as a purchase order ("Purchase Order") or shipment of such goods and/or services, whichever occurs first, shall be deemed an effective mode of acceptance of this General Terms and Conditions of Purchase ("GTP"). Any terms proposed in Seller's acceptance of Purchaser's offer which add to, vary from, or conflict with the terms herein are hereby objected to and rejected, but such proposals shall not operate as a rejection of Purchase Order, unless such variances are in the terms of the description, quantity, price or delivery schedule of the goods and/or services, but shall be deemed a material alteration thereof, and this offer shall be deemed accepted by Seller without said additional or different terms. If Purchase Order has been issued by Purchaser in response to an offer and if any of the terms herein are additional to or different from any terms of such offer, then the issuance of Purchase Order by Purchaser shall constitute an acceptance of such offer subject to the express condition that Seller assents to such additional and different terms herein and acknowledges that Purchase Order constitutes the entire agreement between Purchaser and Seller with respect to the subject matter hereof and the subject matter of such offer, and Seller shall be deemed to have assented and acknowledged unless Seller notified Purchaser to the contrary in writing within 10 days of receipt of Purchase Order and Purchaser, in writing, acknowledges its acceptance of the variance of terms. In the event Purchase Orders are sent electronically, Purchaser shall have no liability for orders erroneously placed upon Seller due to the malfunction of the electronic data processing equipment.
- 2. Delivery of Goods and Risk of Loss.** Unless otherwise stated on Purchase Order, Seller shall arrange for the delivery of goods and bear all risk of loss until the goods are delivered to location Purchaser appointed. Shipment shall be made by Seller to Purchaser in accordance with a delivery date provided by Purchaser's ordering location. Seller shall notify Purchaser promptly after the receipt of any order if it cannot comply with the schedule supplied by Purchaser. For all goods delivered, Seller must provide the name and address of the manufacturer (if Seller is not the actual manufacturer), the part number, and the manufacturing batch/lot number of the goods being purchased.

Each party will notify the other in writing of the cause of such delay within 5 days after the beginning thereof. To the extent that, and so long as the obligations of either party are affected by any such cause or event, such obligations shall be suspended provided, however, that time is of the essence of Purchase Order and should Seller fail to comply with Purchaser's delivery schedule or otherwise fail to comply with its obligations hereunder, Purchaser may terminate Purchase Order without liability.

- 3. Termination.** Purchaser reserves the immediate right to terminate Purchase Order or any part hereof for its sole convenience. In the event of such termination, Seller shall immediately stop all work hereunder, and shall immediately cause any of its suppliers or subcontractors to cease such work. Seller shall be paid a reasonable termination charge consisting of a percentage of the order price reflecting the percentage of the work satisfactorily performed prior to the notice of termination. Seller shall not be paid for any work done after receipt of the notice of termination nor for any costs incurred by Seller's suppliers or subcontractors which Seller could reasonably have avoided. Purchaser may also terminate Purchase Order or any part hereof for cause in the event of any default by the Seller, or if the Seller fails to comply with any of the terms and conditions of this GTP and Purchase Order. Late deliveries, deliveries of products which are defective or do not meet specifications or do not conform to Purchase Order, oversupplies and undersupplies of more than 5%, and/or failure to provide Purchaser, upon request, of reasonable assurances of future performance, shall all be causes allowing Purchaser to terminate Purchase Order for cause. In the event of termination for cause, Purchaser shall be liable to Seller for

goods and/or services that comply with the terms and conditions of Purchase Order and any corresponding specifications and Seller shall be liable to Purchaser for any and all damages allowed under applicable laws, including but not limited to damages and expenses incurred, including consequential damages, by reason of the default which gave rise to the termination.

4. **Payment Terms.** Invoices shall be submitted separately and may not be enclosed with the consignments of goods. Invoices shall be sent to Purchaser in a format that complies with applicable laws and that has been approved by Purchaser. Purchaser has the right to reject all invoices that do not comply with these requirements. Unless otherwise agreed by Seller and Purchaser, payment shall be made pursuant to Purchaser's standard payment term (at least 90 days) after receipt of invoice in the following scheduled payment cycle.
5. **Confidentiality.** Seller shall consider all information furnished by Purchaser to be confidential and/or proprietary and shall not disclose any such information to any other person, or use such information itself for any purpose other than performing Purchase Order or this GTP, unless Seller obtains written permission from Purchaser to do so. This paragraph shall apply to drawings, specifications, or other documents prepared by Seller for Purchaser in connection with Purchase Order. Seller shall not advertise or publish the fact that Purchaser has contracted to purchase goods and/or services from Seller, nor shall any information relating to the order be disclosed without Purchaser's written permission.
6. **Intellectual Properties Rights.** All intellectual property rights ("IPR") arising directly from or in connection with Seller's provision of goods and/or services under Purchase Order shall be the exclusive property of Purchaser, and Seller hereby assigns to Purchaser (and there is no need to pay any fees by Purchaser) all rights in and to such IPRs.
7. **Warranty.** Seller expressly warrants that:
  - a. all goods and/or services furnished under Purchase Order shall conform to all specifications and appropriate standards and will be free from defects in material or workmanship.
  - b. all goods and/or services will conform to any statements made on the containers, labels, or advertisements for such goods and/or services and that any goods will be adequately contained, packaged, marked and labeled.
  - c. all goods and/or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods and/or services of that kind are normally used. If Seller knows or has reason to know the particular purpose for which Purchaser intends to use the goods and/or services Seller warrants that such goods and/or services will be fit for such particular purpose.
  - d. all goods and/or services furnished will conform in all respects to samples.
  - e. As to manufactured goods, Seller warrants that it shall, as applicable, manufacture and perform all of its obligations hereunder consistent with the current good manufacturing practices as defined by applicable laws in each jurisdiction in which it conducts business.

These express warranties are in addition to any and all implied warranties by the Seller established by applicable laws.

These warranties shall survive inspection, test, acceptance and use. Seller agrees to replace or correct defects in any goods and/or services not conforming to the foregoing warranty promptly, without expense to Purchaser, when notified of such nonconformity by Purchaser. In the event of failure of Seller to correct defects in or replace nonconforming goods and/or services promptly, Purchaser, after reasonable notice to Seller, may make such corrections or replace such goods and/or services and charge Seller for the cost incurred by Purchaser in doing so. This remedy is in addition to any other remedies permitted to Purchaser under applicable laws, all of which are expressly preserved.

- 8. Price Warranty.** The prices or the quotations for the articles sold to Purchaser hereunder shall not be billed at a price higher than the last quoted by the Seller unless the price is stated on the face of the Purchase Order. Seller warrants that the prices for the goods or services contemplated by the Purchase Order are not less favorable than those currently extended to any other customer for the same or similar goods and services in similar quantities. Seller warrants that prices shown on Purchase Order shall be complete, and no additional charges of any type shall be added without Purchaser's express written consent. Such additional charges include, but are not limited to shipping, packaging, labeling, custom duties, taxes, storage, insurance, boxing, and crating.
- 9. Insurance.** In the event that Seller's obligations hereunder require or contemplate performance of services by Seller's employees, or persons under contract to Seller, to be done on Purchaser's property, or property of Purchaser's customer, the Seller agrees that all such work shall be done as an independent contractor and that the persons doing such work shall not be considered employees of the Purchaser. Seller shall maintain all necessary insurance coverages, with coverage limits of no less than \$2 million or as specified further by Alcon, and with Insurance carriers as deemed appropriate by Purchaser, including but not limited to, public liability (including contractual and product coverage), auto liability, Workers' Compensation Insurance, and professional liability (errors and omissions). Seller shall furnish a Certificate of Insurance to Purchaser as evidence of appropriate coverages prior to providing goods and/or services to the Purchaser, if requested.
- 10. Indemnification.** Seller shall defend, indemnify and hold harmless Purchaser and its affiliates, and their respective directors, officers, shareholders, employees, and agents (collectively, "Indemnified Parties") against all damages of any kind, claims, liabilities and/or expenses (including attorney's fees) arising out of or resulting in any way to or from any defect in the goods and/or services purchased hereunder, or from any act or omission of Seller, its agents, employees or subcontractors, including without limitation any breach of this GTP. This indemnification shall be in addition to the warranty obligations of Seller, whether or not stated herein.

In addition, Seller shall defend, indemnify and hold harmless the Indemnified Parties against all damages of any kind, claims, liabilities and/or expenses (including attorney's fees) arising out of or resulting in any way from any allegation that the goods and/or services purchased hereunder infringe or violate any patent, copyright, trade secret, trademark, or other third-party proprietary rights, provided that Seller is notified in writing of such claim and given the authority, information and assistance necessary for the defense of said allegation. If, as a result of any such claim, an injunction or exclusion order prevents Purchaser's use, sale, lease, license, or other distribution of any of the goods and/or services purchased hereunder, Seller shall, at its expense and upon Purchaser's request, use commercially reasonable efforts to (i) obtain for Purchaser and its customers the right to continue using such goods and/or services; (ii) replace or modify the infringing goods and/or services so that they become non-infringing while providing substantially the same functionality; or (iii) if the remedies in (i) and (ii) are not reasonably available, refund to Purchaser all of the fees paid by Purchaser for such infringing goods and/or services.

**11. Inspection/Testing.** Payment for the goods and/or services delivered hereunder shall not constitute acceptance thereof. Purchaser shall have the right to inspect such goods and/or services and to reject any or all of said goods and/or services which are in Purchaser's judgment defective or nonconforming. Goods and/or services rejected and goods and/or services supplied in excess of 105% of quantities called for herein may be rejected and returned to Seller at its expense and in addition to Purchaser's other rights. Purchaser may charge Seller all expenses of correcting, unpacking, examining, repacking and reshipping such goods and/or services. In the event Purchaser receives goods and/or services whose defects or nonconformity are not apparent on examination, Purchaser reserves the right to require compliance with the terms of Purchase Order and/or replacement, as well as payment of damages, including but not limited to consequential damages. Nothing contained in Purchase Order shall relieve in any way the Seller from the obligations of testing, inspection and quality control.

**12. Compliance.**

- a. Seller warrants that all goods and/or services supplied hereunder will have been produced in compliance with and Seller agrees to be bound by applicable laws and relevant government orders, decrees, rules or regulations in each jurisdiction in which it conducts business.
- b. Purchaser expects Sellers with whom we work to comply with the law and to adhere to the current version of Alcon's Third Party Code of Conduct (the "Code") found at <https://www.alcon.com/about-us/responsible-business-practice>. Seller shall: (i) familiarize itself with and comply with the requirements of the Code; (ii) provide information on request to Purchaser concerning compliance with the Code; (iii) allow Purchaser (or its nominated third party experts) adequate access for the purposes of auditing compliance with the Code; and (iv) use its best efforts to rectify identified non-compliance with the Code and report remediation progress to Purchaser on request. At Purchaser's discretion, failure to adhere to the Code shall entitle Purchaser to terminate Purchase Order without compensation.
- c. With respect to goods sold by Seller to Purchaser under Purchase Order, and in future supply transactions, Seller agrees to provide Purchaser with such information, including an appropriate certificate of origin or other relevant, existing or future, trade agreements or tariff preference programs, as will enable Purchaser to determine the country of origin under such trade agreements or tariff preference programs.
- d. In the event of an investigation resulting from a reportable product incident or recall, Seller will grant recognized regulatory agencies or ministries (e.g. FDA), and organizations designated to assess the conformity of products before being placed on the market (e.g. European Union notified bodies) with access to Seller's premises and quality system records as requested.

**13. Security Interest.** Seller hereby grants Purchaser a security interest in any goods that are the subject of Purchase Order, any work in process related thereto and all materials that are to be incorporated into such goods (collectively, the "Collateral") for which Seller has received whole or partial payment. Seller hereby appoints Purchaser or its agents as Seller's limited attorney-in-fact to execute and record all documents (including, without limitation, purchase money security interest or lien on the Collateral) reasonably necessary to perfect or maintain the perfection of Purchaser's security interest in the Collateral. Seller agrees to pay the bills of its suppliers promptly and to comply with a reasonable request for evidence of payment. Seller agrees to protect the interest of Purchaser as defined in this section by not permitting any attachments to the Collateral of liens, encumbrances or claims for labor or material

and to protect and hold Purchaser harmless from all such claims, liens and encumbrances growing out of the design, manufacture, assembly, transit and installation of the Collateral.

**14. Limitation on Purchaser's Liability-Statute of Limitations.** In no event shall Purchaser be liable for anticipated profits or for indirect, incidental or consequential damages. Purchaser's liability on any claim of any kind for any loss or damage arising out of or in connection with or resulting from Purchase Order and/or from the performance or breach thereof shall in no case exceed the purchase price allocable to the goods and/or services or unit thereof which gives rise to the claim. Purchaser shall not be liable for penalties of any description. Any action resulting from any breach on the part of Purchaser as to the goods and/or services delivered hereunder must be commenced within one year after the cause of action has accrued.

**15. Goods or Services Used in Manufacture of Purchaser's Finished Product (if applicable).** If Seller is or will be supplying Purchaser with a good (i.e., an ingredient, component, or process aid) or a service (for the purpose of this section, the "Product") to be used in the manufacture of Purchaser's product(s) ("Purchaser Finished Product"), Seller shall comply with the following terms:

- a. Purchaser has the right to perform periodic audits at the Seller's facility.
- b. In the event that Seller receives an announced or unannounced health authority inspection, Seller will notify Purchaser immediately. Upon Purchaser's request, Seller shall provide to Purchaser a copy of any report and other written communications received from such government or regulatory agency in connection with such visit or inspection. Each of the parties agrees to cooperate to the extent reasonably requested by the other in connection with any communications with the government or regulatory agency (e.g. Health Canada or other health authority).
- c. Prior to making any changes in the design, processes, methods, specifications, equipment, production systems, manufacturing site, relevant regulatory compliance status, ownership, or procedures relative to the manufacturing, packaging and/or labeling of the Product supplied to Purchaser, Seller shall provide Purchaser with reasonable prior written notice of such change to allow Purchaser to assess the impact and obtain regulatory approvals if necessary; Seller will obtain Purchaser's prior written consent before implementing such change.
- d. If Seller experiences a process shift or process excursion during the Seller manufacturing process such that there might be a potential impact to the quality of the Product supplied to Purchaser, Seller will notify Purchaser. Seller will work with Purchaser to build the appropriate corrective and preventative actions and to determine disposition of the affected Product.

Purchaser will handle, process and respond to all customer complaints related to the Purchaser Finished Product, including complaints related to the Product supplied by Seller to Purchaser, for all markets. Purchaser and Seller shall maintain complaint files regarding the Product supplied to Purchaser, including, without limitation, any Product quality complaints, for such period as may be required by applicable laws. All complaints received by Seller relating to a Product provided to Purchaser, or relating to a product that is not specifically the Product provided to Purchaser but which is identical or materially similar in some particular way to the Product furnished to Purchaser, will be promptly forwarded, in no event later than 15 days after receipt thereof, to Purchaser for appropriate and timely reporting and response in accordance with applicable laws, such as, but not limited to the Medical Devices Regulations 59, 60, 61 and 61.1, under the *Food and Drugs Act* and the Serious Adverse Drug Reaction Reporting under sections C.01.017 and C.01.018 under the Food and Drug Regulations, provided, however, Seller shall

notify Purchaser of any serious adverse reaction, patient injuries, or device malfunctions, as defined in the Food and Drug Act and regulations or other applicable regulations, pertaining to the Product, within 24 hours after receipt thereof by email to [complaints.canada@alcon.com](mailto:complaints.canada@alcon.com). Seller agrees to cooperate with Purchaser to investigate and resolve all complaints and to take remedial action to avoid similar complaints in the future. This Section shall survive the expiration or termination for whatever reason of Purchase Order or this GTP. For the detailed requirement for Complaints, please comply with Alcon Pharmacovigilance ("PV") policy (see from Alcon's website or request Alcon's employees to provide it).

- 16. Force Majeure.** Neither Purchaser nor Seller shall be liable for any failure nor delay in performance under this GTP to the extent said failures or delays are proximately caused by causes beyond that party's reasonable control and occurring without its fault or negligence. Strikes, lockouts and other labor related disputes shall not be regarded as an event beyond a party's reasonable control. The Purchaser and Seller will meet and confer in good faith to determine the best solution to limit the consequences of any force majeure event. Notwithstanding the foregoing, to the extent that either Purchaser's or Seller's performance hereunder is delayed by a force majeure event for more than one month, the other party may immediately terminate this GTP upon written notice to the party whose performance is so delayed.
- 17. Assignment and Subcontracting.** Purchaser may assign or subcontract its obligations and/or rights under this GTP. Seller may not assign or subcontract any of its rights or obligations under this GTP without the prior written consent of Purchaser. Any attempted assignment in violation of these restrictions shall be void.
- 18. Setoff.** All claims for money due or to become due from Purchaser shall be subject to deduction or setoff by the Purchaser by reason of any counterclaim arising out of this or any other transaction with Seller.
- 19. Waiver.** The failure of a party to insist upon strict adherence to any term of this GTP on any occasion shall not be considered a waiver or deprive that party of the right to insist upon strict adherence to that term or any other term of this GTP. Any waiver must be in writing and signed by the party making the waiver.
- 20. Governing Law.** This GTP is governed by and construed in accordance with the substantive and procedural laws of Ontario and the laws of Canada applicable in Ontario (without regard to conflict of law principles).
- 21. Entire Agreement.** This GTP represents the entire agreement and understanding of the Purchaser and Seller relating to the subject matter of the GTP, and supersedes all documents and verbal consents or understandings (if any) given or made between the Purchaser and Seller in relation to the subject matter hereof. Any standard terms and conditions of Seller shall only apply to the extent that they are expressly acknowledged in this GTP. The terms of this GTP (including this provision) may only be amended and modified in writing signed by both Purchaser and Seller.
- 22. Costs and Attorney's Fees.** In any action or proceeding brought to enforce any provision of this GTP or where any provision hereof is validly asserted as a defense, the successful party shall, to the extent permitted by applicable laws, be entitled to recover reasonable costs and attorneys' fees in addition to any other available remedy.
- 23. Language.** The parties hereto declare that they have required that this GTP and any documents relating thereto be drawn up in the English language. Les parties aux présentes déclarent qu'elles ont exigé que cette entente incluant ses annexes et tous les documents y afférents soient rédigés en langue anglaise.