

Revised by 2022/07/30

ARTICLE 1 : TERM

1.1 These terms and conditions shall become effective upon receipt by VENDOR and shall continue in full force and effect until modified or terminated by MSD.

ARTICLE 2 : TERMS AND CONDITIONS

2.1 ACCEPTANCE : Any Purchase Order issued by MSD under these terms and conditions shall become a binding contract when accepted by acknowledgment or commencement of performance within the acceptance time frame set forth in said Purchase Order. Any different or additional terms or conditions in any VENDOR quotation, acknowledgment, commencement, or invoice shall constitute a counteroffer and no contract shall exist unless accepted in writing by MSD. The provisions of any existing written contract between MSD and VENDOR for the same goods or services shall take precedence over any inconsistent terms or conditions contained in any Purchase Order from MSD. MSD may, from time to time, change or supplement these terms and conditions.

2.2 QUALITY : All purchases are subject to MSD's approval notwithstanding prior inspection or payment and, if not satisfactory or in accordance with specifications, may, at MSD's sole option be returned to VENDOR at VENDOR's expense for transportation both ways. VENDOR warrants that the goods sold pursuant to any MSD Purchase Order conform to all VENDOR drawings, specifications, samples and other written descriptions furnished to MSD, are new, unused and under all applicable manufacturers' warranties unless otherwise specified in the Purchase Order, are fit for the purpose(s) represented by VENDOR, and are merchantable, of highest quality and workmanship and free from defects. VENDOR shall promptly repair or replace, at no cost to MSD, any part of goods MSD finds to be defective at any time within one (1) year of acceptance. In addition to the foregoing warranties, VENDOR shall pass to MSD, any and all manufacturers' warranties.

VENDOR acknowledges and agrees that any documentation or data relevant to activities performed under any MSD Purchase Order placed pursuant to these terms and conditions will be attributable, original, accurate, legible, complete, controlled, retrievable, and safe from intentional or unintentional manipulation or loss. These items are required throughout the retention period of such data / documentation.

2.3 QUANTITY : Any goods shipped by VENDOR in excess of the quantity designated in any MSD Purchase Order or tolerance from quantity previously agreed to in writing may be returned by MSD at VENDOR's sole expense.

2.4 PRICE : The prices set forth in any MSD Purchase Order shall not be increased without MSD's prior written consent. If a price is not stated for any item in any MSD Purchase Order, VENDOR shall invoice such items at its then current list price less any applicable price discounts. If at any time during the life of any Purchase Order, VENDOR shall quote or sell, at lower net prices, similar goods or services under similar conditions and in similar quantities, such lower prices shall be substituted for the prices identified in said Purchase Order.

VENDOR shall supply notice to MSD's Procurement Group, when 80% of the maximum Purchase Order amount has been reached.

2.5 PAYMENT : MSD's normal payment terms is 60 days after receipt of a properly prepared invoice. However, where other payment terms appear on the front of any Purchase Orders, payment shall be

made in accordance with those terms and conditions.

2.6 PAYMENT DISCOUNTS : If any VENDOR invoice is subject to any payment discount, the discount period shall be calculated from the date the invoice is received by MSD's invoice Processing Department.

2.7 SHIPMENT : Shipment of all products purchased under any MSD Purchase Order shall be made in accordance with the terms and conditions appearing on the front of said Purchase Order.

2.8 DELIVERY : VENDOR shall notify MSD immediately of any situation which may delay or threaten to delay the timely performance of any MSD Purchase Order. All or any portion of any Purchase Order may, at MSD's option, be canceled without liability by MSD, if delivery is not made as or when specified in said Purchase Order or these terms and conditions.

2.9 FORCE MAJEURE : Neither party shall be liable to the other for failure to perform when and as specified in these terms and conditions or in any Purchase Order, if such failure to perform is caused by war, fire, flood, strike, labor dispute, accident, riot, act of God, act of government authority, or other contingencies beyond the control of the non-performing party, interfering with said party's ability to perform its obligation hereunder.

2.10 ASSIGNMENT : VENDOR shall not assign, in whole or in part, to any person, firm, corporation or government agency, its rights, interest or obligations under any MSD Purchase Order placed pursuant to these terms and conditions without MSD's prior written consent.

2.11 WORK ON MSD'S PREMISES : If any Purchase Order requires VENDOR's performance of labor on MSD's premises, VENDOR shall indemnify and protect MSD against all liability for injury or damages to persons or property, settlements and costs, including attorneys fee, arising out of the performance of said Purchase Order. VENDOR shall further, upon MSD's request, furnish a certificate from its insurance carrier showing that it carries Workmen's Compensation, Public Liability and Property Damage Insurance coverage in forms and amounts which MSD may require.

2.12 EXTRAS : VENDOR shall not charge MSD for insurance on shipments, or for packing, crating or drayage, unless MSD expressly agrees, in writing to such charges.

2.13 NON-EXCLUSIVITY : The parties understand and agree that neither these terms and conditions nor any MSD Purchase Order shall create rights or obligations of exclusivity inuring to the benefit of VENDOR. Nothing in these terms and conditions or in any MSD Purchase Order shall limit MSD's right to, at all times, purchase goods and services from other vendors.

2.14 INDEPENDENT CONTRACTOR : In the performance of any MSD Purchase Order placed hereunder, VENDOR shall at all time act as and be deemed an independent contractor. Nothing in these terms and conditions or in any Purchase Order placed hereunder shall be construed to render VENDOR or any of its employees, agents or officers, an employee, joint venturer, agent or partner of MSD. VENDOR is not authorized to assume or create any obligations or responsibilities, express or implied on behalf of or in the name of MSD. It is understood that the employees, methods, facilities and equipment of VENDOR shall at all times be under its exclusive direction and control.

2.15 GOVERNING LAW : These terms and conditions and any contract created by any Purchase Order placed hereunder shall be governed by the laws of the Republic of Korea.

2.16 SEVERABILITY : In the event that any provision of these terms and conditions or any MSD Purchase Order shall be found to be void or unenforceable, such findings shall not be construed to render any other provision of these terms and conditions or any MSD Purchase Order either void or unenforceable, and all other provisions shall remain in full force and effect as obligations granted to or

undertaken by either MSD or VENDOR.

2.17 ENTIRE AGREEMENT : The terms and conditions herein represent the entire agreement between MSD and VENDOR and supersede any inconsistent or additional provisions heretofore made by VENDOR. Neither these terms and conditions nor any Purchase Order placed by MSD hereunder may be altered except in a subsequent writing signed by MSD. Provisions in acknowledgments of Purchase Order or other documents prepared by VENDOR which are counteroffers by VENDOR and shall not be effective unless expressly assented to by MSD, in Purchase Orders placed by MSD during the term of these terms and conditions and VENDOR's performance of all obligations and each party's rights created by such Purchase Orders shall be governed in accordance with these terms and conditions.

2.18 HEADINGS : The headings of the provisions of these terms and conditions are inserted for convenience only and shall not constitute a part hereof.

2.19 PATENT : The VENDOR warrants that the use or sales of goods delivered hereunder will not infringe the claims of any patent. The VENDOR agrees to defend all suits and to hold MSD harmless from all damages, at its sole expenses, based upon any alleged patent infringement.

2.20 TERMINATION : MSD shall have the right to terminate any Purchase Order, in whole or in part by giving written or telegraphic notice to the VENDOR. Upon receipt of such notice, the VENDOR shall unless the notice directs otherwise, immediately discontinue the work and the placing of orders for materials, facilities and VENDORS and shall make every reasonable effort to procure cancellation of all such existing orders or contracts upon terms satisfactory to MSD. The VENDOR shall thereafter do only such work as may be necessary to preserve and protect work already in progress and to protect material, plant and equipment on such work or in transit thereof. In case of such termination, it is agreed that the VENDOR shall be entitled to pro rata compensation for the unpaid portion of the contract already performed, including material for which firm contracts have made, to which MSD shall be entitled. The foregoing shall be the sole remedy available to the VENDOR in the event of the termination.

2.21 PROPERTY : The VENDOR warrants and represents with respect to the goods purchased hereunder that it is the sole and absolute beneficial owner of such goods and such goods are free from all claims, liens, charges or encumbrances of whatsoever nature. The property in the goods, purchased hereunder is passed to MSD forthwith upon MSD's payment of the price stated herein for such goods.

2.22 PROPERTY / INTELLECTUAL PROPERTY :

Unless otherwise agreed by both parties or required by laws, all relevant articles, drawings, designs, samples, models, and/or other information, production or inventions provided by MSD or produced by SUPPLIER on MSD's commission are properties of MSD and trade secret of MSD. MSD shall have ownership of the relevant intellectual property right.

SUPPLIER shall not, without the prior written consent of MSD, reproduce, adapt, or engage in other infringing acts in respect of the item referred to in above and shall not supply the same for use by third party

2.23 CONFIDENTIALITY

VENDOR shall keep confidential and secret any and all confidential and proprietary information disclosed to it by MSD, its affiliates, and their respective employees, agents, contractors, advisors or consultants. "Confidential Information" shall include without limitation trade secrets, knowhow, proprietary information, formulae, processes, techniques and information relating to MSD's past, present and future marketing, business, financial, and research and development activities that may be disclosed, whether orally or in writing, to VENDOR by MSD and/or its parent, subsidiaries or other

affiliates, or that may be otherwise received or accessed by VENDOR in the course of performing this Purchase Order. VENDOR expressly agrees that any information it discovers or develops under this Purchase Order shall not be used or disclosed by it to any third party. VENDOR's obligations not to disclose Confidential Information to third parties and otherwise not to use Confidential Information shall survive the termination of this Purchase Order. VENDOR shall not duplicate any materials containing Confidential Information except in the direct performance of its obligations under this Purchase Order.

VENDOR shall return (or at the request of MSD, destroy) all copies of materials containing Confidential Information upon VENDOR's completion of Services under this Purchase Order or upon any earlier termination of this Purchase Order for any reason whatsoever. VENDOR acknowledges that, in the event of any breach of the provisions of this Section, MSD shall suffer damages that are not easily determinable, and shall be entitled to seek equitable relief, including without limitation an injunction or an order for specific performance, in addition to all other remedies available to MSD at law or in equity.

2.24 PROTECTION OF PERSONAL INFORMATION

If MSD outsources to VENDOR the duties of addressing personal information in connection with Purchase Orders, VENDOR will comply with following:

VENDOR shall comply with the Personal Information Protection Act and other laws and regulations regarding the protection of personal information, as well as MSD's internal rules and regulations regarding same.

VENDOR shall handle and use the personal information only for the purposes of performing this Purchase Order.

VENDOR shall not without MSD's prior written consent 're-outsource' any duties of handling or using the personal information to any other outsourcing company or to any other third party. If VENDOR has outsourced such duties pursuant to MSD's prior written consent, it shall obtain such outsourcing company's or third party's agreement to the same obligations as set forth in this Section, and upon MSD's request it shall submit to MSD documentation reflecting such agreement.

VENDOR shall ensure that its employees have access to the personal information only when necessary for performing this Purchase Order. VENDOR shall conduct appropriate training for its employees who have access to such personal information.

VENDOR shall take technical/ administrative/ physical measures in order to protect the personal information from loss, theft, leakage, falsification, or damage, as follows:

1. Establishment and execution of an internal management plan for the safe handling of personal information;
2. Appointment of a Personal Information Protection Manager;
3. Locking devices and other physical access control measures for the safe storage of personal information;
4. Regular self-inspection for personal information protection; and
5. Identification and certification measures for the confirmation of authorization to access personal information.

VENDOR shall actively cooperate with any security inspections MSD conducts during the term of this Purchase Order and whenever necessary after termination of this Purchase Order, for the purposes of personal information management/supervision, and shall submit, modify, or destroy all relevant materials when requested by the personal information subject or by MSD.

VENDOR shall indemnify and compensate MSD for any losses incurred from its breach of the Personal

Information Protection Act or any other laws and regulations regarding the protection of personal information, MSD's internal rules and regulations, and this Section, and shall face legal liability for any infringement or leakage of personal information.

2.25 MSD BUSINESS PARTNER CODE OF CONDUCT

MSD endeavors to hold itself and its VENDOR to the highest ethical and compliance standards, including basic human rights, encouraging fair and equal treatment for all persons, the provision of safe and healthy working conditions, respect for the environment, the adoption of appropriate management systems and the conduct of business in an ethical manner. Without limiting any of VENDOR's other obligations hereunder, and without conflicting with or limiting any of the warranties, obligations or other provisions expressly set forth elsewhere in these terms and conditions and this Purchase Order, VENDOR agrees that it will abide by the letter and spirit of MSD's Business Partner Code of Conduct (the "Code"), as in effect from time to time, a copy of which is available at <http://www.msd.com/about/how-we-operate/code-of-conduct/home.html>. VENDOR agrees that it will provide all documentation reasonably requested by MSD to demonstrate compliance with the Code. In the event of a conflict between the obligations in this Section and the Code, on the one hand, and any other provision in these terms and conditions, on the other hand, such other provision of these terms and conditions shall control (but only to the extent of the conflict).

MSD reserves the right, in its sole discretion, to audit VENDOR's operations, books and records to ensure compliance with the Code. MSD will provide reasonable advance notice of such an audit, and may conduct this audit on its own or using a third-party auditor of its choosing. VENDOR shall acknowledge receipt of MSD's notice as promptly as practicable after receipt of such notice and will confirm the date on which the audit will occur within 14 days after receipt of such notice. MSD or its third-party auditor may interview VENDOR's employees as part of or in connection with the audit. This audit right shall be in addition to any other audit rights granted in these terms and conditions.

In the event an audit identifies a non-conformance by VENDOR with the Code, VENDOR will promptly take corrective action to remedy the non-conformance. MSD reserves the right to approve all corrective actions. Corrective actions shall be implemented by VENDOR at VENDOR's expense. MSD will endeavor, whenever practicable, to work with VENDOR to remedy the issue and put in place a corrective action plan.

In the event VENDOR refuses to allow an audit, or fails or refuses to take corrective action, then in addition to any other remedy available to it under these terms and conditions, at law or in equity, MSD reserves the right to terminate this Purchase Order in the event VENDOR fails to cure such refusal or failure within 90 days after written notice from MSD.

2.26 SUPPLIER EXPECTATIONS

Without limiting any of VENDOR's other obligations hereunder and without limiting any of the express warranties or obligations agreed to elsewhere in these terms and conditions and this Purchase Order, MSD expects that VENDOR will abide by the letter and spirit of MSD's Supplier Performance Expectations, as in effect from time to time, a copy of which is available at <http://www.msd.com/about/how-we-operate/code-of-conduct/home.html>. In the event of a conflict between the obligations in this Section and MSD's Supplier Performance Expectations, on the one hand, and any other provision in these terms and conditions, on the other hand, such other provision of these terms and conditions shall control (but only to the extent of the conflict).