

PARAMOVE® - Sales and Supply Terms to Veterinarians and their end user Customers

These are the conditions of supply of Aqua Pharma Ltd (APL) (the "Supplier") which govern the supply of PARAMOVE® (the "Product") to Veterinarians and their end user Customers (the "Customer"). These conditions apply to the exclusion of any terms or conditions endorsed on, delivered with, or contained in the Customer's purchase conditions, order, or other documents, and these conditions shall not be varied unless otherwise agreed in writing by the Supplier. Reference to "party" means either the Customer or the Supplier (or both as the case may be).

1. Background and purpose

The Supplier (APL) is the Veterinary Medicine Wholesale Dealer's Authorisation (WDA) holder and UK exclusive distributor of the Product which is manufactured by Solvay Interlox Limited ("Solvay") who is the Marketing Authorisation (MA) holder for PARAMOVE® used for the bath treatment of sea lice on Atlantic salmon.

2. Prescription / Release for sale of PARAMOVE®

The Supplier is authorised by the Veterinary Medicines Directorate (VMD) to sell the product in batches (Single ISOs or loads of 22 IBCs) from the Supplier's designated wholesale dealing site(s) under Veterinary Prescription. The Supplier will not release product without receipt of a valid prescription, that covers the total batch amount required, from the Customer's bone fide Veterinarian operating from a registered Veterinary Practice Premises for delivery to the end user Customer's approved premises, delivery location or vessel.

Medicinal labels are attached to every IBC and placed in the document holder of every delivery ISO. It is the responsibility of the Customer to access these documents either from the delivery ISO or the delivery driver and immediately inform the Supplier if they are not readily available.

3. Order procedure

Customers are expected to advise the Supplier of any and all anticipated requirements for the Product. The Supplier will not take such forecasts as confirmed orders and therefore will not hold the Customer liable for them.

Customers shall use reasonable endeavours to provide the Supplier with adequate notice when placing a confirmed order for the Product. The Supplier will not consider an order as confirmed until a purchase order number (PON) is received. The lead time for the Product is typically two weeks from the Monday following receipt of a confirmed order, however the Supplier gives no guarantee as to the availability of the Product at any given time.

4. Availability

Product availability will be subject to all normal variables of production / supply chain capacity and Customer demand. As stock is held in the supply chain to meet sudden demand, the Supplier gives no guarantee in relation to supplying the Product with the maximum medicinal shelf life (10 months). The Supplier will consult with the Customer if the Product available has a shelf life less than 2 months prior to supply.

The Supplier does not have provisions for pooled stock for Customer call off in Lerwick. ISOs can, at Customer request, be allocated for call off for Customers in Lerwick prior to sale but Customers will at all times remain responsible for storage and handling costs associated with said allocations.

5. Pharmacovigilance for PARAMOVE®

As part of their WDA the Supplier operates Good Distribution Practice (GDP) which includes maintaining Pharmacovigilance (PhV) to the point of sale after which Pharmacovigilance is the responsibility of the Veterinarian and their end user Customer. It is also the responsibility of the Veterinarian and their end user Customer to ensure batch traceability is maintained at all times, that all treatment parameters are correctly recorded and that they have sufficient stocks of their own in-date titration reagents for verification of achieved dosages.

6. Storage of PARAMOVE®

The Customer is responsible for the safe and secure storage of the Product at all times whilst the Product is in their possession whether in IBCs or ISOs. It must not be accessed by or made available to the general public and all suspicious activity, disappearances or thefts must be reported to the appropriate authorities. The Supplier will inspect and provide reports on potential storage locations as required by the Customer with reasonable notice. The Customer must only use Supplier-approved locations to transfer Product from their delivery ISO to their vessel and they will always check that the location continues to be safe and secure to use prior to every transfer. The Customer is responsible for monitoring the medicinal shelf life of the Product in their possession and for properly disposing of any Product that surpasses its shelf life date.

7. EXW collection of PARAMOVE®, return of ISOs and disposal of packaging (IBCs)

Only ADR approved hauliers (with Hydrogen Peroxide Safety Awareness training if involved in handling) can transport and handle the Product. The Customer is responsible for returning empty ISO containers to the return chain at the Supplier-designated wholesaler dealing site with minimal delay. The Customer is responsible for immediately resealing ISOs and reporting seal numbers after every transfer. Partial transfers of delivery ISOs are discouraged and where there is no option to do otherwise the Customer must ensure this is remedied at the earliest opportunity with all consequential costs, including safe storage at transfer location, remaining with the Customer. If, through fault of the Customer, delivery/collection is delayed, the Supplier is entitled to charge additional storage costs associated with such delay. Transfer of Product to Customer vessels will only occur at loading locations pre-approved by the Supplier and subject to prior safety vetting complied with by Customer vessel skippers. The Customer shall be responsible for the safe and controlled disposal of used packaging (IBCs). Once thoroughly rinsed empty, and prior to disposal, it is the Customer's responsibility to ensure that all labelling is removed from the IBCs.

Republic of Ireland Customers will cover all costs and importation requirements in relation to the supply from APL Northern Ireland to anywhere in the Republic of Ireland and warrant unhindered return of delivery ISOs to Supplier's designated wholesaler dealing site.

8. Installations / Equipment

The Supplier will only supply the Product to Customer storage and/or systems which are deemed safe in the view of the Supplier. It is the sole responsibility of the Customer to ensure all handling equipment is in safe and working condition, and meets the requirements of any statutory or regulatory standards or policies.

9. Training & Safety

Handling of the Product is only to be carried out by Customer agents and/or employees who are trained in Hydrogen Peroxide Safety Awareness. It is the responsibility of the Customer to ensure that the appropriate Personal Protective Equipment (PPE) is used at all times when handling or using the Product. The Supplier will provide Safety Data Sheets (SDS) to Customers either before or at the time of delivery/collection or as requested. It is the sole responsibility of the Customer to ensure that they have SDS available at all locations where the Product may be stored, handled or used and that they are read and understood. The Customer is obliged to report any and all near miss or safety incidents to the Supplier.

10. Prices

The Product is supplied by batch loads at price per tonne (excluding VAT) EXW (Incoterms) Supplier's designated wholesale dealing site. ISOs are sold at nominal tonnage verified on dispatch Ex plant. The Supplier retains the right to increase the price of supply of the Product in cases where the Supplier incurs exceptional inflationary costs. The price will otherwise be subject to annual review by the Supplier.

11. Billing / Payment

The Supplier shall issue an invoice relating to the Product on delivery. Payment terms are 15 days from the date of the invoice. The Supplier reserves the right to withhold further supply in the event of non-payment.

12. Risk/Title and Product Liability

Delivery takes place when the Customer uplifts the Product EXW from the Supplier's designated wholesale dealing site. Risk in the Product transfers on delivery. Title in the Product does not transfer until the Supplier has received payment in full in respect of the Product. All warranties and conditions, whether express or implied by statute, common law or otherwise are excluded to the fullest extent permitted, and the Supplier excludes all liability in respect of the supply of the Product and any related services to the fullest extent permitted by law.

13. Returns

Return of the Product in ISOs from aborted or prematurely cancelled delivery may be acceptable but only if all seals remain intact and at the sole discretion of the Supplier. If seals are cut or otherwise removed or packaging damaged post delivery the Product cannot be returned and the Customer remains liable for costs in full.

14. Force Majeure

Neither party shall be liable if delayed in, or prevented from, performing its obligations due to an event or sequence of events beyond their reasonable control ("Force Majeure"), provided that they promptly notify the other of the Force Majeure event and its expected duration, and use reasonable endeavours to minimise the effects of that event.

15. Disputes

In the event a dispute arises between the parties, representatives from each of the parties shall endeavor to meet and try to resolve any such dispute.

In the event that a dispute cannot be resolved timeously, the Supplier and Customer irrevocably agree that the courts of Scotland shall have exclusive jurisdiction to settle any dispute or claim arising out of, or in connection with, these conditions (including non-contractual disputes or claims).

16. Duration

These terms apply as of the document revision date and remain in force until otherwise superseded or as notified by the Supplier.

Either party may terminate with immediate effect in the circumstances where: the other party fails to meet its payment obligations set out in these conditions, or where the other party commits a material breach.

Either party may also be entitled to terminate if any of the following occurs in relation to the other party: death; bankruptcy; liquidation; winding up; not being able to pay its debts as they become due; or being made the subject of (a) a petition for winding up, or (b) a resolution for voluntary winding up (otherwise than for a *bona fide* solvent reconstruction); (c) a petition for the appointment of an administrator; (d) the appointment of either or both a receiver or administrative receiver; (e) a meeting of its creditors; (f) civil recovery; or anything similar in any jurisdiction that is not Scotland.

17. General

The Customer may not assign, subcontract or encumber any right or obligation, in whole or in part, without the Supplier's prior written consent. The Customer shall comply with all laws, enactments, regulations, regulatory policies, guidelines and industry codes applicable to it and shall maintain such authorisations and other approvals, permits and authorities as are required from time to time to perform its obligations under or in connection with the supply of the Product.

Any notice from one party to the other will be sufficiently served if sent by email to the email address of the other party.