

## PROCUREMENT TERMS AND CONDITIONS INTERNATIONAL

1. **ACCEPTANCE**-Unless otherwise provided in a written agreement, these Procurement Terms and Conditions International (hereinafter "Terms and Conditions") will govern all orders relating to material or services (hereinafter "Purchase Orders") agreed and placed between Celgene International Sàrl, Route de Perreux 1, 2017 Boudry Switzerland or its Affiliates (see definition below), as applicable in each case (hereinafter referred to as "Purchaser"), and the Supplier. For the purposes of these Terms and Conditions "Affiliate" shall mean any company or other entity directly or indirectly controlling, controlled by or under common control with a party to the respective Purchase Order. For purposes of this definition of Affiliates, "control" shall mean the power to directly or indirectly, appoint a majority of the directors, or to otherwise direct or cause the direction of the management or policies of such company or entity whether through share ownership, by contract or otherwise. With respect to Purchaser, the term Affiliates shall not include Affiliates of Purchaser registered in the United States of America, Canada and Japan, unless Purchaser opts for such inclusion of such Affiliates by giving written notice to Supplier. Acceptance of a Purchase Order must be without qualification. Purchaser shall not be bound by any terms and conditions not appearing hereon and shipment of the material ordered or initiation and performance of services by Supplier shall constitute a waiver by Supplier of its terms and conditions contained in any acceptance form or any other communications.

2. **PRICE**-If no price is stated on a Purchase Order, material or services must not be furnished at a price higher than the price last paid to Supplier by Purchaser for comparable material or services without prior notice and written acceptance by Purchaser of such increased price. Supplier further represents to the best of its knowledge, information, and belief that the prices charged for items or services covered by a Purchase Order are not in excess of or less than prices permitted by any applicable law or regulation. Supplier agrees to refund any amount paid by Purchaser in excess of lawful amounts.

3. **CHANGES**-No changes in or additions to a Purchase Order or these Terms and Conditions shall be binding upon Purchaser unless approved by Purchaser in writing.

4. **PACKING**-Supplier shall be responsible for safe packing, which must conform to the requirements of carrier's tariffs. Supplier shall separately number all cases, packages etc., showing the corresponding numbers on the invoices. All itemized packing slips, bearing the Purchase Order number, must be placed in each container. No extra charge shall be made for packaging materials unless authority is expressly incorporated in a Purchase Order.

5. **INSPECTION**-Materials delivered under a Purchase Order can be subject to inspection and test by Purchaser. All or any part of the materials delivered under a Purchase Order may be held for or returned to Supplier at its expense for storage, transportation and insurance if found within a reasonable time from the date of its opening to be defective or not in accordance with the respective Purchase Order, including specifications provided therein and/or Supplier's express or implied warranties or representations. Acceptance of all or part of the goods, use thereof and/or payment therefore or failure to notify Supplier promptly shall not waive or affect Purchaser's right to cancel or return all or part of the goods, or to recover damages, or to recover upon Supplier's warranties or agreements of indemnity.

6. **SHIPPING INSTRUCTIONS**-All goods must be shipped in accordance with shipping instructions stated in the Purchase Order or otherwise specified by Purchaser and, where freight is to be paid by Purchaser, at the most advantageous rate. Freight charges shall be paid by Supplier unless Purchaser's order specifies otherwise. Purchaser shall not be responsible for any extra expense sustained by Supplier due to its failure to comply with these instructions.

7. **INVOICES AND DISCOUNTS**-Invoices shall (a) be rendered for each delivery in duplicate with a bill of lading attached; (b) postmarked on the date appearing on the invoice; (c) cover no more than one Purchase Order; (d) be rendered with Purchase Order number indicated thereon. The discount period will be calculated from the date on which Supplier will have complied with all requirements of the respective Purchase Order and Purchaser has received an invoice in good order.

8. **DELIVERY: NOTICE OF LABOR DISPUTES**-Time is and shall remain of the essence in the respective Purchase Order; and no acts of Purchaser, including without limitation, modification of a Purchase Order or acceptance of late deliveries, shall constitute waiver of this provision. Purchaser reserves the right to refuse or return, at Supplier's risk and expense, shipments made in excess of Purchaser's instructions or in advance of required schedules, or to defer payment of advanced deliveries until scheduled delivery dates. Supplier shall notify Purchaser immediately of any actual or potential labor dispute which is delaying or threatens to delay the time and performance of a Purchase Order.

9. **INTELLECTUAL PROPERTY**-Supplier agrees to save harmless those using the materials delivered under a Purchase Order from any expense and/or adverse monetary judgment from all actions at law and suits in equity arising out of any claim or suit based upon actual or alleged infringement or contributory infringement of any patent or other intellectual property right by reason of manufacture, use, importation or sale of such material, providing Supplier receives prompt notice of such claim or suit.

10. ASSIGNMENT OR ADVERTISING-Supplier shall not, without first obtaining written consent of the Purchaser, in any manner, assign or subcontract all or any part of a Purchase Order, or advertise or publish (including denial or confirmation thereof) the fact that Supplier has contracted to furnish to Purchaser the materials, or services herein ordered.

11. WARRANTY-A. Materials - In accepting a Purchase Order, Supplier warrants that the articles to be shipped herein are free from defects in materials, workmanship and fabrication and that all merchandise delivered shall be of quality, quantity, size, description and dimension specified and strictly in accordance with Purchaser's specifications, drawings and approved samples, if any, and suitable for the purpose(s) designated. B. Services - In accepting a Purchase Order, Supplier warrants that it shall perform the services hereunder in a professional and workmanlike manner and in conformity with Purchaser's specifications and all applicable laws, rules and regulations and good industry practices. These warranties shall survive acceptance and payment and shall run to Purchaser, its successors, assigns, customers, and the users of its products and shall be deemed to be exclusive.

12. INDEPENDENT CONTRACTORS-The Supplier shall perform hereunder as an independent contractor and not as an employee or agent of the Purchaser.

13. INDEMNIFICATION-A. To the extent that Supplier's agents, employees or sub-contractors enter upon premises occupied by or under the control of Purchaser or any of its customers or suppliers, in the course of the performance of a Purchase Order, the Supplier shall indemnify and save the Purchaser harmless from and against any and all damages for injury caused to persons including both Purchaser's and Supplier's employees, or property by reason of the Supplier's operations hereunder other than for such damages caused by the negligence of Purchaser, its agents, servants or employees. Further, the Supplier shall indemnify and save the Purchaser harmless from and against any and all liens upon such land and premises including, without limitations, labor performed and materials furnished attaching as a result of any act or omission by the Supplier, its agent, servants or employees. The Supplier also shall procure at its expense the prompt discharge, release or satisfaction of any and all notices of intention or other evidence of such liens or claims thereto.

B. Supplier agrees to indemnify and hold harmless Purchaser and its officers, agents, employees and subcontractors against any and all claims, suits, actions, damages, liabilities, assessments, interest charges, penalties, costs or expenses (including reasonable attorneys' fees) arising out of (i) Supplier's libel, slander or defamation, (ii) Supplier's infringement of any copyright or other intellectual property right of any kind whatsoever alleged to have been committed in any work prepared hereunder, (iii) Supplier's invasion of rights of privacy alleged to have been committed, (iv) Supplier's piracy, plagiarism or unfair competition or (v) negligence or willful misconduct or omissions on the part of Supplier, its officers, agents, employees and subcontractors. This indemnification shall not apply to works developed in accordance with Purchaser's written specifications.

C. If any materials provided by Supplier under a Purchase Order becomes the subject of a claim or in Supplier's opinion is likely to become the subject of such a claim, then Supplier may, at its option, either (a) replace or modify the material to make it non-infringing or cure any claimed misuse of another's trade secret, (b) procure for Purchaser the right to continue using the material pursuant to a Purchase Order, or (c) replace the material with that which is non-infringing or which is free of claimed misuse of another's trade secret. Any costs associated with implementing any of the above alternatives shall be borne by Supplier.

D. In no event shall either party be liable to the other for any indirect, special, incidental or consequential damages arising out of or in any way connected with a Purchase Order, the licenses granted hereby or any matter related hereto. The foregoing limitation of liability does not apply to claims for damages for which Supplier has indemnified Purchaser pursuant to Paragraph 13B, subclasses (ii), (iii) and (iv).

14. CHANGES-SPECIFICATIONS-Purchaser shall have the right by written order, without notice, to make changes from time to time in the work to be performed or the materials to be furnished by Supplier hereunder. If such changes cause an increase or decrease in the amount due under a Purchase Order or in the time required for its performance, an equitable adjustment shall be made and the Purchase Order shall be modified accordingly. Any claim for adjustment must be asserted in writing within thirty (30) days from the date the change is ordered. Nothing contained in this clause shall relieve Supplier from proceeding without delay in the performance of the Purchase Order as changed.

15. CONTINGENCIES-Neither party hereto shall be liable to the other for default or delay in delivering or accepting goods or services hereunder if, such default or delay is caused by fire, strike, riot, act of God, delay of carriers, governmental order or regulation, complete or partial shutdown of plant by reason of inability to obtain sufficient raw materials or power and/or any other similar or different contingencies beyond the reasonable control of the respective parties.

16. **DEFAULT-BANKRUPTCY-CANCELLATION**-Purchaser may cancel a Purchase Order in whole or in part at any time by written notice whenever Supplier shall default in performance or shall so fail to make progress in the work as to endanger the performance, except that the Purchase Order shall not be terminated for such default where the default is due to cause beyond the reasonable control of Supplier and without its default or negligence, in the event of any proceedings, voluntary or involuntary, in bankruptcy or solvency, by or against Supplier, or in the event of the appointment with or without the Supplier's consent of an assignee for the benefit of creditors or of a receiver, then Purchaser may, at its option, cancel the respective Purchase Order for default and hold Supplier accountable for any additional damages incurred by Purchaser.

17. **TOOLS AND MATERIALS**-In consideration of Purchaser entering into a Purchase Order, title to all designs, sketches, drawings, programs, blueprints, patterns, dies, models, molds, tools, plates, cuts, special appliances, materials and all improvements thereto, furnished to Supplier by Purchaser and/or created or developed by Supplier for Purchaser in connection with or as a result of a Purchase Order, shall be the unburdened propriety of Purchaser. They shall be recorded and identified as property of Purchaser and retained by Supplier on consignment. They shall be at Supplier's risk and shall be replaced by Supplier if lost, damaged or destroyed. They shall be maintained in good condition at Supplier's expense and kept insured by Supplier with loss payable to Purchaser. Such materials shall be used exclusively in the production for Purchaser of articles required by the respective Purchase Order and shall not be used for production or larger quantities than those specified herein, or in the production, manufacture or design of any articles for any person without prior written consent of Purchaser. Such materials shall be subject to disposition of Purchaser at any and all times. Upon demand, they shall be returned to Purchaser, including any unused materials furnished by Purchaser and all spoiled or defective materials or products which contain any secret or patented device unless Purchaser shall otherwise direct. However, nothing in this paragraph shall be construed as imposing any obligation on Purchaser to furnish any such materials to Supplier.

18. **CONFIDENTIAL RELATIONSHIP**-“Confidential Information” shall mean all information in any form, tangible or intangible, which may be disclosed, or has been disclosed by Purchaser to Supplier in writing, orally or by observation which is nonpublic, proprietary, a trade secret, or confidential in nature and all of the information obtained from Purchaser or generated by Supplier during the course of its work for Purchaser. Supplier agrees to hold in trust and confidence all Confidential Information. Supplier further agrees that it shall not disclose all or any part of such Confidential Information to any third party or make any use thereof (except to perform the services or provide the material pursuant to the provisions a Purchase Order), or publish or present any work which in whole or in part uses or includes Confidential Information, without the prior written consent of Purchaser. Supplier agrees to restrict access to all Confidential Information to only such limited group of its authorized employees, who (i) require such information in connection with the performance of services or provision of the material under a Purchase Order and (ii) have agreed in writing to be bound by the Terms and Conditions hereof as they apply to Supplier. It is understood, however, that this restriction shall not apply to information which Supplier can demonstrate by its competent written records predating disclosure under such a Purchase Order (i) was known to it prior to the relationship between Purchaser and Supplier, (ii) was lawfully revealed to Supplier by a third party which has the legal right to disclose such information, or (iii) is or becomes part of the public domain through no fault of Supplier. Supplier shall return to Purchaser or destroy all Confidential Information in tangible form (including all copies, extras or derivatives thereof in any medium) within thirty (30) days after the termination or expiration of a Purchase Order, or upon request from Purchaser, whichever comes first, except that Supplier may keep one (1) archival copy of such information in its legal files solely for the purpose of monitoring compliance under these Terms and Conditions.

19. **COMPLIANCE WITH LAWS**-The Supplier guarantees that no article shipped pursuant to a Purchase Order is or shall be adulterated or misbranded. Supplier further guarantees that no article shipped pursuant to a Purchase Order is or shall be produced in violation of any applicable laws. Supplier also agrees to hold Purchaser harmless from all liability resulting from failure of such compliance.

20. **INSURANCE**-Before commencing performance of a Purchase Order and if requested so by Purchaser, the Supplier shall furnish Purchaser with relevant certificates of insurance evidencing all insurance coverage which may reasonably be required by Purchaser hereunder and providing for at least sixty (60) days prior written notice to Purchaser of cancellation or material modification to the policies. Such certificates or policies shall be in a form and underwritten by a carrier and/or placed through a broker satisfactory to Purchaser.

Supplier shall have its Commercial General Liability Policy endorsed to name Purchaser as an additional named insured as Purchaser interest may appear. Supplier undertakes to permit no sub-contractor to enter upon or continue the performance of a Purchase Order unless such sub-contractor is and remains insured in accordance with the above requirements. Supplier shall indemnify Purchaser for any loss suffered by it for the failure of any sub-contractor to be so insured. Supplier agrees that it and all of its sub-contractors will comply with all applicable Workers' Compensation laws and that it will from time to time on the request of Purchaser furnish evidence to Purchaser that all payments required by such laws have been and are being made.

21. CANCELLATION-Purchaser shall have the right upon notice to Supplier to cancel a Purchase Order or any unfilled portion thereto without any liability other than to make payment for that portion of the Purchase Order which has been delivered and finally accepted.

22. GOVERNING LAW/DISPUTES-The contract resulting from the acceptance of a Purchase Order shall be interpreted according to the laws of the Purchaser's country where the respective Purchaser is registered. The United Nations Convention on contracts for the International Sale of Goods, concluded at Vienna on 11th of April 1980, shall not be applicable to the Purchase Order. Any dispute arising from the Purchase Order shall in first instance be submitted to the competent court where Purchaser is registered. Pending a dispute neither party shall be excused from performing any of its obligations under the Purchase Order, except for obligations directly affected by the dispute.

23. WAIVER-No waiver of any of the provisions contained in a Purchase Order shall be valid unless made in writing and executed by the parties. No charges beyond the agreed price specified in a Purchase Order will be allowed except with Purchaser's written consent. Failure of Purchaser to insist upon strict performance shall not constitute a waiver of any of the provisions of these Terms and Conditions or waiver of any other default.

24. These Terms and Conditions may be superseded only in the event of the existence of a written contract, separate from this document, between Purchaser and the Supplier.