

**TERMS & CONDITIONS**  
**Albany Molecular Research, Inc**

1. **AGREEMENT AND ACCEPTANCE:** The entire agreement (the “Agreement”) between AMRI, and the Customer consists of: (i) AMRI’s proposal for the products, materials, services, goods (collectively “Goods”), and (ii) these Terms and Conditions provided by AMRI. The Agreement shall become binding when accepted by Customer either by acknowledgment or at the time performance of the services begins. Any terms and conditions proposed by the Customer which are additional to or inconsistent with the Terms and Conditions contained in the Agreement shall be void, unless specifically agreed to by AMRI in writing, and signed by AMRI’s duly authorized representative. In the event a Master Services Agreement (the “MSA”) is in place between the parties, the MSA will govern over any Terms and Conditions.

2. **DELIVERY SCHEDULE; QUANTITIES; DELAYS IN DELIVERY:** All deliveries shall be made in accordance with the delivery schedule set out in the Agreement. AMRI shall not, however, be liable for delay due to causes beyond AMRI’s reasonable control and without its fault or negligence, provided, AMRI exercises reasonable diligence in notifying Customer of the conditions which are causing the delay.

3. **TRANSPORTATION, PACKAGING AND SHIPPING:** Transportation terms are as specified in the Agreement. AMRI herein represents that the Goods ordered by the Customer are packed in containers and bearing labels, if necessary, which conform to the regulations of the Department of Transportation in effect at the time of shipment. All Goods shall be prepared for shipment and packed to prevent damage or deterioration, secure lowest transportation rates, and comply with carrier tariffs.

4. **CONFIDENTIAL INFORMATION:** The exchange of Confidential Information shall be governed by the Confidentiality Agreement (the “CDA”) in place between the parties. If there is no CDA in place, then the following applies: The Parties anticipate that they will exchange proprietary and confidential information during the term of this Agreement. The Parties shall treat all information (whether written or oral) exchanged hereunder as confidential, and each Party shall use the same degree of care used to protect and maintain its own confidential or proprietary information from unauthorized use or disclosure. Neither Party shall use the other Party’s proprietary or confidential information for any purpose other than in performance of this Agreement. Neither Party shall disclose the other Party’s confidential or proprietary information to any third party without prior written permission from the disclosing Party. The receiving Party may disclose the other Party’s confidential or proprietary information to its employees and officers requiring access thereto solely as necessary to perform the Services, provided that each such employee and officer is bound by a written agreement to maintain the confidential or proprietary information in strict confidence and to use such information solely to perform the Services.

5. **PAYMENT:** Unless otherwise agreed upon, AMRI will invoice Customer at least monthly for Goods, with payment due thirty (30) days from the date of invoice. Payment for Goods delivered under the Agreement shall constitute an acceptance thereof.

6. **WARRANTIES/LIMITATION OF LIABILITY:** NEITHER PARTY MAKES ANY WARRANTY, EXPRESS OR IMPLIED BY STATUTE OR IN WRITING, REGARDING THE SERVICES OR THE GOODS, INCLUDING WITHOUT LIMITATION ANY WARRANTY REGARDING THEIR FITNESS FOR PURPOSE, THEIR QUALITY, THEIR MERCHANTABILITY. ANY OTHER REPRESENTATIONS OR WARRANTIES MADE BY ANY PERSON OR ENTITY, INCLUDING EMPLOYEES OR REPRESENTATIVES OF A PARTY HERETO, THAT ARE INCONSISTENT HERewith, SHALL BE DISREGARDED AND SHALL NOT BE BINDING ON SUCH PARTY. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR ITS AFFILIATES FOR LOST PROFITS OR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR INDIRECT DAMAGES ARISING FROM ANY BREACH OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ANY BREACH OF A WARRANTY CONTAINED HEREIN OR OF ANY OBLIGATION TO PERFORM SERVICES OR TO PROVIDE GOODS BY A SPECIFIED TIME. AMRI does not warrant the use or sale of the Goods delivered will not infringe the claims of any third party’s intellectual property or patent rights.

7. **CHANGES:** Customer reserves the right to make changes in the Agreement including, without limitation, changes in drawings, specifications and delivery (“Change Orders”). AMRI may agree to comply with such Change Orders. If such Change Orders result in a decrease or increase in AMRI’s cost or in the time for performance, an equitable adjustment in the price or time for performance shall be made in writing to Customer and a claim for additional compensation hereunder will be asserted in a timely manner. Prior to AMRI’s initiation of the Change Order, there shall be agreement among the parties as to the appropriate price and/or time adjustments.

8. **INSURANCE:** Prior to providing Goods and/or services under the Agreement, each party shall procure and maintain at its own expense appropriate product and commercial liability insurance with respect to the conduct and performance of the services under each Agreement as each party customarily maintains with respect to similar activities. Customer shall maintain insurance on all materials that it has or retains title to.

9. **FEDERAL, STATE AND LOCAL TAXES:** Unless otherwise indicated, the Agreement prices shall include any and all Federal, State and Local Taxes applicable to the manufacture, sale or distribution of the completed Goods and any subsidiary items incorporated therein.

10. INDEMNIFICATION: Customer warrants that any product, materials, processes, and the like furnished to AMRI under the Agreement will not infringe on any existing patent, trademark or copyright. Customer shall defend, indemnify and hold harmless AMRI, its directors, officers, agents and customers (collectively "AMRI") from and against any suit, claim or demand (i) alleging patent, trademark or copyright infringement or misappropriation of any trade secret arising out of or in connection with, the Agreement; (ii) any claim arising from Customer's or a third party's manufacture, use or sale of the Goods or any product incorporating the Goods after the Goods have been accepted by Customer; or (iii) Customer's failure to comply with all applicable laws, statutes, rules, regulations and orders of governmental, public and quasi-public authorities. AMRI may assume its own defense, or join in the defense of any action in which it is made a party, in which event the foregoing indemnity and agreement to hold AMRI harmless shall extend to all of AMRI's cost therein including attorneys' fees and litigation costs.

11. ASSIGNMENT: Customer shall not assign the Agreement, this Agreement nor any moneys due or to become due hereunder, without the prior written consent of AMRI. Any assignment or attempted assignment made without such consent of AMRI shall be void as to AMRI.

12. TERMINATION FOR CONVENIENCE: Either party may, at any time upon 30 days written notice, terminate the Agreement in whole or in part regardless of whether there is a default under this Agreement. Such written notice shall state the extent and the effective date of termination. Each party shall take all necessary steps to mitigate any losses that might incur on account of such termination. Upon such termination, Customer's obligation to AMRI shall be set forth in a final invoice and may include (a) Goods already shipped to Customer, (b) completed Goods produced pursuant to specifications unique to Customer and not yet shipped (c) the actual costs and non-cancellable costs incurred by AMRI for materials and (d) a reasonable profit on the work performed by AMRI before receipt of the termination notice. The total payments Customer is obligated to make under this Section shall not exceed the price of Goods to which termination applies. Termination by AMRI under this Section shall be without prejudice to any claims AMRI may have against Customer. The foregoing shall not apply to any termination by AMRI on account of Customer's default under any of the provisions in Section 13.

13. TERMINATION FOR DEFAULT: Each of the following events shall constitute a default by Customer for purposes of this Agreement (a) the insolvency of Customer, (b) any assignment for the benefit of creditors of Customer, (c) the voluntary or involuntary filing of a petition order or other decree in bankruptcy by or against Customer, (d) the commencement of any proceeding, under court supervision or otherwise, for liquidation of, reorganization of, or the composition, extension, arrangement or readjustment of the obligations of Customer, and (e) failure by Customer to comply with any of the provisions of the Agreement, and (g) proof that any representations by Customer were false when made.

14. WAIVER: No delay or omission in exercising any right or remedy shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights, powers, elections and remedies of the parties hereunder are cumulative and in addition to those which the parties have at law or in equity. AMRI's failure to object to any provision contained in any communication from Customer shall not be deemed an acceptance of such provision or a waiver of any provision of this Agreement.

15. COMPLIANCE WITH LAWS: Customer shall, in the performance of the Agreement, comply with all applicable laws, statutes, rules, regulations and orders of governmental, public and quasi-public authorities.

16. FORCE MAJEURE: AMRI shall not be liable for, or in connection with, any failure or delay in performance due wholly or partly to any strike, lock out or industrial disturbance at or affecting AMRI's premises, or to any contingency whatsoever beyond its control (e.g., flood, fire, etc.) which prevents or hinders AMRI from performing the services as provided for under the Agreement.

17. LEGAL EXPENSES: If any legal action is instituted by or against AMRI with respect to this Agreement or the underlying transaction, and should AMRI prevail in such legal action, Customer will indemnify AMRI for any and all legal expenses, including attorney's fees, incurred in said legal action.

18. GOVERNING LAW; ARBITRATION: This Agreement shall be governed by, interpreted and construed in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law. All disputes arising from or related to this Agreement may be submitted to arbitration in Albany, New York (or at a location agreed to by AMRI) under the rules then prevailing of the American Arbitration Association and judgment may be entered on any award in a court of competent jurisdiction. The parties acknowledge and agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement.