Standard Terms and Conditions for discovery, development and manufacturing services

These standard terms and conditions (Terms and Conditions) shall govern the provision of Services provided by Evotec International GmbH, Manfred Eigen Campus, Essener Bogen 7, 22419 Hamburg, Germany (Evotec) to its Clients.

1. Definitions
1.1 Affiliate means, with respect to any person or entity, any other person or entity, which directly or indirectly controls, is controlled by, or is under common control with, such person or entity.
1.2 Agreement means these Terms and Conditions together with (a) the Work Order, (b) the Change Order(s) to such Work Order, if applicable, and (c) if applicable, any Quality Agreement.
1.3 Applicable Law means any then-current law or statute, and any rule, regulation or guideline issued by a regulatory authority, as well as any judicial, governmental, or administrative order, judgment, decree or ruling, in each case as applicable to the subject matter and the Parties at issue, as amended from time to time, including GCP, GLP and cGMP (if applicable).
1.4 cGMP means current good Manufacturing practices and regulations applicable to the Manufacture of Product that are promulgated by any relevant regulatory authority.
1.5 Batch means a specific quantity of Product that is intended to be of uniform character and quality, within specified limits, and is produced during the same cycle of Manufacture as defined by the applicable Work Order.
1.6 Client means the party ordering the Services.
1.7 Client Materials means all compounds, materials, or other substances meeting relevant specifications controlled by the Client and provided to Evotec to perform the Services.
1.8 Confidential Information means all information, including know-how and the subject matter of any unpublished invention, or any material in tangible form that is disclosed or made available under this Agreement by or on behalf of a Party (Disclosing Party) and/or its Affiliates to the other Party (Receiving Party) and or its Affiliates and that is marked as "Confidential" at the time it is disclosed or delivered to the Receiving Party (or, if disclosed orally, is identified as confidential when disclosed) or would be readily recognized by a reasonable person to be confidential or proprietary to the Disclosing Party whether or not it was marked or identified as confidential or proprietary.
1.9 Deliverables means such items that are identified to be delivered by Evotec to Client as stipulated in the applicable Work Order, including, without limitation, any amount of Product delivered to Client hereunder. For the avoidance of doubt, where Evotec develops compounds for Client pursuant to a Work Order, such compounds shall constitute part of the Deliverables, unless such compounds are re-synthesized from Evotec’s libraries or acquired from third party suppliers.
1.10 FTE means the equivalent of a full time scientist of Evotec based on one thousand six hundred and fifty (1650) hours per year, carried out by one or, as the case may be, more scientists of Evotec, each of whom may devote a portion of his or her time to the relevant Work Order.
1.11 Good Clinical practice or GCP means the ethical and scientific quality standards for designing, conducting, recording, and reporting trials that involve the participation of human subjects as are required by Applicable Law in the relevant jurisdiction.
1.12 Good Laboratory Practice or GLP means a set of principles intended to assure the quality and integrity of non-clinical laboratory safety studies required by the Applicable Law in the relevant jurisdiction for the purpose of registering or licensing pharmaceuticals.
1.13 Intellectual Property or IP means (a) copyrights, patents, database rights and rights in trademarks, designs, know-how, trade secrets (including any patentable ideas) and Confidential Information (whether registered or unregistered), (b) applications for registration, and the right to apply for registration, for any of these rights, including renewals, continuations, continuation in part, reissues, and extensions, and (e) all other intellectual property rights and equivalent or similar forms of protection existing anywhere in the world.
1.14 Manufacture and Manufacturing means any steps, processes and activities necessary to produce Product, including the Manufacturing, processing, packaging, labelling, quality control testing, stability testing, release, storage or supply of Product.
1.15 Party or Parties means Client and Evotec individually or collectively, depending on whether used in the singular or plural.
1.16 Purchase Order means Client’s written order for the provision of certain Services as issued to Evotec (including email or fax).
1.17 Product means any API, drug substance or drug product comprised of API/drug substance as specified in the Work Order, including, if applicable, bulk packaging and/or labelling.
1.18 Quality Agreement means a documented GMP agreement or quality agreement between the Parties that defines the quality roles and responsibilities between Client and Evotec and standard criteria to be applied to the performance of the Services.
1.19 Quotation means Evotec’s written (including email or fax) quotation for Services sent by Evotec to the Client.
1.20 Services means such discovery, research, preclinical, development, Manufacturing and other related services as set forth in the Work Order.
1.21 Specifications means the specifications, technical data, formulae, list of tests, references to analytical procedures and appropriate acceptance criteria of the Product to be Manufactured, agreed upon in writing between the Parties and set forth in the respective Work Order.
1.22 Work Order means a document containing the description of the Services to be performed by Evotec and duly signed by both Parties’ authorized representatives.

2. Conclusion of an Agreement
2.1 A binding Agreement between Evotec and the Client for the provision of the Services shall only arise as and when a Work Order has been issued. No other conditions shall apply to the Agreement, including, without limitation, the Client’s own terms and conditions. For the avoidance of doubt, the absence of signatures on behalf of the Client and/or Evotec on the Quotation/Purchase Order or any Work Order shall not affect the validity of an Agreement formed by email in accordance with this Section 2.
2.2 These Terms and Conditions will take precedence over any conflicting terms and conditions set forth in a Work Order or a Change Order as the case may be, to which they are attached or any other document, including any Client Purchase Order, save that a Quality Agreement, shall take precedence in relation to quality issues. For the avoidance of doubt, no printed standard terms that may appear on any document provided by Client to Evotec shall have any effect unless expressly agreed in writing by authorised representatives of both Parties.
2.3 If required by Applicable Law, the Parties will agree on a Quality Agreement.

3. Performance of Services by Evotec
3.1 Evotec will, using commercially reasonable efforts, provide the Services (a) with reasonable skill and care, (b) in accordance with current scientific and technical standards, (c) in compliance with all Applicable Law to the conduct of the Services, (d) pursuant to its standard operating procedures, and (e) if defined in any Work Order, in accordance with applicable cGMP standards.
3.2 Client acknowledges and agrees that (a) the Services are experimental in nature and subject to risk factors and events beyond Evotec’s reasonable control, (b) Deliverables are target objectives and that a successful development and/or Manufacturing of the Deliverables cannot be guaranteed, and (c) the work to be conducted hereunder cannot be put into a binding time schedule or quantity requirement. Any time schedule or quantity requirement...
within a Work Order shall not be binding and any failure to meet the defined Deliverables shall not be deemed a material breach by Evotec of its obligations. In the event of such failure, Evotec shall have no liability for the API or any other Client’s Materials used in the development and/or Manufacturing of the Deliverables nor for the replacement cost of the same.

3.3 Evotec is entitled to subcontract any Services to any third party, including its Affiliates.

4. Manufacturing, Forecasts and Scheduling. If applicable, Evotec will Manufacture Product(s) to meet the Specifications, provided that the Product has previously been successfully Manufactured at suitable scale to Specification by Evotec after appropriate development and validation of the process and a pre agreed number of Batches using the Manufacturing process as set forth in the Work Order. Notwithstanding the foregoing, Evotec will not be obliged to do so in respect of a Batch where (a) the Specifications are still subject to final agreement between the Parties or have been agreed less than two (2) months prior to initiation of the Services; or (b) there has been a change to the Manufacturing process and/or a change to the scale of Manufacture and following that change, Product has not been Manufactured by Evotec to Specification pursuant to that new Manufacturing process and/or scale; or (c) Evotec has been unable to previously Manufacture Product to meet the Specifications according to the current Manufacturing process and scale for that Batch and that inability is not due to Evotec’s negligence or breach of Section 3.1.

5. Changes and Deviations

5.1 Any material change to a Work Order, including without limitations to the Manufacturing process, the Specifications and/or changes to the scope of Services and/or to the assumptions or requirements that arise during the performance of the Services shall be agreed in writing between the Parties (Change Order). In an emergency, Evotec shall be entitled to deviate from the Work Order without Client’s consent.

5.2 If any regulatory authority instruction requires a change to the Agreement, the Parties shall work together in good faith to agree on a revised Work Order. If the Parties cannot come to an agreement on a new Work Order within ninety (90) days of the effective date of a suggestion or mandate by the regulatory authority according to this Section 5.2, either Party shall have the right to terminate the affected Work Order. During such period, Evotec may postpone any delivery dates accordingly.

6. Retention of records. Evotec may retain any materials, records or data that Evotec determines may be needed to satisfy any regulatory requirements and Applicable Law.

7. Delivery. Delivery of all Deliverables will be made EXW Evotec’s facilities (as such term is defined by Incoterms 2020). Evotec will select the carrier and ship freight prepaid, with the costs thereof charged to Client.

8. Testing and Acceptance Process

8.1 Evotec will Manufacture the Product in accordance with the Manufacturing process approved by Client, and in accordance with cGMP (if applicable). Evotec will sample and test each Batch against the Specifications. If a Batch conforms to the Specifications and was Manufactured according to cGMP (if applicable) and the Manufacturing process, Evotec will issue a certificate of compliance and provide it to Client (electronically), together with a certificate of analysis, the Specifications, and a copy of the Batch records for each Batch.

8.2 During the period commencing on Client’s (or its designated recipient’s) receipt of each delivered Batch and until the later of (a) the date thirty (30) days following the date of Client’s (or its designated recipient’s) receipt of such Batch, or (b) the date fifteen (15) days following Client’s receipt of the applicable released executed Batch records and related documentation, Client shall have the right to test such Batch to determine whether such Batch conforms to cGMP (if applicable), the Specifications, and the Manufacturing process (collectively the Product Requirements).

8.3 In case of any disagreement between the Parties as to whether a Batch conforms to the Product Requirements, the Parties will attempt in good faith to resolve any such disagreement. If the Parties cannot resolve the disagreement within thirty (30) days, a representative sample of such Batch and/or relevant documentation will be submitted to a mutually agreed independent testing laboratory or an independent cGMP consultant of recognized standing in the industry, for final and binding determination (absent manifest error) of whether such Batch conforms with such Product Requirements. The fees and expenses of the laboratory and/or independent cGMP consultant shall be paid by the Party against whom the determination is made.

8.4 If Evotec agrees with Client’s conclusion that a certain Batch does not conform to the Product Requirements, or pursuant to Section 8.3 the laboratory or independent cGMP consultant determines with admissible evidence that the Batch does not conform to the Product Requirements due to negligence, breach of the Agreement or wilful misconduct by Evotec, then (a) Client shall not have accepted such non-conforming Batch; (b) if applicable, Evotec shall bear the costs associated with retaining the laboratory and pay all of Client’s costs and expenses reasonably and actually incurred as a result of or in connection with enabling or assisting such laboratory or independent cGMP consultant in making such determination; and (c) Evotec will, at Client’s sole option (i) refund the fees and expenses paid by Client for such non-conforming Batch; or (ii) Manufacture a new Batch as soon as reasonably possible; or (iii) at Evotec’s cost and expense, rework or reprocess the Product, so that the Batch can be deemed to have been Manufactured in compliance with the Product Requirements.

8.5 Client shall be responsible for the disposal and/or destruction of any non-conforming Product.

9. Audits. Evotec will permit Client or its representatives (unless such representatives are competitors of Evotec) to audit the Evotec facilities where the Services are performed upon reasonable advance written notice of at least twenty (20) business days and during regular business hours, once every two (2) calendar years and for a maximum of two (2) days and with no more than two (2) auditors at no cost. Client will reimburse Evotec for its time and expenses associated with any additional audit during such two-year period, unless such audit is for cause.

10. Fees and Payment

10.1 Client shall pay to Evotec the applicable fees and expenses, including without limitation any cancellation fee for cancelled or postponed Services, set out in the Work Order on an FTE or non-FTE basis, as well as any sales, use, gross receipts, excise, compensating, withholding or other taxes (including VAT), licenses, duties, charges or fees (excluding Evotec’s net income and franchise taxes), required to be paid by Evotec in respect of fees for Services. All invoices and all payments shall be made in EUR.

10.2 In addition, Client shall reimburse Evotec any reasonable out-of-pocket expenses, any costs which could not have reasonably been expected, as well as any additional efforts or work and changes in Evotec’s responsibilities and obligations.

10.3 Payments are due and payable within thirty (30) days net from the date of the invoice and shall be made by electronic bank transfer to the account noted on the invoice.

10.4 If any portion of an invoice is disputed in good faith by Client, Client shall pay the undisputed amounts and the Parties will use good faith efforts to reconcile the disputed amount.

10.5 Evotec is entitled to charge default interest in the amount equivalent to four percent (4%) per month (or, if lower, the maximum amount allowed by Applicable Law) for any undisputed payment owing and not received by Evotec when due.

10.6 If Client fails to pay any undisputed invoice when due, in addition to its other rights under the Agreement, Evotec may cease all activities hereunder and withhold all data, information, reports
and material of any kind (including Client Materials and Deliverables) until all outstanding and undisputed invoices have been paid in full.

10.7 All sums payable under the Agreement shall be paid in full without any deductions except as required by applicable law to deduct withholding tax from sums payable to Evotec. If Client is required by law to deduct withholding tax, then Client and Evotec shall co-operate in all respects and take all reasonable steps necessary to (a) lawfully avoid the making of any such deduction or (b) to enable Evotec to obtain a tax credit in respect of the amount withheld.

11. Obligations of Client and Client Material

11.1 Client shall provide Evotec with all necessary and reasonable support and information relating to the performance of the Services, including, as specified in the applicable Work Order, with Client Materials and necessary data regarding the identity, strength, value, purity, stability and composition or other characteristics of the Client Materials, and proper storage and safe handling requirements. In such case, Client shall define the value of its Client Materials held at Evotec's premises in the relevant Work Order.

11.2 Client hereby represents that (a) it has the right to transfer, or have transferred, the Client Materials to Evotec for the purposes of performing the Services and (b) Client Materials will be provided in compliance with all Applicable Law, and in case of personal data in an anonymized format. To the extent that Evotec collects, processes or uses personal data on behalf of the Client when rendering the Services or performing its obligations under this Agreement (“Processing” as defined in Article 4 (2) EU General Data Protection Regulation (GDPR)), according to Article 28 of the GDPR or any other applicable data protection law, the Parties shall enter into an additional contractual agreement which is required by such applicable data protection law. Evotec shall use Client Materials solely for the purpose of carrying out its obligations under the Agreement. In no event shall Evotec be liable for any loss or damage to Client Materials to the extent such loss or damage is not resulting from any acts or omissions under Evotec’s reasonable control. Unless otherwise agreed or directed by Client in writing, Evotec shall retain all unused Client Materials for a period of three (3) months after the termination of the Work Order. Upon the expiration of such retention period, Evotec shall return or appropriately discard or destroy all such unused Client Materials as directed by Client.

11.3 Client's use and disposal of any Deliverables or any other information or material disclosed, delivered or provided by Evotec to Client shall be in compliance with all Applicable Law.

11.4 Evotec will not be liable to Client nor be deemed to have breached the Agreement for errors, delays or other consequences arising from Client's failure to provide the Client Materials, any necessary documents or information as agreed and/or in a timely manner, nor will Evotec be liable to Client if Client fails to otherwise reasonably cooperate in order to enable Evotec to perform its obligations. Any such failure by Client will automatically extend any timelines affected by a time period that reasonably takes into account such failure in providing Client Materials, documents, information or cooperation.

11.5 If Client delays or suspends a project under the Work Order, Client will be responsible for all reasonable costs and expenses that Evotec is not able to mitigate.

12. Intellectual Property

12.1 Nothing in the Agreement shall affect the ownership of either Party's IP conceived, first reduced to practice or rightfully acquired by a Party prior to the effective date of this Agreement or outside of the Parties' collaboration hereunder (Background IP) or imply any license to a Party's Background IP unless granted expressly. Client hereby grants to Evotec a royalty-free, non-exclusive license to use any of its Background IP for the performance of Services under the Agreement. Client shall promptly inform Evotec in writing about any restriction to its Background IP relevant to Evotec's performance of the Services.

12.2 Subject to Section 12.3, as between Evotec and Client, all right, title and interest in all Deliverables shall be owned by Client. To the extent any rights in the Deliverables cannot be assigned to Client by Evotec based on Applicable Law, Evotec shall grant to Client a free-of-charge, perpetual, irrevocable, worldwide, royalty-free, exclusive, transferable license with the right to sublicense through multiple tiers to practice such non-assignable rights in any manner for any purpose.

12.3 All right, title and interest in any invention, discovery, composition, enhancement, technology, data or information (whether or not patentable) (Invention) which constitutes an improvement or enhancement to Evotec's Background IP, but not limited to, assay technology, the Evotec libraries, software, algorithms, databases, screening technology, structural biology technology, and chemical technology (Evotec Improvement), together with all patent rights and other IP therein, and irrespective of whose Party's employees or contractors have made the Invention, as well as any and all IP relating to generally applicable technology, methodology or processes essentially developed by Evotec, shall be owned by Evotec. Client hereby sells, assigns and transfers to Evotec all of Client's right, title and interest therein and thereto. Evotec will not in any way seek to rely on any Evotec Improvement which it may have to prevent Client from exercising any right or using the Deliverables owned by the Client under this Section 12. Client hereby expressly agrees that Evotec and its Affiliates may use data generated during the Services in a blinded format for Evotec’s and its Affiliates’ technology development.

12.4 Each Party shall cause all employees and other persons acting on its behalf in performing its obligations under the Agreement to be obligated under a binding written agreement, or otherwise according to law, to assign to it, or as it shall direct, all Inventions made or conceived by such employees or other persons.

12.5 Each Party shall have the right to control the preparation, filing, prosecution, maintenance and enforcement of all patent applications and patents relating to any Inventions owned by such Party pursuant to Sections 12.2 and 12.3 above.

12.6 Except as provided in the Agreement, no express or implied licenses or other rights are provided by either Party to the other under any proprietary rights of a Party.

12.7 Nothing contained in the Agreement shall restrict, hinder or prohibit the right of either Party to use any know-how, data or information of the other Party which is freely available and in the public domain.

13. Confidentiality

13.1 The Receiving Party shall (i) protect Confidential Information from unauthorized use or disclosure and (ii) use it solely for the purposes of administering its obligations under the Agreement.

13.2 Neither Party shall, without the other Party's prior written consent, use the Confidential Information of the other Party or disclose such information except (i) to provide to employees of the Receiving Party or its Affiliates who require such information to perform such Party's obligations under the Agreement, or (ii) as required to be disclosed by law, or court or administrative order; provided that the Receiving Party gives prompt written notice thereof to the Disclosing Party.

13.3 The above confidentiality obligations shall not apply to information which, as can be established by the Receiving Party, (a) was communicated to the Receiving Party from a third party entitled to make such a disclosure; or (b) was already in the public domain or subsequently entered the public domain through no fault of the Receiving Party; or (c) was already known by the Receiving Party or developed independently by the Receiving Party without reference to or reliance upon information provided by the Disclosing Party; or (d) is to be disclosed pursuant to any legal,
regulatory or stock exchange requirement (but only to the extent such information needs to be disclosed).

13.4 The above confidentiality obligations shall survive any expiration or termination of the Agreement and shall continue for a period of five (5) years from the date of expiration or termination of the Agreement. To the extent that any of the Confidential Information disclosed hereunder is a trade secret, the obligations set forth herein will survive the termination of the Agreement for so long as the information disclosed qualifies as a trade secret under the requirements of the Applicable Law.

13.5 In the event Evotec or Client wish to publish a press release relating to the Agreement or Client wishes to cite Evotec as a services provider to potential collaborators or investors, either Party will contact the other Party to discuss the possibility of a release or citing, and such other Party will give reasonable consideration to the request. In any event, both Parties agree not to issue any press releases without prior written approval from the other Party.

14. Insurance. Each Party shall maintain policies of insurance in the amounts and of the types reasonably appropriate for the conduct of their respective businesses. Client represents that it has subscribed, and will maintain insurance policies in an amount reasonably adequate to cover the financial consequences it may incur in the event of material loss or damage to Client Materials while held at the Evotec facility.

15. Representations and Warranties
15.1 Each Party hereby represents and warrants to the other Party that (a) it is an entity validly organized and existing and in good standing under the laws of the jurisdiction in which it is organized and has full right and authority to enter into this Agreement; (b) it has taken all necessary action on its part to authorize the execution and delivery of this Agreement; and (c) this Agreement constitutes a legal, valid and binding obligation, enforceable against such Party in accordance with its terms.

15.2 Client hereby represents and warrants to Evotec that (a) it will not request or require Evotec to perform any assignment or tasks in a manner that would violate any Applicable Law or to handle any substances or materials that do not carry specific safe handling instructions; (b) to its best knowledge, Client is not aware of any third party's IP or other rights that may be infringed by the Services provided by Evotec or the use of Client Materials under this Agreement.

15.3 Except as set forth herein, all warranties implied by law (whether by statute, common law, trade usage, custom or otherwise) are hereby excluded for Evotec to the maximum extent permitted by law.

16. Limitation of Liability
16.1 NOTWITHSTANDING ANY PROVISION IN THE AGREEMENT OTHER THAN SECTION 16.3 BELOW, EVOTEC'S AGGREGATE LIABILITY UNDER OR IN RELATION TO THE AGREEMENT TO CLIENT WILL NOT EXCEED THE TOTAL AMOUNT OF FEES PAID OR PAYABLE BY CLIENT TO EVOTEC FOR THE SERVICES PERFORMED UNDER THE WORK ORDER. NOTWITHSTANDING THE FOREGOING, EVOTEC SHALL HAVE NO LIABILITY UNDER THIS AGREEMENT FOR LOSS OF OR DAMAGE TO ACTIVE PHARMACEUTICAL INGREDIENT OR OTHER MATERIALS PROVIDED BY CLIENT WHILE HELD AT EVOTEC'S FACILITY.

16.2 IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE OR INDIRECT OR INCIDENTAL DAMAGES, INCLUDING ANY LOST PROFITS OR ANY LOST REVENUES RELATING TO THE PERFORMANCE OF THIS AGREEMENT WHETHER SUCH LIABILITY IS IN CONTRACT, TORT (INCLUDING NEGLIGENCE OR BREACH OF STATUTORY DUTY) OR OTHERWISE.

16.3 NOTHING CONTAINED HEREIN IS INTENDED TO EXCLUDE OR LIMIT ANY LIABILITY FOR (A) DEATH OR PERSONAL INJURY CAUSED BY A PARTY'S NEGLIGENCE; OR, (B) FRAUD; OR, (C) BREACH OF THE IMPLIED TERMS AS TO TITLE AS SET OUT IN SECTION 12 OF THE SALE OF GOODS ACT 1979 AND SECTION 2 OF THE SUPPLY OF GOODS AND SERVICES ACT 1982.

16.4 THIS SECTION 16 DEFINES THE ENTIRE LIABILITY OF THE PARTIES IN RELATION TO THIS AGREEMENT.

16.5 EXCEPT AS EXPRESSLY SET FORTH WITHIN THIS AGREEMENT AND TO THE EXTENT PERMITTED BY LAW, EVOTEC MAKES NO EXPRESS OR IMPLIED WARRANTIES RELATING TO THE SERVICES OR THE DELIVERABLES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT (SAVE IN RELATION TO THE WARRANTY RELATING TO TITLE WHICH IS IMPLIED BY SECTION 12 OF THE SALE OF GOODS ACT 1979 AND SECTION 2 OF THE SUPPLY OF GOODS AND SERVICES ACT 1982).

17. Indemnification
17.1 Evotec will indemnify and hold harmless Client from and against any liability, loss, damage, action, claim or expense (including reasonable attorney's fees) actually incurred (collectively, "Losses") and arising from any third party claim relating to (a) Evotec's breach of any of its warranties set forth herein, or (b) Evotec's gross negligence or wilful misconduct in the performance of its obligations under this Agreement, in each case save for any Losses for which Client is obligated to indemnify Evotec hereunder.

17.2 Client will indemnify and hold harmless Evotec from and against any Losses arising from any third party claim relating to (a) Client's breach of any of its warranties set forth herein, (b) Client's gross negligence or wilful misconduct in the performance of its obligations under the Agreement, (c) Evotec's use of any information or other deliverable of the Client (including Client Materials or Client Background IP) for the purpose of performing the Services; or (d) Client's use or sale of any Deliverable or other work product (tangible or intangible) resulting from the Services; in each case save for any Losses for which Evotec is obligated to indemnify Client hereunder.

18. Force Majeure
18.1 Neither Party will be liable for any failure to perform or for delay in performance resulting from any cause beyond its reasonable control or due to compliance with any regulations, orders, or act of any regional, provincial, state, or municipal government, or any department or agency thereof, civil or military authority, strike, lockouts, labour troubles, inability to procure materials or services, failure of power or restrictive government or judicial orders, or decrees, riots, insurrection, war, terror, delays or shortages in transportation, Acts of God, epidemics, pandemics or unexpected and severe weather conditions ("Force Majeure"), provided that Client will not be excused from payment of money owed when due notwithstanding the occurrence of any such Force Majeure event.

19. Termination
19.1 Client may terminate the Agreement for any reason and at any time upon ninety (90) days prior written notice to Evotec.

19.2 Either Party may terminate this Agreement at any time by written notice to the other with immediate effect upon the occurrence of any of the following events: (a) the other Party becomes insolvent or suspends its payments, regardless of whether it institutes or has instituted against it any bankruptcy, reorganization, debt arrangement, assignment for the benefit of creditors or other proceeding under any bankruptcy or insolvency law; or (b) the other Party materially breaches any provision of this Agreement and fails to cure such breach within thirty (30) days.
following receipt of written notice thereof from the terminating Party.

19.3 Notices of termination shall be valid only if made in writing.

20. Consequences of Termination

20.1 Client will pay Evotec for all Services performed in accordance with this Agreement and reimburse Evotec for any additional costs and expenses incurred before the effective date of termination of this Agreement which cannot be reasonably avoided, including any non-cancellable obligation incurred by Evotec, and any termination payments specified in the relevant Work Order. If payments due to Evotec under this Agreement are based on the reaching of certain milestones, then Evotec will inform Client of the percentage of completion of the milestone and Client will pay Evotec a pro rata portion of such milestone payment based on such percentage. In addition, Client will pay Evotec for expenses incurred to complete activities related to termination and close-out of the Services, including fulfilment of any regulatory requirements.

20.2 After the termination of this Agreement, each Party will, upon the other Party’s written request, return and transfer to the other Party all Confidential Information of the other Party which is still in its possession, except to the extent such Party is required to keep copies of such data for archival purposes under Applicable Law.

20.3 Upon any termination of this Agreement, the provisions of Sections 1, 10 to 17, and 20 to 21 will survive.

21. Miscellaneous

21.1 Neither Party may assign its contractual rights and obligations or parts thereof without the prior written consent of the other. Either Party may, without such consent, assign this Agreement and all of its rights and obligations hereunder (a) to an Affiliate or (b) in connection with the transfer or sale of all or substantially all of its business to which this Agreement relates, or in the event of its merger, consolidation, or other similar transaction.

21.2 If any provision of this Agreement is found to be invalid or otherwise unenforceable, in whole or in part, the validity of the remainder of the Agreement will not be affected. The invalid or unenforceable provision or part thereof will be superseded by an adequate provision that, to the legally permitted extent, comes closest to what the Parties would have desired at the time of conclusion of the Agreement had they considered the issue concerned.

21.3 Nothing in this Agreement will create, or be deemed to create, a partnership, agency, franchise or joint venture relationship between the Parties. Each Party agrees to perform under this Agreement solely as independent contractor.

21.4 The failure of either Party at any time to enforce any of the terms, provisions or conditions of this Agreement will not be construed as a waiver of the same or of the right of either Party to enforce the same on any subsequent occasion. Any waiver must be in writing and duly signed by an authorized representative of the waiving Party.

21.5 Neither this Agreement nor any provision contained herein is intended to confer any rights or remedies, neither directly nor by way of a contract for the benefit of a third party, upon any person or legal entity other than the Parties, except as expressly otherwise provided for in this Agreement. A person or entity that is not Party to this Agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

21.6 This Agreement will be governed by and construed in accordance with the Laws of England and Wales, without given effect to any choice of law or conflict of laws provision. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

21.7 Each Party irrevocably agrees to submit to the exclusive jurisdiction of the courts of London, England over any claim or matter arising from or in connection with this Agreement or the legal relationships established by this Agreement.

21.8 The provisions set forth in this Agreement will operate without prejudice to either Party's ability to seek injunctive or other interlocutory relief in any court accepting jurisdiction in order to protect and enforce its IP.