



STANDARD TERMS AND CONDITIONS OF PURCHASE

These terms and conditions (“Terms and Conditions”) together with the Purchase Order form an agreement (“Agreement”) between Aratana Therapeutics, Inc. (“Aratana”) and the supplying party specified on the Purchase Order (“Supplier”) for the purchase of all goods or services provided by Supplier, directly or indirectly, to or for Aratana under the Purchase Order. No terms other than the Agreement will apply to Supplier’s provision of goods or services, except if the parties have executed a separate written agreement governing the goods or services (“Existing Agreement”), in which case the Existing Agreement will govern. If there is a conflict between these Terms and Conditions and the Purchase Order, these Terms and Conditions govern.

1. ACCEPTANCE. Supplier’s electronic acceptance, acknowledgment of the Purchase Order, or commencement of performance constitutes Supplier’s acceptance of these Terms and Conditions. By acceptance of the Purchase Order, Supplier agrees to be bound by, and to comply with all the Terms and Conditions of the Purchase Order, which include any supplements to it, and all specifications and other documents referred to in the Purchase Order. These Terms and Conditions apply to everything listed in the Purchase Order and constitute Aratana’s offer to Supplier, which Aratana may revoke at any time before Supplier accepts it. The Purchase Order is not an acceptance by Aratana of any offer to sell, any quotation, or any proposal. Reference in the Purchase Order to any such offer to sell, quotation, or proposal will not constitute a modification of any of these Terms and Conditions. Terms and conditions different from or in addition to these Terms and Conditions, whether contained in any acknowledgment of the Purchase Order, or with delivery of any goods or services under the Purchase Order, or otherwise, will not be binding on Aratana, whether or not they would materially alter the Purchase Order, and Aratana hereby rejects them. These Terms and Conditions may be modified only by a written document signed by duly authorized representatives of Aratana and Supplier.

2. DEFINED TERMS.

2.1 “Applicable Laws” means any statute, law, treaty, rule, code, ordinance, regulation, permit, interpretation, certificate, judgment, decree, injunction, writ, order, subpoena, or like action of a Governmental Authority that applies, as the context requires, to the Purchase Order or the performance of obligations or other activities related to the Purchase Order.

2.2 “Aratana Confidential Information” includes, but is not limited to, the terms and conditions of the Purchase Order; the existence of discussions between the parties; information about research plans and results; new compounds and processes; evaluation procedures (including clinical and field testing); product formulations; manufacturing methods; applications to a Government Authority; pricing or cost; construction plans; sales, marketing, and advertising studies and plans; customer lists; computer information and software, special techniques unique to Aratana’s business; information subject to a right of privacy; and any information Aratana maintains under a system of protection against unauthorized access.

2.3 “Deliverables” means any Goods or Services specified in the Purchase Order (and any Statement of Work) that Supplier is obligated to provide to Aratana to be delivered on or before the Delivery Date, together with all articles, materials, goods, information, works of authorship, trademarks, artwork, drawings, text, specifications, calculations, reports, ideas, inventions, discoveries, processes, improvements, software, data and other documentation and materials created, developed, conceived or first reduced to practice by Supplier, alone or with others, related to the Work rendered for Aratana under the Purchase Order or derived from information or materials Supplier has received from Aratana.

2.4 “Delivery Date” means the date or dates specified in the Purchase Order by which the Supplier is required to deliver the Work.

2.5 “Existing Intellectual Property Rights” means any Intellectual Property Rights that Supplier invented, created, developed, or acquired outside the course of its performance under this Agreement and without the use of Aratana’s information or materials.

2.6 “Goods” means tangible products and articles specified in the Purchase Order to be delivered on or before the Delivery Date.

2.7 “Governmental Authority” means any international, regional, national, federal, state or local government entity, authority, agency, instrumentality, court, tribunal, regulatory commission or other body, either foreign or domestic, whether legislative, judicial, administrative or executive.

2.8 “Intellectual Property Rights” means any and all tangible (i) copyrights and other rights associated with works of authorship throughout the world, including but not limited to copyrights, neighboring rights, moral rights, and all derivative works thereof; (ii) trademark and trade name rights and similar rights; (iii) trade secret rights; (iv) patents, designs, algorithms, utility models and other industrial property rights, and all improvements thereto; (v) all other intellectual and industrial property rights (of every kind and nature throughout the world and however designated) whether arising by operation of law, contract, license, or otherwise; and (vi) all registrations, applications, renewals, extensions, continuations, divisions, or reissues thereof now or hereafter in force (including any rights in any of the foregoing).

2.9 “Services” means the services that Supplier is to perform for Aratana in the Purchase Order.

2.10 “Statement of Work” means the document specifying, without limitation, the scope, objective and time frame of the Work that Supplier will perform for Aratana.

2.11 “Third Party Intellectual Property” means the Intellectual Property Rights of a third party which Supplier uses or incorporates into the Work.

2.12 “Work” means the Deliverables, Goods and Services specified in the Purchase Order, including any Statement of Work.

3. ORDERING AND CHANGES.

3.1 Aratana will submit Purchase Orders in writing, including electronic transmission. Purchase Orders shall include such items as prices, Delivery Date, and delivery locations for the Deliverables.

3.2 As used in this Section, “Change” means a change Aratana directs within the general scope of the Purchase Order, the applicable Statement of Work, or both.

3.3 Aratana, by written order (“Change Order”), may make Changes to any Purchase Order at any time before the Delivery Date.

3.4 Supplier shall, within ten (10) days of receiving a Change Order, submit a request to Aratana for any adjustment in price, or time for performance, resulting from the Change.

3.5 The parties shall in good faith negotiate an amendment to the Purchase Order and/or the applicable Statement of Work to incorporate the Change Order, providing for an equitable adjustment to the price, time for performance, or both.

4. DELIVERY.

4.1 The obligation of Supplier to meet the delivery dates, specifications, and quantities, as set forth in the Purchase Order is the essence of this Agreement. Supplier will immediately notify Aratana if Supplier’s timely performance under the Purchase Order is delayed or likely to be delayed. Aratana’s acceptance of Supplier’s notice will not constitute waiver of any of Supplier’s obligations.

4.2 Deliveries are to be made in the quantities, at the costs, and at the times specified herein. Shipments in greater or lesser quantity and/or cost than ordered may be returned at Supplier’s expense, unless written authorization is issued by Aratana.

4.3 If Supplier delivers Work after the Delivery Date, Aratana may reject such Work.

4.4 Aratana will hold any Work rejected under the Purchase Order at Supplier’s risk and expense, including storage charges, while awaiting Supplier’s return shipping instructions. Supplier will bear all return shipping charges, including without limitation, insurance charges Aratana incurs on Supplier’s behalf. Aratana may, in its sole discretion, destroy or sell at a public or private sale any rejected Work for which Aratana does not receive shipping instructions within a reasonable time, and apply the proceeds, if any, first toward any storage charges.

4.5 If Supplier’s deliveries fail to meet schedule, Aratana, without limiting its other rights or remedies, may either direct expedited routing and charge excess cost incurred thereby to Supplier, or cancel all or part of the Purchase Order in accordance with the default provisions hereof.

4.6 Unless otherwise specified in the Purchase Order, Supplier will deliver all Goods DDP – Delivery Duty Paid (named place of destination) (Incoterms 2010) to the delivery destination stated in the Purchase Order, with title and risk of loss transferring from Supplier to Aratana at the delivery destination.



5. INSPECTION AND ACCEPTANCE. All Deliverables furnished pursuant to the Purchase Order shall be subject to Aratana's inspection and approval, including acceptance testing by Aratana to verify that the Deliverables satisfy all requirements conveyed by Aratana to Supplier, including any Statement of Work, relating to the Deliverables. If Aratana discovers a non-conformity within ninety (90) days following delivery of the Deliverables and Aratana notifies Supplier of the non-conformity, notwithstanding prior receipt and payment therefore, Supplier shall, at Aratana's sole discretion, either (i) correct the non-conformity at no additional charge in a timely, professional manner, or (ii) refund monies paid by Aratana for the non-conforming Deliverables, in which case Aratana shall return such non-conforming Deliverables to Supplier at Supplier's expense. Nothing in this Section shall be construed to limit or otherwise affect Aratana's indemnification rights, warranty rights or any other common law or statutory remedies. Nothing herein shall release Supplier from the obligation to make full and adequate testing and inspection of goods sold to Aratana hereunder. Damage to any Goods because of packing which fails to protect such Goods will be charged to Supplier.

6. PRICE. The Purchase Order must not be filled at a price higher than shown on the face of the Order. All applicable taxes arising out of transactions contemplated by the Purchase Order will be borne by Supplier except as otherwise specified on the Purchase Order.

7. INVOICES AND PAYMENT.

7.1 Invoices shall contain the Purchase Order number, description of the Goods or Services, quantities, unit prices and total purchase price. All taxes shall be stated separately.

7.2 Aratana shall have no obligation to honor invoices for Goods or Services at any increased price unless such increase shall have been confirmed in writing by Aratana to Supplier. No charge of any kind not stated on the Purchase Order will be allowed unless specifically agreed to in advance by Aratana in writing.

7.3 Aratana will pay any undisputed portion of an invoice for accepted Goods or Services within thirty (30) days following the later of: (i) delivery of the Goods or completion of Services, or (ii) receipt of an invoice by Aratana's accounts payable department.

7.4 Aratana is not obligated to pay any invoice submitted one hundred eighty (180) days or more after the Goods have been shipped or the Services have been completed.

7.5 In addition to other rights and remedies Aratana may have, Aratana will be entitled to set off any amount owed at any time by Supplier or any of its affiliates to Aratana or any of its affiliates against any amount payable at any time by Aratana in connection with the Purchase Order

8. GENERAL REPRESENTATIONS AND WARRANTIES. Supplier represents and warrants:

8.1 That all Deliverables supplied under the Purchase Order are free from defects, of merchantable quality, and in accordance with Aratana's specifications;

8.2 The Deliverables do not and will not infringe the Intellectual Property Right of any other party, and any use thereof by Aratana consistent with these Terms and Conditions does not infringe such rights. This representation and warranty does not apply to infringement arising solely from: (i) anything Aratana provides which is incorporated into the Deliverable independent of Supplier; or (ii) Aratana's modification of the Deliverable independent of Supplier; or (iii) the combination, operation or use of the Deliverable with any product, data, apparatus, or business method that Supplier did not provide and could not reasonably anticipate. In addition, with respect to Services, all Deliverables produced under the Purchase Order shall be of original development and all Supplier property shall be of original development or licensable by Supplier;

8.3 That in the performance of its obligations under the Purchase Order, Supplier shall comply with all Applicable Laws, applicable Aratana policies and professional or good practice standards or codes applicable to the nature of the Services provided;

8.4 That no Deliverable supplied under the Purchase Order and subject to the Federal Food, Drug and Cosmetic Act, as amended (for purposes of this representation and warranty, the "Act"), is adulterated within the meaning of the Act or is an article which may not, under the provisions of Section 301, 404 or 505 of the Act, be introduced into interstate commerce;

8.5 That no Deliverable supplied under the Purchase Order is produced in violation of the Generic Drug Enforcement Act of 1992, as amended (for purposes of this representation and warranty, the "Act"), that Supplier is not



debarred and that Supplier has not and will not use in any capacity in connection with the filing of the Purchase Order the services of any individual or person (as defined in the Act) debarred by the United States Food and Drug Administration un the provisions of the Act. If at any time this warranty is no longer accurate, Supplier shall immediately notify Aratana of such changed circumstances;

8.6 That no Deliverable supplied under the Purchase Order is supplied in violation of economic or trade sanctions imposed by the U.S. Government against sanctioned countries, entities, or individuals, including but not limited to sanctions imposed by the Office of Foreign Assets Control of the United States Department of Treasury or by Executive Order of the President of the United States; and

8.7 That all Deliverables supplied under the Purchase Order shall be shipped in full compliance with packaging, labeling, shipping, and documentation requirements, including requirements concerning hazardous materials, substances and waste of all state, local, national, or international governmental agencies or authorities regulating any segments or modes of transportation employed to effect delivery of such articles to Aratana, and all hazardous materials, substances, and waste shall be packaged, marked, labeled and shipped in accordance with all Applicable Laws.

9. OWNERSHIP AND LICENSE.

9.1 Unless otherwise specified in the Purchase Order or applicable Statement of Work, Aratana is the sole and exclusive owner of all Deliverables and Supplier hereby irrevocably assigns and transfers to Aratana all of its worldwide rights and title to, and interest in, the Deliverables, including all associated Intellectual Property Rights.

9.2 Supplier hereby grants Aratana a perpetual, irrevocable, worldwide, transferable, royalty-free, non-exclusive license, with the right to sub-license and authorize the granting of sub-licenses, to use and reproduce Supplier's Existing Intellectual Property Rights to the extent necessary for Aratana's exercise of its rights in the Deliverables.

9.3 Unless otherwise specified in the Purchase Order or applicable Statement of Work, Supplier will assign to Aratana a non-exclusive, royalty-free worldwide, perpetual, irrevocable, transferable, sub-licensable license to use Third Party Intellectual Property Rights incorporated into, required to use, or delivered with the Work. Supplier will deliver copies of the above releases and licenses to Aratana upon Aratana's written request.

10. CONFIDENTIALITY. Supplier will neither: (i) disclose Aratana's Confidential Information except as authorized below or by Aratana in writing; nor (ii) use Aratana's Confidential Information for any purpose other than meeting Supplier's obligations under any Purchase Order; provided, however, Supplier may disclose Aratana's Confidential Information:

a. To its representatives, affiliates and subcontractors who need to know the information for the purpose of meeting Supplier's obligation under the Purchase Order; provided that such representatives, affiliates and subcontractors have contractual obligations that prohibit any disclosure and use of Aratana's Confidential Information in accordance with these Terms and Conditions. Supplier is responsible for any unauthorized disclosure or use of Aratana's Confidential Information by Supplier's representatives, affiliates or subcontractors.

b. To the extent compelled by Applicable Law; provided, however, that Supplier will give Aratana reasonable advance notice of the disclosure to the extent such advance notice is permitted by Applicable Law.

c. In communications to its attorney or accountants who have a professional obligation to maintain such information in confidence. Supplier is responsible to Aratana for disclosure or use by any persons of Aratana's Confidential Information not authorized by Aratana.

Promptly upon Aratana's request, Supplier will either return or destroy all records of Aratana's Confidential Information in Supplier's possession or control. With respect to electronic records, "destroy" includes destroying the physical medium on which a record is stored or completely and permanently removing a record from its storage medium.

11. PUBLICITY. Supplier shall not disclose any information concerning any Purchase Order or the contract of sale resulting from the acceptance thereof, including its existence, without the prior written consent of Aratana. Supplier shall not use the name of Aratana, any employee of Aratana or any product or service of Aratana in any press release, advertising or materials distributed to prospective or existing customers or any other public disclosure, except as required by law or allowed in this Section. If required by law, Supplier shall provide copies of the disclosure for the prior review and comment by Aratana's corporate communications department no less than ten (10) days prior to disclosure. In no event shall Supplier: (i) represent,



directly or indirectly, that any Deliverable provided by Supplier has been approved, recommended, certified or endorsed by Aratana; or (ii) use Aratana's logos or other trademarks and trade names, without the prior written consent of Aratana.

12. INDEMNIFICATION. Supplier shall defend, indemnify and hold harmless Aratana, its affiliates, directors, officers, employees and agents from and against any claims, losses, demands, liabilities, damages costs and expenses (including reasonable attorney's fees and reasonable investigative costs) arising from or in connection with any suit, demand, proceeding or action by any third party to the extent such suit, demand, proceeding or action arises out of or results from any breach by it of its representations, warranties or obligations under these Terms and Conditions, any Purchase Order (including Statement of Work) or from any negligence or more culpable conduct by it (or by its affiliates or subcontractors or any of their respective representatives) in connection with its performance under the Purchase Order.

13. LIMITATION OF LIABILITY. IN NO EVENT SHALL ARATANA BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL DAMAGES OR LOST PROFITS ARISING OUT OF, OR IN CONNECTION WITH, THE PURCHASE ORDER, WHETHER OR NOT ARATANA WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. ARATANA'S LIABILITY ON ANY CLAIM OF ANY KIND FOR ANY LOSS OR DAMAGE ARISING OUT OF, OR IN CONNECTION WITH, THE PURCHASE ORDER SHALL NOT EXCEED THE PRICE ALLOCABLE TO THE GOODS OR SERVICES WHICH GIVE RISE TO THE CLAIM.

14. INSURANCE. Supplier shall maintain liability insurance policies covering all activities related to the Purchase Order and as otherwise required under Applicable Law (including worker's compensation coverage). Without limiting the generality of the foregoing, Supplier shall maintain commercial general liability insurance, including contractual and products/completed operations, with minimum limits of at least \$1,000,000 per occurrence and \$2,000,000 aggregate. All such insurance shall be primary and not contributory with regard to any other available insurance to Aratana. Supplier represents and warrants that it shall promptly file all claims made under the Purchase Order with its insurance carriers.

15. ASSIGNMENT. Supplier shall not in any manner delegate its duty of performance or assign its rights or obligations under the Purchase Order without Aratana's prior written consent. Any attempted assignment in violation of the preceding sentence shall be of no force or effect.

16. CHOICE OF LAW. The Purchase Order and any contract of sale resulting from its acceptance shall be construed and interpreted in accordance with the internal laws of the State of Delaware, without reference to or application of conflict of laws or choice of law rules or principles thereunder. To the extent that any lawsuit is permitted under this Purchase Order, the parties hereby expressly consent to the personal jurisdiction and venue of the state and federal courts located in Kansas City, Kansas.

17. TERMINATION. Despite any contrary terms contained above, Aratana shall have the right in its sole discretion, for five (5) days following Aratana's written notice to Supplier, to terminate, in whole or in part, the Purchase Order or any contract of sale resulting from its acceptance. In the event of such termination, Aratana shall have no obligation to Supplier except the obligation to pay costs actually and reasonably incurred by Supplier prior to the date of termination plus a normally accepted trade allowance on such costs as full payment of Supplier's overhead and profit, provided, however, that in no event shall Aratana be obligated to pay an amount in excess of the amount set out in the Purchase Order; advance payments will be refunded accordingly. If the Purchase Order is terminated as a result of the default of Supplier, Aratana shall have no obligation to reimburse Supplier for any services performed by Supplier pursuant to Aratana's order or any resulting contract.