NUTRITION INTERNATIONAL
Nourish Life

# LONG TERM AREEEMENT FOR GOODS

## No. 10-xxxx

| **Supplier** | **Buyer** |
|---|---|
| Name<br>Address<br>Phone<br>Fax<br><br>(herein called the "Supplier") | **NUTRITION INTERNATIONAL**<br>180 Elgin Street. Suite 1000<br>Ottawa, Ontario, K2P 2K3<br>Canada<br><br>(herein called "NI") |

**Contract Start Date:**

Upon signature of both Parties

**Contract End Date:**

Nutrition International (NI) wish to enter into a long term agreement with the Supplier, in accordance with the terms and conditions set out herein, and on the attached Schedules, for the Goods listed in Section 1, at the price(s) set out therein.

| **Authorized by:** | **Accepted by**: |
|---|---|
| Signature<br><br>Asif Nawaz<br>Vice President<br>Nutrition International | Signature<br><br>Name<br>Title<br>Supplier Name |
| Date Signed | Date Signed |

Delivery of this contract by facsimile or electronic transmission constitutes valid and effective delivery. This contract and all attached Schedules forms the entire Contract between the Parties, and no variation thereof, irrespective of wording or terms of acceptance by the Supplier, will be effective unless specially agreed to in writing by Nutrition International.

## DESCRIPTION OF GOODS, PRICE, and TECHNICAL PRODUCT SPECIFICATIONS

The goods ("Goods") to be supplied under this Agreement are the following:

| ITEM No | ITEM DESCRIPTION | QTY (500 capsules /bottle) | QTY (100 capsules /bottle) | Unit Price Per Bottle | Extended (Total) Price CAD |
|---|---|---|---|---|---|
| | | | | | |
| | | | | | |
| **Total (not including freight or insurance):** | | | | | |

**(A) Price & Validity Period:**

Valid from XX Month 2019 to XX Month 2020
Unit Price: $0.00 CAD per bottle exclusive of freight and insurance

Valid from XX Month 2020 to XX Month 2021
Unit Price: $0.00 CAD per bottle per bottle exclusive of freight and insurance

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**(B) PRODUCT DESCRIPTION**

**1. Technical Product Specifications for Vitamin A Soft Gelatin Capsules**

**GENERAL**

FINISHED PRODUCT

1.1. Vitamin A soft gelatin capsules must be manufactured to comply with the United States Pharmacopeia (USP[1]) Vitamin A Oral Liquid Preparation monograph (USP 37-NF32 or latest edition)[2] or the International Pharmacopoeia (Ph. Int.[3]) Retinol Oral Solution monograph (Ph. Int. Fourth Edition, 3rd Supplement, 2013).

1.2. Halal certification for the Finished Product is required for each batch.

1.3. A vanilla flavouring agent must be added to mask any unpleasant smell or taste.

1.4. Vitamin A soft gelatin capsules must be free of preservatives such as parabens.

1.5. Vitamin A soft gelatin capsules must be suitable for shipment, storage and use world-wide. In particular, the vitamin formulation and packaging must be suitable for delivery and use in countries having adverse climatic and storage conditions (e.g. high temperature and humidity, etc. herein considered as Climatic Zones IVa and/or IVb).

1.6. The product shelf life stability must be demonstrated with results of stability studies conducted under long-term testing conditions for climatic Zone IVa and/or Zone IVb countries *****. Proof of shelf life stability is required.

DESCRIPTION

1.7. Opaque, soft gelatin capsules with nipple to allow for cutting and administration with ease such that the entire vitamin A liquid contents of the capsule can be squeezed gently into the child's mouth.

1 USP Vitamin A Oral Liquid Preparation Monograph compliant product.
2 The Dietary Supplements Dosage Forms Subcommittee members have agreed to support the request to reduce the lower limit of vitamin A from NLT 95.0% to NLT 90.0% of labeled claim. This change was reflected in the April, 2013 publication of the USP Revision Bulletin.
3 Ph. Int. Retinol Oral Solution Monograph compliant product.

CAPSULE
Gelatin:

1.8. Gelatin must be without BSE infectivity: Reference is made to the Resolution AP/CSP(99)4, AP/CSP(99)T, to EMEA/410/01 – rev. 1.

1.9. All Gelatin used for the vitamin soft gelatin capsules must be manufactured to meet the criteria described in the latest edition of the International (Ph. Int), United States (USP) or European (Ph.Eur) Pharmacopoeia.

Hardness:

1.10. The vitamin A soft gelatin capsules procured by NI and UNICEF are used in public health programs worldwide. Unlike other preparations, the soft gelatin capsule is used in this case as a dropper to deliver its liquid contents directly into the recipient's mouth. The capsule is not swallowed. To allow for optimal use of vitamin A soft gelatin capsules in the field, the capsule shell must be hard enough to withstand hot and humid conditions (i.e. not leaking or clumping with other capsules) but soft enough to be used as a dropper such that the entire liquid contents of the capsule can be squeezed gently into the child's mouth with ease by health workers even while dosing numerous children in sequence during campaigns. In addition capsules must not be brittle (i.e. breaking or cracking at the seal when squeezed). In light of these considerations, manufacturers must set their own hardness limits (i.e. minimum and maximum) for (i) stability trials and (ii) point of release as measured by a Bareiss Hardness Tester, or equivalent.

CAPSULE CONTENTS

1.11. The Active Pharmaceutical Ingredient (API) and excipients must comply with the monograph and general notices (and general requirements) from one of the following pharmacopeias: British (BP), European (Ph. Eur.), International (Ph. Int.) or United States (USP).

## 2. Additional Product Information and Quality Standards

2.1. Vitamin A soft gelatin capsules are bottled as 100 or 500 capsules per bottle with a bottle size proportional to its contents. All vitamin A soft gelatin capsules must be kept in tight, light- and tamper-resistant containers. Bottles must conform to the latest edition of British (BP), United States (USP), European (Ph. EUR) or other internationally recognized Pharmacopeia Standard for Pharmaceutical containers and should be suitable for shipment, storage and use worldwide at elevated temperatures and humidity typical of Zone IVa and/or Zone IVb country climate. The bottles must be: tamper-evident opaque plastic securitainer bottles with screw-cap, each containing 100 or 500 capsules and sufficient desiccant material to minimize humidity.

2.2. Vitamin A soft gelatin capsules are packaged in appropriately labeled bottles, including directions for use and delivery of each dosage unit of vitamin A soft gelatin capsules. Statements and Labelling must comply with the relevant pharmacopoeia standard: United States Pharmacopeia (USP) Vitamin A Oral Liquid Preparation monograph (USP 37-NF32 or latest edition) or International Pharmacopoeia (Ph. Int) Retinol Oral Solution monograph (Ph. Int. Fourth Edition, 3rd Supplement, 2013).

2.3. The secondary packaging for vitamin A soft gelatin capsules must comply with the current UNICEF Warehouse Packing Technical Standards and Specifications.[4]

**STABILITY**

2.4. Vitamin A soft gelatin capsules (**Items 1-4) should** demonstrate 36 months of shelf life under conditions of high temperature and humidity of Zone IVb. However, products with at least 12 months of shelf life could be considered for review, with commitment to continue long term testing over the shelf life period and data from at least 3 primary batches. Preference will be given to

4UNICEF Warehouse Packing Specifications: https://www.unicef.org/supply/files/UNICEF_Warehouse_packing_specifications_.pdf

products that demonstrate a longer shelf life. Submission of the following will be required:

- Stability data from at least three primary batches [5,6,] and
- A written commitment (signed and dated) to continue long-term testing over the shelf-life period

2.5. In addition, for products described as **Items 1-4** above, shelf life compliance must be demonstrated using a High-performance liquid chromatography (HPLC) assay method to measure vitamin A.

**CERTIFICATION**

2.6. The Active Pharmaceutical Ingredients (API) used in the vitamin A soft gelatin capsules must be manufactured and handled according to GMP Standards for Pharmaceutical Products, as certified by an internationally recognized authority that is a member of or partner to the Pharmaceutical Inspection Cooperation Scheme (PIC/S)[7.]

2.7. The vitamin A soft gelatin capsules at these high doses of 100,000 IU and 200,000 IU are to be considered pharmaceutical products and must be manufactured in accordance with prevailing Good Manufacturing Practices (GMP) Standards for pharmaceutical products by the National Drug Regulatory Authorities and by an internationally recognized authority that is a member or a partner of the Pharmaceutical Inspection Scheme (PIC/S).

2.8. A certificate of suitability is required to demonstrate that vitamin A, vitamin E and all gelatin used for the vitamin A soft gelatin capsules has been manufactured to meet Pharmacopoeial standards.

2.9. Vitamin A soft gelatin capsules must be certified Halal by an internationally recognized certifying body such as the Islamic Food and Nutrition Council of America (IFANCA) to meet Islamic Halal requirements. This requirement applies to the finished pharmaceutical product and excipient manufacturers involved in the manufacturing process. In the event of prequalification and invitation to submit a proposal, proof of valid certification will be required.

**PRODUCT REGISTRATION**

2.10. **Items 1-4**, above, should have evidence of registration/marketing authorisation in the country of manufacture/origin. A marketing authorisation from a stringent regulatory authority is desired. Proof of valid registration/market authorization will be required and where this cannot be provided immediately, as an interim measure, manufacturers will be required to submit a Letter of Commitment to obtaining domestic registration status as well as making available any documentation requested by the country of import needed for in-country product registration required to receive the goods.

2.11. **Items 1-4**, above, should have a Certificate of Pharmaceutical Product (CPP) according to the WHO Certification Scheme, or an equivalent, issued by the National Regulatory Authorities and specified in the WHO Technical Report Series 863.

5 Primary batches should be of the same formulation and packaged in the same container closure system as proposed for marketing. The manufacturing process used for primary batches should simulate that to be applied to production batches and should provide product of the same quality and meeting the same specification as that intended for marketing.
6 Each primary batch should be at minimum pilot scale (one-tenth that of a full production scale batch) and ideally manufactured using different batches of the API
7 http://www.picscheme.org/members.php

**THIS LONG TERM AREEEMENT FOR GOODS** (this "LTA-G) is made between:

**NUTRITION INTERNATIONAL (NI),** a corporation under the laws of Canada, having its head office at 180 Elgin Street, Suite 1000, Ottawa, Ontario, K2P 2K3, Canada; and

**SUPPLIER NAME** (Legal corporate name of contracting organization) as represented by _____(name of unit, department, etc.) having its head office at _____]
(herein called “the Supplier”)",

Singly or jointly herein called “the Party” or “the Parties”.

**WHEREAS:**

A. The Supplier has offered and NI has agreed to enter into an agreement pursuant to which, during the term of the agreement, the Supplier will sell to NI such quantities, if any, of the goods described in the relevant section of this LTA-G (the "Goods") as NI may order by issuing to the Supplier NI purchase orders (each a "Purchase Order"), on the terms and conditions, including as to price, set out in this LTA-G.

B. The Supplier has represented that it possesses and through the term of this LTA-G will continue to possess the requisite knowledge, skill, personnel. resources and experience and that it is, and throughout the term of this LTA-G will continue to be, fully qualified, ready, willing, and able to provide the Goods in accordance with the terms and conditions set out in this LTA-G and each Purchase Order issued under this LTA-G and NI has relied on those representations in entering into this LTA-G.

**NOW THEREFORE, the Parties agree as follows:**

**1. LTA-G Documents**

1.1 This LTA-G comprises:

(a) this document;

(b) the NI General Terms and Conditions of Contract (Goods) attached as Annex A; and

(c) the other annexes (if any) attached to this document.

The documents comprising this LTA-G are complementary of one another but if there is any ambiguity or inconsistency between those documents, then (i) this document will take precedence over the NI General Terms and Conditions of Contract (Goods) and the other annexes (if any); and (ii) the NI General Terms and Conditions of Contract (Goods) in Annex A will take precedence over the other annexes (if any).

1.2 This LTA-G and the Purchase Orders issued under it constitute the entire agreement between the Parties with regard to the provision of the Goods to NI by the Supplier. All prior representations, agreements, contracts and proposals, whether written or oral, by and between the Parties on this subject are superseded.

1.3 Capitalized terms used but not defined in this document have the meaning assigned to them in the NI General Terms and Conditions of Contract (Goods); provided that

references to "the Contract" in the NI General Terms and Conditions of Contract (Goods) will be deemed to refer this LTA-G and the relevant Purchase Order.

1.4 Subject to any changes agreed pursuant to Article 3.6 of this LTA·G, in the case of any inconsistencies between the terms of a Purchase Order and the terms of this LTA-G, the terms of this LTA-G will prevail over the terms of the relevant Purchase Order, except with regard to the quantities, specifications or technical requirements specified in the Purchase Order which will prevail over this LTA-G.

## 2. Effective Date; LTA-G Period

2.1 This LTA-G will come into effect on the date NI receives a copy of this LTA-G counter-signed by the Supplier.

2.2 This LTA-G will be effective for a period (the "LTA-G Period") beginning on (*XX MONTH 2019*) or the date NI receives a copy of this LTA-G countersigned by the Supplier whichever is later (the "Start Date") and ending at midnight Ottawa time on *(XX MONTH 20XX*) (the "End Date"), unless earlier terminated in accordance with the provisions of this LTA-G.

## 3. Long-term Agreement for the Ordering, Supplying and Purchasing Goods

3.1 During the LTA-G Period, the Supplier will sell to NI such quantities, as described herein, of the Goods and NI will order by issuing Purchase Orders to the Supplier. Such ordering, supply, and purchase of Goods will be on the terms and conditions, including as to price, set out in this LTA-G.

3.2 Each Purchase Order will be in NI's standard form and will incorporate the NI General Terms and Conditions of Contract (Goods).

3.3 Each Purchase Order will specify (a) that it is being issued under this LTA-G, stating the LTA-G number; (b) the specifications and other instructions for the Goods to be provided under the Purchase Order; (c) the applicable delivery term and time schedule for delivery of the Goods (or each consignment of such Goods); and {d) the Price(s) for such Goods in accordance with the prices and charges set out in this LTA-G.

3.4 Each Purchase Order will be issued to the Supplier at the address provided to NI as part of the Supplier's registration process with NI. The Supplier will confirm its acceptance of each Purchase Order by counter-signing it, and returning it to NI, within five (5) working days of receiving it. Each Purchase Order will be a binding contract between NI and the Supplier, incorporating the terms of this LTA-G, when NI receives such Purchase Order counter-signed by the Supplier.

3.5 The Parties acknowledge and agree that nothing contained in any Purchase Order will be deemed, interpreted or otherwise construed as varying from , deviating from, adding to, or in any other way altering the terms and conditions of this LTA-G.

3.6 Notwithstanding the provisions of Article 3.5 above, the Parties may agree, with regard to any Purchase Order, to amend the terms and conditions of this LTA-G exclusively for the purpose of the transaction contemplated in such Purchase Order and in that case the Purchase Order in question will expressly state the amendments agreed to for the transaction contemplated in that

Purchase Order. Neither Party will be required to agree to an amendment to the terms and conditions of this LTA-G proposed by the other Party with regard to the transaction contemplated in an individual Purchase Order.

3.7 The Supplier acknowledges that this LTA-G is non-exclusive, and NI is entitled to enter into the same or similar agreements with other suppliers and procure the same or similar Goods from other suppliers, as NI sees fit.

## 4. Price and Payment Terms

4.1 During the LTA-G Period, the Supplier will sell the Goods to NI at the price or prices, as the case may be, set out in relevant section of this LTA-G or the price schedule annexed to this LTA-G, such prices remaining fixed throughout the LTA-G Period. The Supplier represents that these prices are the most favorable price terms available to any customer of the Supplier (or of any of the Supplier's Affiliates). If at any time during the LTA-G Period any other customer of the Supplier (or of any of the Supplier's Affiliates) obtains more favorable pricing terms than those provided to NI with regard to the Goods or goods similar to the Goods, the Supplier will retroactively adjust the price(s) and related pricing terms under this LTA-G and in the relevant Purchase Order(s) to conform to the more favorable terms and the Supplier will promptly pay NI any amounts owing to NI as a result of such retroactive price adjustment.

4.2 In addition to the instructions set out in the NI General Terms and Conditions of Contract (Goods), invoices issued under any Purchase Order must refer to this LTA-G as well as the Purchase Order to which the invoice relates, and the Purchase Order and LTA numbers must be printed on the invoices.

## 5. Packing, Packaging and Labelling Instructions; Markings

5.1 The Supplier will comply with the requirements (as updated from time to time) for packing, packaging, packing list, and labelling goods set out in the specifications for the Goods and the relevant Purchase Order.

5.2 The Supplier will comply with the instructions for markings of the Goods set out in the specifications for such Goods and the relevant Purchase Order.

5.3 The Supplier's costs of complying with the requirements of Section 5 of this LTA-G will be the sole responsibility of the Supplier.

## 6. Pre-Delivery Inspection

6.1 If this LTA-G or any Purchase Order provides that the Goods generally, or the Goods to be supplied under the Purchase Order (as the case may be), are subject to pre-delivery inspection, then the following provisions will apply:

(a) Pre-delivery inspection will be conducted at NI's expense by an independent inspection agency selected by NI.

(b) At NI's request, the Supplier will provide its reasonable cooperation to NI and its designated inspection agency, including but not limited w access to production data, at no additional cost to NI.

(c) Notice of the readiness of each consignment of Goods, in the form attached to the Purchase Order, must be provided by the Supplier to NI and the designated inspection agency at least seven (7) days prior to the planned shipment date.

{d) NI will notify the Supplier promptly of its decision whether or not to release the Goods for shipment. If NI issues a release notice, the Supplier will immediately expedite shipment of the released consignments. If NI notifies the Supplier that the Goods are non-conforming, then Article 2.6 of the NI General Terms and Conditions of Contract (Goods) will apply.

6.2 The Supplier acknowledges that any inspection of the Goods by NI or its designated inspection agents does not constitute a determination whether the specifications for the Goods set out in this LTA-G or any Purchase Order (including mandatory technical requirements) have been met. The Supplier will be required to comply with its warranty and other contractual obligations whether or not NI carries out such pre-delivery inspection of the Goods.

6.3 The pre-delivery inspection and any testing of the Goods undertaken by NI or its designated inspection agents will not substitute for the inspection and testing of the Goods upon delivery to NI.

**7. Delivery Terms and Delivery Lead-Times; Liquidated Damages**

7.1 The Supplier will comply with the lNCOTERM or similar trade term expressly stated in the Purchase Order as applying to the Goods to be supplied under that Purchase Order and all other delivery terms and instructions stated in this LTA-G and the relevant Purchase Order. With respect to the definition of "INCOTERMS" in the NI General Terms and Conditions of Contract {Goods), the applicable version of the "INCOTERMS" will be the most-recently issued version of the INCOTERMS at the Start Date; provided however that if a new version of the INCOTERMS is issued after the effective date of this LTA-G, the parties will in good faith consult with each other on the implications for this LTA-G with a view to adopting such new version and Article 2.2 of the NI General Terms and Conditions of Contract (Goods) will apply.

7.2 The Supplier will comply with the delivery lead time for the Goods required in the specifications and instructions set out in this LTA-G. "Delivery lead time" is the period from the date the Supplier receives a Purchase Order until the date the Goods are delivered in accordance with the applicable delivery term and instructions specified in this LTA-G and the relevant Purchase Order, and includes the period for manufacturing and packing the products, pre-delivery inspection (if applicable), obtaining any necessary regulatory authority approvals or licenses, shipping, and provision of all documentation required in connection with such delivery. NI may take into consideration the Supplier's compliance with delivery lead times in NI's monitoring of the performance of the Supplier in accordance with Article 2.3 of the NI General Terms and Conditions of Contract(Goods). Delivery of Goods under this LTA-G shall not exceed 26 weeks from the date the Supplier receives a Purchase Order.

7.3 The Supplier's obligations in respect of delay in delivery of Goods, including (but not limited to) obligation to notify NI of delay in delivery of Goods, as well as the consequences of delay, and NI's rights and remedies in respect of any such delay, are governed by the NI General Terms and Conditions of Contract (Goods).

7.4 In addition to, and without prejudice to any of the other rights and remedies of NI, if the Supplier fails to deliver the Goods under any Purchase Order in accordance with the stated time for delivery, or if NI exercises its right to reject Goods that do not conform to the requirements in

this LTA-G and the relevant Purchase Order, NI may claim liquidated damages from the Supplier and, at NI's option, the Supplier will pay such liquidated damages to NI or NI will deduct such liquidated damages from the Supplier's invoice(s). Such liquidated damages will be calculated as follows: one half of one per cent (0.5%) of the Price of such Goods for each day of delay, until delivery of conforming Goods, up to a maximum of ten per cent (10%) of the value of the relevant Purchase Order. The payment or deduction of such liquidated damages will not relieve the Supplier from any of its other obligations or liabilities pursuant to this LTA-G and the relevant Purchase Order.

## 8. Shipping Instructions; Documentation Requirements

### Shipping Instructions

8.1 Each Purchase Order will specify the applicable delivery term.

8.2 Notification (fax or email) on the day of shipment from the Supplier's facility must be sent to both notification parties (UNICEF and NI) and include the following information:

a) Name of freight forwarder;
b) Freight forwarder reference number;
c) Booking number;
d) Container number;
e) Packing list, including weights and volumes, product description, quantity per batch, and expiry date
f) Expected date of arrival at DAP point;
g) Updated Delivery Report (see Appendix 1 for required format);

No later than seven (7) days following the shipping date:

h) Tracking number for the couriered set of original documents set out in Article 8.3

8.3 A full set of originals of the following documentation must be sent by courier to the attention of UNICEF Supply Division, to be received prior to arrival of each shipment:

a) Bill of lading
b) Packing list, including weights and volumes, description, quantity per batch, expiry date and UNICEF's Purchase Order reference 68023375 and Material Number S7800002 for the 200,000 IU Vitamin A Oral Liquid Preparation as Soft Gelatin Capsules- 500 capsules per bottle;
c) Certificate of Origin
d) Signed commercial invoice
e) Halal certificate for all batches in the shipment
f) Certificate of Analysis for all batches in the shipment (must include batch numbers and all specifications for release of acceptable products)
g) Updated Delivery Report (see Appendix 1)

8.4 The Contractor shall send one copy of the following documentation by courier to the NI, Attention: Leeza Sharma:

a) The full set of the above-listed documents (8.2)
b) Freight invoice together with freight forwarder's receipt
c) Freight insurance invoice together with freight insurer's receipt

8.5 When the freight invoice or freight insurance invoice is not in Canadian dollars, the Contractor shall provide the exchange rate used and a copy of the official source on which the exchange rate was based.

8.6 The Supplier makes a continuing representation and warranty that all of the information concerning the Goods that it provides to NI in documentation required under this LTA-G or any Purchase Order (including, but not limited to, the weight and volume of Goods) is true, complete, correct, accurate and not misleading.

## 9. Inspection of Facilities; Quality Assurance

9.1 Throughout the LTA-G Period, the Supplier will permit NI, either itself or through a designated representative entity, to have access to the facilities where the Goods are manufactured, at all reasonable times to inspect the manufacturing site and processes for the production, quality control, quality assurance and packing of the Goods. The Supplier will provide reasonable assistance to the representative for such appraisal, including copies of any documentation as may be necessary. The inspection may be carried out in conjunction with the appropriate national authority.

9.2 If the specifications for the Goods set out in this LTA-G include requirements for quality assurance systems and manufacturing practices, the Supplier will, throughout the LTA-G Period, maintain quality assurance systems and manufacturing practices that meet those requirements.

9.3 The Supplier will throughout the LTA-G Period maintain and, at NI's request, provide to NI full and complete copies of, independent certification of its management systems by a certification agency acceptable to NI (e.g. ISO 9001, ISO 13485, GMP). If such certification is updated for any reason during the LTA-G Period, the Supplier will promptly provide NI with a copy of the updated certificate.

9.4 The Supplier makes a continuing representation and warranty throughout the LTA-G Period, that it undertakes periodic self-assessment of its operations and quality assurance system. Upon NI's request, the Supplier will promptly provide NI with access to the results of such self-assessment.

9.5 The Supplier will immediately inform NI if there is a significant change to its main processes or a change of manufacturing site that could affect the quality of the Goods. NI may request product or process validation report(s) or any applicable qualification report(s) prior to mass production or the next delivery.

## 10. Termination of this LTA-G

10.1 **Termination by Either Party for Convenience**. Either Party can terminate this LTA-G on not less than ninety (90) days' written notice without having to provide any justification. The termination will be effective on the expiry of such ninety (90) days' notice period.

10.2 **Termination by Either Party for Material Breach**. If one Party is in material breach of any of its obligations under this LTA-G, the other Party can give it written notice that within thirty (30)

days of receiving such notice the breach must be remedied (if such breach is capable of remedy). If the breaching Party does not remedy the breach within the thirty (30) days' period or if the breach is not capable of remedy, the non-breaching Party can terminate this LTA-G. The termination will be effective thirty (30) days after the non-breaching Party gives the breaching Party written notice of termination. The initiation of conciliation or arbitral proceedings in accordance with Article 9 of the NI General Terms and Conditions of Contract (Goods) will not be grounds for termination of this LTA-G.

10.3 **Additional Termination Rights of NI**. In addition to the termination rights under Articles 10.1 and 10.2 above, NI can terminate this LTA-G with immediate effect upon delivery of a written notice of termination to the Supplier, without any liability for termination charges or any other liability of any kind:

(a) in the circumstances described in, and in accordance with, Article 7 (Ethical Standards) of the NI General Terms and Conditions of Contract (Goods); or

(b) if the Supplier breaches any of the provisions of Articles 5.2-5.4 (Confidentiality) of the NI General Terms and Conditions of Contract (Goods); or

(c) if the Supplier (i) is adjudged bankrupt, or is liquidated, or becomes insolvent, or applies for a moratorium or stay on any payment or repayment obligations, or applies to be declared insolvent, (ii) is granted a moratorium or a stay, or is declared insolvent , (iii) makes an assignment for the benefit of one or more of its creditors, (iv) has a receiver appointed on account of the insolvency of the Supplier, (v) offers a settlement in lieu of bankruptcy or receivership or (vi) has become, in NI's reasonable judgment; subject to a materially adverse change in its financial condition that threatens to substantially affect the ability of the Supplier to perform any of its obligations under this LTA-G.

10.4 The termination rights in Articles 10.1, 10.2, and 10.3 above are in addition to all other rights and remedies under this LTA-G.

10.5 **Consequences of Termination of this LTA-G.** The termination of this LTA-G will be without prejudice to each Purchase Order issued under this LTA-G and outstanding at the effective date of termination, in respect of which the terms set out in this LTA-G will continue to apply, unless and until such Purchase Order expires or is terminated in accordance with its terms.

10.6 **Consequences of Termination of a Purchase Order**. Purchase Orders issued under this LTA-G may be terminated in accordance with their terms. The termination of a Purchase Order will be without prejudice to this LTA-G which will continue in effect, unless and until the LTA-G Period expires or this LTA-G is terminated in accordance with this Article 10.

10.7 **Force Majeure**. If one Party is rendered permanently unable, wholly or in part, by reason of force majeure to perform its obligations under this LTA-G, the other Party may terminate this LTA-G on the same terms and conditions as are provided for in Article 10.2 above, except that the period of notice will be seven (7) days instead of thirty (30) days. "Force majeure" means any unforeseeable events arising from causes beyond the control of the Parties, including acts of nature, any act of war (whether declared or not), invasion, revolution, insurrection, terrorism or other acts of a similar nature or force. "Force majeure" does not include (a) any event which is caused by the negligence or intentional action of a Party; (b) any event which a diligent party could reasonably have been expected to take into account and plan for at the time this LTA-G

was entered into; (c) the insufficiency of funds, inability to make any payment required under this LTA-G, or any economic conditions, including but not limited to inflation, price escalations, or labour availability; or (d) any event resulting from harsh conditions or logistical challenges for the Supplier (including civil unrest) associated with locations at which NI is operating.

## 11. Notices; Coordination

11.l NI's and the Supplier's contact and address for notices under this LTA-G are set out below. Each Pany will notify the other in writing of any change in such Party's contact and address for notices.

If to **NI**:
Leeza Sharma
Program Officer, Child Survival Commodities
Tel: 613-782-6856
Email : lsharma@nutritionintl.org

If to the **Supplier**:
Name
Title
Tel:
Email

NI and the Supplier will each nominate a representative to be responsible for the day-to-day coordination and management of this LTA-G and will so inform the other by email.

11.2 The Parties' respective contact and address for notices under each Purchase Order will be set out in each Purchase Order. The Parties' representatives responsible for the day-to-day coordination and management of each Purchase Order will be as set out in each Purchase Order.

# Appendix 1 – Desiccant Pack Specifications

**1.0 GENERAL:**

1.1 Desiccant Packs are to be included in each 100 or 500-capsule container of Vitamin A Soft Gelatin Capsules manufactured for the Nutrition International.

**2.0 PURPOSE OF THE DESICCANT PACKS:**

2.1 Softening and clumping of soft gelatin capsules has been reported from tropical countries during vitamin A capsule distribution. The purpose of including a desiccant in the 100 or 500 capsule containers is to minimize the occurrence of capsule clumping due to moisture-induced softening and degradation.

**3.0 PERFORMANCE:**

3.1 The desiccant should protect the soft gelatin capsules from moisture and avoid softening and clumping while the capsules remain enclosed in a sealed high density polyethylene opaque container and up to 6 weeks after the container's protective seal has been broken for use in conditions of RH 60%-100% and temperatures of 25-45° C.

**4.0 PRODUCT SPECIFICATION:**

4.1 Sufficient B-type or wide pore spherical synthetic amorphous silica (silicon dioxide, Si02) in accordance with US Military Specifications for desiccant materials, which details requirements for bagged, chemically inert and dehydrating agents (Desiccant Materials-MIL-D-3464). Each 100 or 500-capsule container may include 1-3 desiccant packs of desiccant to achieve best humidity absorption results.

**5.0 PACKAGING OF THE PRODUCT:**

5.1 Individual bags of high-density polyethylene spun into continuous fibres (Tyvek®) to prevent the silica from dusting.

OR

5.2 Package in accordance with US military specification MIL-P-116, Method II, modified to eliminate the evacuation process and desiccant. Barrier Bags will meet or exceed the requirements of Type III, Class E. Humidity indicators are not required. This specification requires that the dessicant material be sealed in a water vapour-proof, grease-proof heat-sealable Barrier Bag of size sufficient to enclose the desiccant package necessary to dehydrate the chosen container size. Note that silica gel conforming to MIL-D-3464 will be included in packages of products expected to be subjected to prolonged storage in tropical geographical regions

## Appendix 2 – Specification for Packing; Pallets & Boxes; Pallet & Box Labels

### 1.0 GENERAL REQUIREMENTS

1.1 Contractors who do not comply with the packing requirements for deliveries to the UNICEF Warehouse, Copenhagen, Denmark, as outlined herein shall be invoiced the extra cost of re-work fees on arrival at UNICEF Supply Division. The current recovery fee structure is available on the UNICEF website (http://www.unicef.org/supply/files/UNICEF_Re-Work_fees.pdf)

1.2 UNICEF also reserves the right to reject non-compliant shipments. All additional costs in relation to the rejection of the shipment shall be borne by the manufacturer.

1.3 No carton may contain items from more than one manufacturing batch.

1.4 If the goods are batch managed, each pallet/carton shall contain one batch only.

1.5 Case identification as requested on the order must be mentioned on all invoices.

1.6 The packing (e.g. bottles, caps, boxes, labels) must be of a sturdy export quality and of a commercial standard that will provide adequate protection of the goods for carriage by air, sea and/or road to final destinations worldwide, including remote locations under adverse climatic and storage conditions, and high humidity – i.e. not less than 17kN edge crush resistance with minimum 60% remaining with 90% humidity at a temperature of 40°C (tropical conditions).

1.7 The packaging unit must be strong, able to be stacked to a height of 4 pallets as static storage and 2 pallets during transport, and resistant to puncturing.

1.8 All wood packaging, including pallets and boxes, utilized in any shipment, must have undergone the treatment, marking and documentation required to meet the specifications described in *ISPM No. 15: Guidelines for Regulating Wood Packaging Material in International Trade, available at www.ippc.int*.

1.9 All paper-pulp used for cardboard and corrugated boxes must be of virgin base materials.

1.10 Deliveries to any destination other than the UNICEF Warehouse, Copenhagen, Denmark, must be packed and palletized in the most cost-effective way to minimize freight costs.

1.11 **Packing List:** All markings must be reflected in the packing list to be completed at time of shipment. The packing list shall indicate weights and volumes, description of the goods, manufacturing batch number, quantity per batch, expiry date and UNICEF's P.O. reference (680*) and material numbers (S78*) and cross-reference to the carton numbers. One copy of the packing list must be included with the shipment and another copy shall accompany the shipping documents.

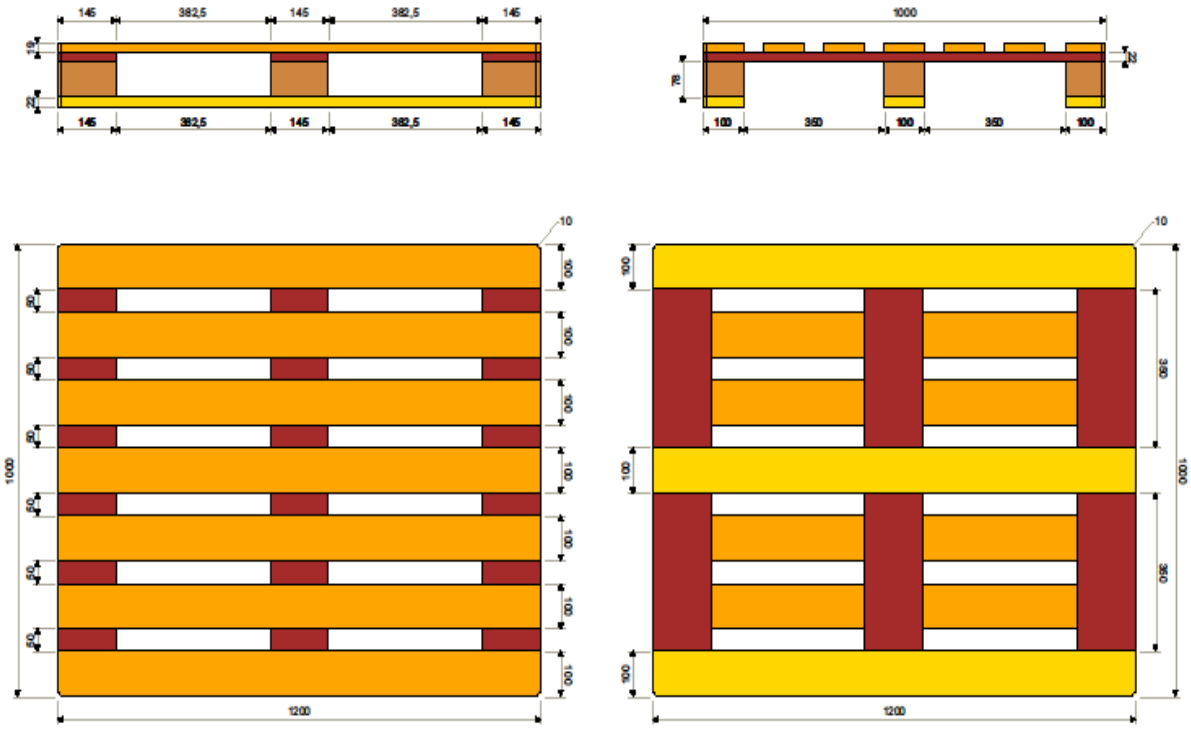
## 2.0 PALLET SPECIFICATIONS

2.1 All deliveries to the UNICEF Warehouse, Copenhagen, Denmark, must be on non-returnable pallets.

2.2 A detailed packing list including material number and description, quantity and batch number, shall be attached to both short sides of minimum the first pallet of the shipment.

2.3 Below are details of the **acceptable** pallet types:

2.3.1 1200 x 1000 mm (Preferred size), One Way Pallet, Heat treatment according to ISPM 15




Nails/Joint:

| | |
|---|---|
| Deck board/Block | 2 pcs. 3.1/85 mm ring nail |
| Deck board/Stringer board | 2 pcs. 2.5/45 mm round nail (diamond shaped) |
| Bottom board/Block | 2 pcs. 3.1/75 mm ring nail |

Tolerances:

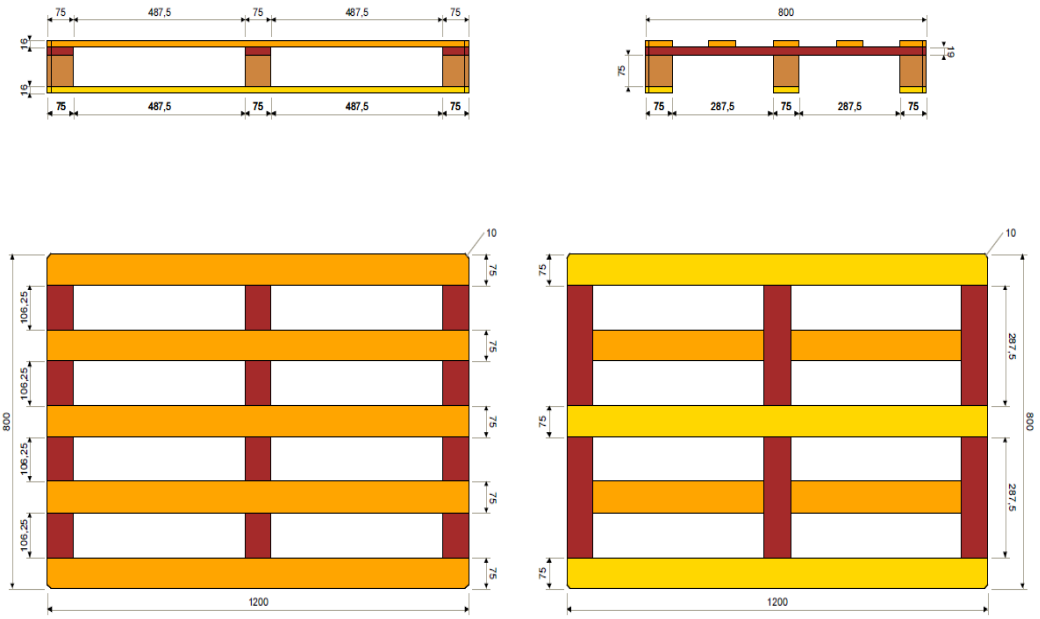
| | |
|---|---|
| Pallet length | -0/+3 mm |
| Pallet width | -0/+3 mm |
| Board length | -0/+3 mm |
| Board width | -3/+3 mm |
| Board thickness | -0/+1 mm |
| Block length | -3/+3 mm |
| Block width | -3/+3 mm |
| Block height | -0/+2 mm |
| Entry height | Min. 100 mm |

Wood:

| | |
|---|---|
| Moisture content | <20 % |
| Wanes | <15 mm |
| Single knot | <1/3 of width |
| Sum of knots | <1/2 of width |

Insect holes and rot are NOT allowed
Heat treatment: According to ISPM 15

2.3.2 1200 x 800 mm, One Way Pallet (Euro) as per UIC 435-2 , Heat treatment according to ISPM 15




Nails/Joint:

| | |
|---|---|
| Deck board/Block | 2 pcs. 3.1/85 mm ring nail |
| Deck board/Stringer board | 2 pcs. 2.5/45 mm round nail (diamond shaped) |
| Bottom board/Block | 2 pcs. 3.1/75 mm ring nail |

Tolerances:

| | |
|---|---|
| Pallet length | -0/+3 mm |
| Pallet width | -0/+3 mm |
| Board length | -0/+3 mm |
| Board width | -3/+3 mm |
| Board thickness | -0/+1 mm |
| Block length | -3/+3 mm |
| Block width | -3/+3 mm |
| Block height | -0/+2 mm |
| Entry height | Min. 97 mm |

Wood:

| | |
|---|---|
| Moisture content | <20 % |
| Wanes | <15 mm |
| Single knot | <1/3 of width |
| Sum of knots | <1/2 of width |

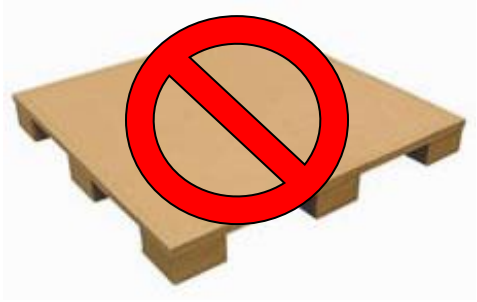
Insect holes and rot are NOT allowed
Heat treatment: According to ISPM 15

2.4 Below are details of **unacceptable** pallet types and pallet characteristics:

2.4.1 Inka pallet

2.4.2 Plastic pallets

2.4.3 China pallets



2.4.4 Any other pallet type

2.4.5 Pallets manufactured from other materials than solid wood are **NOT** acceptable; (such as wood chip, MDF board, ply wood or carton).

2.5 Contractors shall send their pallet specifications to NI for approval prior to any shipment to **UNICEF Warehouse, Copenhagen, Denmark**. The specification must be sent to the attention of **Leeza Sharma, lsharma@nutritionintl.org** for approval prior to use.

## 3.0 SPECIFICATIONS FOR CARTONS/ BOXES

### 3.1 Export cartons

a. Design

| | |
|---|---|
| Box style | Full-overlap slotted container (FOSC) |
| FEFCE/ESBO Code | 0203 modified as described below |
| Closure | Outside flap, glued and stitched |
| Flute designation | BC double wall |
| Structural instructions | Meeting inner flaps.<br>All corners of long side flaps are chamfered 25x25 mm. |

b. Quality and standards

| | | |
|---|---|---|
| Edge Compression Test (ECT) | ≥ 17 kN/m | (EN ISO 3037) |
| Bursting strength (Mullen) | ≥ 2200 kPa | (EN ISO 2759) |
| Water absorptiveness (Cobb 1800) | < 155 g/m$^2$ | (EN ISO 535) |
| Bending stiffness | MD: ≥ 44000 Nmm<br>CD: ≥ 19500 Nmm | (EN ISO 5628) |

c. Quality instructions

- Min. 60% of resulting box strength must be maintained in tropical conditions, i.e. 40°C and 90 % R.H.
- Box compression test (BCT) must be provided.

### 3.2 Inner cartons

a. Design

| | |
|---|---|
| Box style | Regular slotted container (RSC) |
| FEFCE/ESBO Code | 0201 modified as described below |
| Closure | Inside flap, glued |
| Flute designation | C single wall |
| Structural instructions | All corners of short side flaps (inner flaps) are chamfered 10 x 20 mm (10 mm on top edge). |

b. Quality and standards

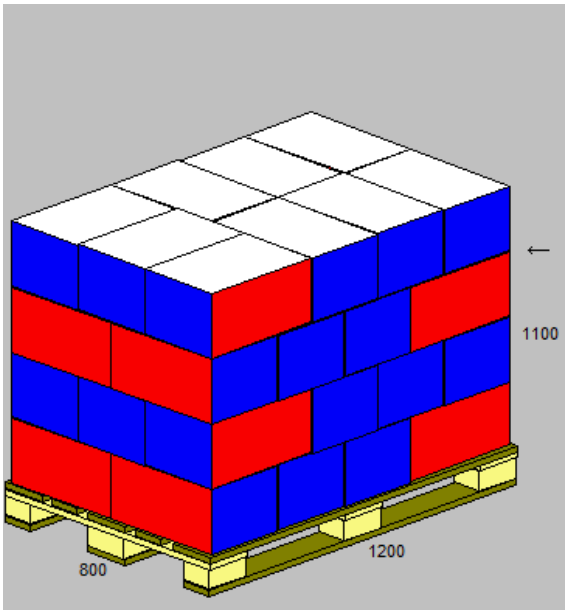
| | | |
|---|---|---|
| Edge Compression Test (ECT) | ≥ 6,1 kN/m | (EN ISO 3037) |
| Bursting strength (Mullen) | ≥ 1680 kPa | (EN ISO 27597) |
| Water absorptiveness (Cobb 1800) | < 155 g/m2 | (EN ISO 535) |
| Bending stiffness | MD: N/A, CD: N/A | (EN ISO 5628) |

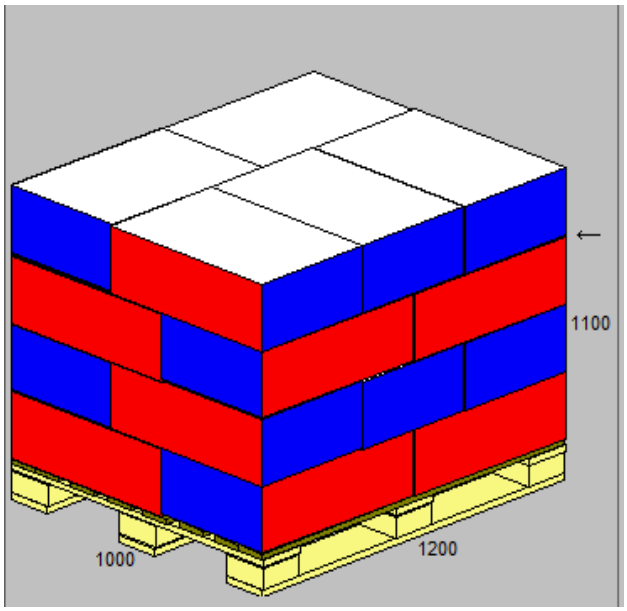
c. Quality instructions

- Min. 60% of resulting box strength must be maintained in tropical conditions, i.e. 40°C and 90 % R.H.
- Box compression test (BCT) must be provided.

3.3 Carton stacking

3.3.1 The maximum height is **110 cm including** the pallet.
3.3.2 The maximum weight of the cargo including the pallet is **950 kg**
3.3.3 The cartons shall be cross stacked on the pallets whenever possible.
3.3.4 No overhang is allowed.




3.4 Cargo

3.4.1 The pallets/cartons shall contain only one material.
3.4.2 For batch managed materials, e.g. pharmaceuticals and medical devices, the cartons/pallets shall contain only 1 single batch.

3.5 Wrapping

3.5.1 The cargo on the pallets shall be shrink-wrapped.
3.5.2 The shrink-wrapping shall allow the pallet to be handled by fork-lift.
3.5.3 Loose foil ends are not tolerated.
3.5.4 Pallets must not be wrapped together.

3.6 Strapping

3.6.1 As an alternative to shrink-wrapping, the cargo can be fixed with straps of polypropylene.
3.6.2 Steel straps are not acceptable.
3.6.3 The cargo shall be fixed with at least 4 straps, 2 on the pallet's short side and 2 on its long side.

## 4.0 IDENTIFICATION MARKINGS

4.1 The **pallets**, cases, and all **outer and inner** cartons must be clearly marked with the following information:

4.1.1 Purchase order number (optional for inner cartons);
4.1.2 UNICEF material number*;
4.1.3 Description of contents;
4.1.4 Quantity per carton;
4.1.5 Gross Weight;
4.1.6 Cubic Measurement;
4.1.7 Batch Number Reference;
4.1.8 IMCO classification (if applicable);
4.1.9 Manufacturing date;
4.1.10 Expiration date.

4.2 The size of the markings and labels must not exceed A5 (210 x 148 mm).

* **UNICEF material number should be written in one complete sequence, i.e. no hyphens:**

| Capsule Type | UNICEF Material Number |
|---|---|
| 200,000 IU Vitamin A Soft Gelatin Capsules – 500 count bottles | S7800002 |
| 100,000 IU- Vitamin A Soft Gelatin Capsules – 500 count bottles | S7800001 |
| 200,000 IU- Vitamin A Soft Gelatin Capsules – 100 count bottles | To be provided at time of contract |
| 100,000 IU- Vitamin A Soft Gelatin Capsules – 100 count bottles | S7800003 |

## 5.0 BARCODE LABEL STANDARD

5.1 All **pallets and outer** cartons shall be barcode labelled with the below details using encoding type GS1-128. The markings shall be in both text format and contained in a barcode label. The use of any other standard will cause the shipment to be returned to the Contractor for replacement. All costs associated with the return of the shipment(s) and replacement of the labels will be at the Contractor's cost.

5.1.1 The height of the barcode shall be minimum 15 mm.
5.1.2 The size of the markings and labels must not exceed A5 (210 x 148 mm).
5.1.3 Inner cartons shall also be barcode labelled.
5.1.4 The pallet barcode label shall be placed at each of the two short sides of the pallet, outside the shrink-wrapping, if any, at the top right corner

5.2 Only the following identifiers (listed in brackets) in relation to barcode labelling shall be used. Where alternative is indicated, only one of these shall be used.

| | |
|---|---|
| (400) | UNICEF Purchase order number |
| (93) | Material number |
| (37) | Quantity |
| (10) | Batch number |
| (11) | Manufacturing date |
| (12) | Expiration date |

5.3 The date format shall follow one of the following standard: DDMMYYYY

5.4 The default marking for days (DD) is the last day of the month, e.g., expiry July 2019 should be 31072015 on the barcode.

5.5 The quantity on both carton and pallet labels should reflect the quantity of the buying unit

5.6 Contractors shall send a sample of a barcode label to NI for approval prior to any shipment to UNICEF Warehouse, Copenhagen, Denmark. The sample barcode label must be submitted to the attention of Leeza Sharma, lsharma@nutritionintl.org , for approval prior to use.

**PALLET BARCODE LABEL SPECIFICATIONS**

| | |
|---|---|
| *Barcode standard:* | GS1-128*, only.* |
| *Dimensions of labels:* | *4" x 7" (10 cm x 18 cm)* |
| *Background colour:* | *White* |
| *Lettering:* | *Black* |
| *Bar Codes (dates):* | *Use following format only: DDMMYYYY (31.10.2015)* |
| *Identifiers:* | *This number in the brackets is an identifier according to* GS1-128*. Use only the identifiers indicated.* |
| *Font & font size:* | *Should fit appropriately on label. Minimum size: one half inch.* |
| *Material number:* | *Should be without hyphens (ex: S7800001)* |
| *Note:* | *Manufacturing date & expiration date format: DDMMYYYY (31.07.2015)* |

Figure 1: Sample Pallet Label

| **SHIP TO:** **UNICEF Supply Division** | |
|---|---|
| **UNICEF P.O. No.:** (write in) | **IIIIIIIIIIIIIIIII** (400)xxxxxxxx |
| **UNICEF Material No.:** (write in) | **IIIIIIIIIIIIIIIII** (93)xxxxxxxx |
| **Quantity of bottles:** (write in) | **IIIIIIIIIIIIIIIII** (37)xxxx |
| **Batch Number:** (write in) | **IIIIIIIIIIIIIIIII** (10)xxxxxx |
| **Manufacturing Date:** (write in) | **IIIIIIIIIIIIIIIII** (11)xxxxxx |
| **Expiration Date:** (write in) | **IIIIIIIIIIIIIIIII** (12)xxxxxx |
| **Pallet No.:** | |

**BOX BARCODE LABEL SPECIFICATIONS**

| | |
|---|---|
| *Barcode standard:* | GS1-128*, only.* |
| *Dimensions of labels:* | *4" x 7" (10 cm x 18 cm)* |
| *Background colour:* | *White* |
| *Lettering:* | *Black* |
| *Bar Codes (dates):* | *Use following format only: DDMMYYYY (31.07.2015)* |
| *Identifiers:* | *The number in the brackets is an identifier according to* GS1-128*. Use only the identifiers indicated.* |
| *Font & font size:* | *Should fit appropriately on label. Minimum size: one half inch.* |
| *Material number:* | *Should be without hyphens (ex: S7800001)* |
| *Note:* | *Manufacturing date & expiration date format: DDMMYYYY (31.07.2015)* |

Figure 2: Sample Box Label

| **Vitamin A (Retinol)**<br>**200,000 IU – 500 capsules**<br>**NI Project No.: 10-XXXX-XXXXX-XX** | |
|---|---|
| **UNICEF P.O. No.:** (write in) | IIIIIIIIIIIIIIIII<br>(400)xxxxxxxx |
| **UNICEF Material No.:** (write in) | IIIIIIIIIIIIIIIII<br>(93)xxxxxxxx |
| **Quantity of bottles:** (write in) | IIIIIIIIIIIIIIIII<br>(37)xxxx |
| **Batch Number:** (write in) | IIIIIIIIIIIIIIIII<br>(10)xxxxxx |
| **Manufacturing Date:** (write in) | IIIIIIIIIIIIIIIII<br>(11)xxxxxx |
| **Expiration Date:** (write in) | IIIIIIIIIIIIIIIII<br>(12)xxxxxx |

Figures 3 & 4: Example: Use of specifications provided to indicate format only