REPUBLIKA NG PILIPINAS
SANGGUNIANG PANLUNGSOD
LUNGSOD NG ORMOC

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE FIFTEENTH SANGGUNIANG PANLUNGSOD NG ORMOC HELD AT THE SANGGUNIANG PANLUNGSOD SESSION HALL, ORMOC CITY HALL BUILDING ON JANUARY 08, 2021 IN LIEU OF JANUARY 05, 2021

PRESENT:

Leo Carmelo L. Locsin, Jr.	City Vice Mayor & Presiding Officer
Benjamin S. Pongos, Jr.,	SP Member
Roiland H. Villasencio,	SP Member
Tomas R. Serafica,	SP Member, Majority Floor Leader
Nolito M. Quilang,	SP Member
Eusebio Gerardo S. Penserga,	SP Member
Jasper M. Lucero,	SP Member, Asst. Majority Floor Leader
Peter M. Rodriguez,	SP Member
Vincent L. Rama,	SP Member
Gregorio G. Yrastorza III,	SP Member
Lalaine A. Marcos,	SP Member
Esteban V. Laurente,	SP Member
Joan Marbie C. Simbajon,	Ex-Officio SP Member, Chapter President, Liga ng mga Barangay ng Ormoc
Panlungsod na Pederasyon ng mga Sangguniang Kabataan ng Ormoc	Ex-Officio SP Member, Chapter President,

RESOLUTION NO. 2021 – 001

A RESOLUTION GRANTING THE CITY/ACTING MAYOR THE AUTHORITY TO ENTER INTO, AND SIGN, A MEMORANDUM OF AGREEMENT WITH ASTRAZENECA PHARMACEUTICALS PHILIPPINES, INCORPORATED, THE NATIONAL TASK FORCE AGAINST COVID-19, AND THE DEPARTMENT OF HEALTH, IN BEHALF OF THE LOCAL GOVERNMENT OF ORMOC CITY, RELATIVE TO THE ACQUISITION, DISTRIBUTION, AND ADMINISTRATION OF AZD1222 VACCINE.

WHEREAS, the Fifteenth Sangguniang Panlungsod was in receipt of an Indorsement dated January 8, 2021 from the Office of the City Mayor, requesting the issuance of a Resolution granting the City/Acting Mayor the authority to sign the Memorandum of Agreement (MOA) to be entered into by and among Astrazeneca Pharmaceuticals Philippines, Incorporated (Astrazeneca), The National Task Force Against Covid-19 (NTF), The Department Of Health (DOH), And The Local Government Of Ormoc City (LGU Ormoc), relative to the acquisition, distribution, and administration of AZD1222 Vaccine. The same Indorsement further requests that the matter be treated as EXTREMELY URGENT. A copy of subject MOA is hereto attached as ANNEX 'A' and made an integral part hereof;

WHEREAS, it is among the mandate of the City to effectively implement programs, projects and services that promote the health and well-being of every Ormocanon, prevent and control diseases among population at risks, protect individuals, families and communities exposed to hazards and risks;

WHEREAS, upon review of subject MOA, the City Legal Officer found the covenants therein consistent with law, morals, good customs, public policy, or public order;

WHEREAS, this august body finds the terms and purpose of the MOA are consistent with the policy of promoting and protecting the collective interests of all Filipinos, and of undertaking a program for recovery and rehabilitation;

WHEREAS, this august body finds that the undertaking subject of the agreement will be beneficial to individuals and the community, and is the ideal intervention to meet the challenges brought on by the current health emergency;

WHEREFORE, on joint motion of SP Member Eusebio Gerardo S. Penserga, Chairman, Committee on Health and Sanitation and SP Member Benjamin S. Pongos, Jr., Chairman, Committee on Laws and Ordinances, severally seconded by SP Members Tomas R. Serafica, Jasper M. Lucero, Gregorio G. Yrastorza, III, Joan Marbie C. Simbajon, Lalaine A. Marcos, Esteban V. Laurente, Vincent L. Rama, Peter M. Rodriguez, Roiland H. Villasencio, be it:

RESOLVED, AS IT IS HEREBY RESOLVED, that the CITY/ACTING MAYOR IS HEREBY AUTHORIZED TO ENTER INTO, AND SIGN, A MEMORANDUM OF AGREEMENT WITH ASTRAZENECA PHARMACEUTICALS PHILIPPINES, INCORPORATED, THE NATIONAL TASK FORCE AGAINST COVID-19, AND THE DEPARTMENT OF HEALTH, IN BEHALF OF THE LOCAL GOVERNMENT OF ORMOC CITY, RELATIVE TO THE ACQUISITION, DISTRIBUTION, AND ADMINISTRATION OF AZD1222 VACCINE;

Adopted, January 08, 2021.

RESOLVED, FURTHER, that a copy of the final notarized Memorandum of Agreement (MOA) be submitted to this Sanggunian for its information and files;

RESOLVED, FINALLY, to furnish copies of this resolution each to the City Mayor of Ormoc Richard I. Gomez; the City Administrator, Mr. Vincent L. Emnas; the City Legal Officer, Atty. Josephine Mejia-Romero; Ormoc City Health Department; the Astrazeneca Pharmaceuticals Philippines, Incorporated; the National Task Force Against Covid-19; the Department of Health; the City Local Government Operations Officer-DILG; and other offices concerned for their information and guidance;

CARRIED UNANIMOUSLY.

I HEREBY CERTIFY to the correctness of the above resolution.

NONILYN D. GALANO
OIC – SP Secretary
(Supervising Administrative Officer)

ATTESTED:

LEO CARMELO L. LOCSIN, JR.
City Vice Mayor & Presiding Officer

PRIVILEGED AND CONFIDENTIAL

Working Draft as of 3 January 2021

MULTILATERAL AGREEMENT FOR THE ADVANCE PURCHASE OF AZD1222 VACCINE IN THE PHILIPPINES

This Multilateral Agreement (this **"Agreement"**) is entered into as of ___ January 2021 (the "**Effective Date**") between and among the following parties:

ASTRAZENECA PHARMACEUTICALS PHILIPPINES, INCORPORATED ("ASTRAZENECA"), a corporation duly organized and existing under the laws of the Philippines, with address at 16F, Inoza Tower, 40th St,, Bonifacio Global City, Taguig, Philippines, represented herein by its Country President, **LOTIS RAMIN**, and hereinafter referred to as "**AstraZeneca**";

REPUBLIC OF THE PHILIPPINES, acting through the **NATIONAL TASK FORCE AGAINST COVID-19 ("NTF")** created by virtue of Inter-agency Task Force Resolution No. 15 issued on 25 March 2020, represented herein by **SECRETARY CARLITO G. GALVEZ, JR. as Vaccine Czar**;

THE DEPARTMENT OF HEALTH, a government agency created under the laws of the Philippines, with address at the San Lazaro Compound, Tayuman, Sta. Cruz, Manila, Philippines, represented herein by **SECRETARY FRANCISCO T. DUQUE, III.**, and hereinafter referred to as the **"DOH"**;

and

The local government units duly existing under the laws of the Philippines, listed in Annex "A" hereof, represented herein by their respective authorized representatives, hereinafter individually referred to as the **"LGU"** and collectively referred to as "**LGUs**".

AstraZeneca, NTF, DOH and the LGUs may be referred to herein individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS, to combat the current COVID-19 global pandemic, AstraZeneca UK (as defined below) has partnered with Oxford University to rapidly clinically evaluate and scale-up global manufacturing of ChAdOx1 nCov-19 vaccine known as AZD1222 ("**AZD1222 Vaccine**");

WHEREAS, AstraZeneca UK has accelerated its manufacturing scale-up concurrently with its conduct of global clinical trials to ensure the broadest possible availability of the AZD1222 Vaccine, as quickly as possible;

WHEREAS, *Section 4d* of *Republic Act No. 11494*, otherwise known as the "*Bayanihan to Recover as One*" authorizes the President to exercise powers that are necessary and proper to undertake and implement COVID-19 response and recovery interventions, such

OFFICE OF THE CITY LEGAL OFFICE
_____ Approved
_____ Disapproved
_____ Drafted by CLO
_____ Not contrary to laws, public policy, moral.
_____ Ammendments/Revisions
BY: Atty. Josephine A. Mejia-Romero, City Legal Officer DATE: 01-08-2021

Standard model contract as drafted by NTF/DOH/AstraZeneca 1/8/21

as delivery of uninterrupted immunization program against vaccine preventable diseases including vaccine for COVID-19, among others;

WHEREAS, the LGUs have offered their assistance to the NTF for the purpose of acquiring [●] Doses of the AZD1222 Vaccine (the "Doses") for distribution and administration within the Philippines (the "**Territory**"), in accordance with the guidelines and procedures determined by the NTF and after the issuance of the appropriate Authorizations and regulatory processes for the AZD1222 Vaccine;

WHEREAS, the Vaccine has already been authorized for use by the United Kingdom's Medicine and Healthcare Products Regulatory Agency, a Stringent Regulatory Authority (SRA), and this fact has been acknowledged by the Asian Development Bank;

WHEREAS, as part of the aforementioned scale-up, AstraZeneca has committed to use its Best Reasonable Efforts (as defined below) to build capacity to manufacture and make available the Doses of the AZD1222 Vaccine to the LGUs, at no profit and no loss to AstraZeneca during the global pandemic;

WHEREAS, AstraZeneca will supply the AZD1222 Vaccine to the LGUs through the NTF according to the terms of this Agreement, and the LGUs have agreed that the NTF, through the DOH, shall immediately obtain possession of the Doses of the AZD1222 Vaccine upon their arrival at the Destination Port;

WHEREAS, the DOH, as the principal health agency of the government, shall take charge of the COVID-19 immunization program and shall issue pertinent guidelines to implement the same;

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth below and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each of the Parties hereby agree as follows:

1. Definitions.

When used in this Agreement, the following capitalized terms shall have the meanings set forth in this Article 1.

1.1. "**Affiliate**" means, with respect to a Party, any Person that Controls, is Controlled by or is under common Control with such Party.

1.2. "**Agreement**" has the meaning given in the preamble, namely the Multilateral Agreement for the Advance Purchase of AZD1222 Vaccine in the Philippines among the LGUs, AstraZeneca, the NTF and the DOH.

1.3. "**Applicable Law**" means any law or statute, any rule or regulation issued by a Governmental Authority or Regulatory Authority and any judicial, governmental, or administrative order, judgment, decree, or ruling, in each case as applicable to the subject matter and the parties at issue, including, but not limited to, Republic Act No. 3019 (or the "Anti-Graft and Corrupt Practices

Act") and Republic Act No. 9160 (or the "Anti-Money Laundering Act of 2001"), and any amendments thereto.

1.4. "**AstraZeneca**" has the meaning given in the preamble.

1.5. "**AstraZeneca UK**" means AstraZeneca's Affiliate, AstraZeneca UK Ltd.

1.6. "**Authorization**" means the applicable approvals from a Regulatory Authority required or necessary for the supply of the AZD1222 Vaccine.

1.7. "**AZD 1222 Vaccine**" has the meaning given in the recitals.

1.8. "**AZ Exchange Rate**" means, on any date, the rate of exchange as published by Reuters as prevailing at 8.00 am (London) usually taken on the 25th day of the month prior to such date, where that day is a working day, or if the 25th day of the month is not a working day, the first working day following the 25th day of the month, or such other IFRS-compliant rate as used by AstraZeneca consistently for the purpose of preparing its consolidated financial statements.

1.9. "**Best Reasonable Efforts**" means

(a) in the case of AstraZeneca, the activities and degree of effort that a company of similar size with a similarly-sized infrastructure and similar resources as AstraZeneca would undertake or use in the development and manufacture of a vaccine product at the relevant stage of development or commercialization, having regard to the urgent need for a vaccine to end a global pandemic which is resulting in serious public health issues, restrictions on personal freedoms and economic impact, across the world but taking into account efficacy and safety;

(b) in the case of the LGUs, the activities and degree of effort that a concerned local government unit would undertake or use in supporting the procurement of a vaccine product having regard to the urgent need for a vaccine to end a global pandemic which is resulting in serious public health issues, restrictions on personal freedoms and economic impact, across the world; and

(c) in the case of the NTF and the DOH, the activities and degree of effort that the government would undertake or use in ensuring the efficient implementation of the National Deployment and Vaccination Program, having regard to the urgent need for the vaccination of the country's eligible population to end a global pandemic, which is causing deaths in the population, restrictions on personal freedom and negative economic impact across the world.

1.10. "**CMOs**" means contract manufacturing organizations engaged by AstraZeneca or an Affiliate of AstraZeneca.

1.11. "**Confidential Information**" has the meaning given in Section 15.1.

1.12. "**Control**" means: (i) to possess, directly or indirectly, the power to direct the management or policies of a Person, whether through ownership of voting securities or by contract relating to voting rights or corporate governance, or (ii) to own, directly or indirectly, fifty percent (50%) or more of the outstanding voting securities or other ownership interest of such Person, or (iii) in the case

of a partnership, control of the general partner, and "Controls" and "Controlled" shall be construed accordingly.

1.13. **"Consignee"** means the party appearing in the transport document to whom delivery may be lawfully made in accordance with the contact of carriage. Under this Agreement, this shall pertain to the DOH.

1.14. **"Defect"** or "**Defective**" means, in respect of a product, that it is not compliant with the Specification or Authorization for the product, or Applicable Laws.

1.15. **"Destination Port"** has the meaning given in Section 2.1.

1.16. "**Disclosing Party**" has the meaning given in Section 15.1(b).

1.17. **"DOH"** has the meaning given in the preamble.

1.18. "**Dollars**" or "**$**" means United States Dollars.

1.19. "**Doses**" has the meaning given in the preamble.

1.20. "**Effective Date**" has the meaning given in the preamble.

1.21. "**Executive Officer**" means, with respect to AstraZeneca, its Country President, with respect to the LGUs, their [Governor or Mayor], with respect to the NTF, its Vaccine Czar and with respect to the DOH, its Secretary.

1.22. "**Export/Import Laws**" means (a) any laws of the United States of America, the United Kingdom, the European Union or of any of its Member States that relate to the control of (re)export, transfer or import of products, software or technology and technical data; or (b) any other (re)export, transfer or import controls, sanctions or restrictions imposed or adopted by any government, state or regulatory authority in a country in which obligations under this Agreement are to be performed.

1.23. **"FDA"** has the meaning given in Section 2.3(a).

1.24. **"Firm Order"** means a binding order for a fixed number of Doses, which order shall be non-cancelable and may be modified only with the written consent of AstraZeneca which consent may be withheld in AstraZeneca's sole discretion.

1.25. "**Good Manufacturing Practices**" means the then-current mandatory standards, rules, principles and guidelines of good manufacturing practice and general biologics products standards in each case contained in Applicable Laws and Guidance which apply to the AZD1222 Vaccine in the Territory from time to time.

1.26. "**Governmental Authority**" means any court, agency, department, authority or other instrumentality of any nation, supranational body, state, county, city or other political subdivision.

1.27. "**Gross Negligence**" means a conscious and voluntary or reckless disregard of the need to use reasonable care, which is likely to cause foreseeable grave injury or harm to persons, property, or both.

1.28. **"IFRS"** means International Financial Reporting Standards, consistently applied.

1.29. "**Indemnified Persons**" has the meaning given in Section 13.1.

1.30. "**Indirect Taxes**" means value added, sales, consumption, goods and services taxes or other similar Taxes required by Applicable Laws to be disclosed as a separate item on the relevant invoice.

1.31. "**Know-How**" means (a) inventions, technical information, know-how, show-how, data (including physical data, chemical data, toxicology data, animal data, raw data, clinical data, and analytical and quality control data), formulae, assays, sequences, discoveries, procedures, processes, practices, protocols, methods, techniques, results of experimentation, knowledge, trade secrets, designs, skill, experience; and/or (b) any information embodied in compounds, compositions,

materials (including chemical or biological materials), formulations, dosage regimens, apparatus, devices, specifications, samples, works, regulatory documentation and submissions pertaining to, or made in association with, filings with any Regulatory Authority.

1.32. "**Laboratory**" has the meaning given in Section 6.1.

1.33. "**LGU**" and "**LGUs**" have the meaning given in the preamble.

1.34. "**Losses**" has the meaning given in Section 13.1.

1.35. "**Milestone Payment**" has the meaning given in Section 4.3(a).

1.36. "**National Government**" shall refer to the central government of the Republic of the Philippines;

1.37. "**Party-in-Breach**" has the meaning given in Section 11.3.

1.38. "**Person**" means any individual, sole proprietorship, partnership, limited partnership, limited liability partnership, corporation, limited liability company, business trust, joint stock company, trust, incorporated association, joint venture or similar entity or organization (whether or not having a separate legal personality), including a government or political subdivision or department or agency of a government.

1.39. "**Project Manager**" has the meaning given in Section 3.1.

1.40. "**Purchase Price**" has the meaning given in Section 4.2.

1.41. "**Receiving Party**" has the meaning given in Section 15.1(b).

1.42. "**Regulatory Authority**" means the FDA or any other agency or instrumentality of the National Government regulating the importation, manufacture, market approval, sale, distribution or use of the AZD1222 Vaccine within the Territory.

1.43. "**Related Persons**" means spouses, heirs, children (whether natural or adopted), descendants, successors and assigns, estates, or legal representatives, executors, administrators or any other person or entity representing the rights of the injured person or any of the foregoing.

1.44. "**Specification**" means the written specifications for the AZD1222 Vaccine as determined by AstraZeneca for manufacturing occurring at-risk prior to a relevant Authorization being obtained.

1.45. "**Tax**" means any form of tax (national or local) or taxation, levy, customs duty, fee, charge, social security, charge, contribution, or withholding of whatever nature (including any related fine, penalty, surcharge or interest) imposed by, or payable to, a tax authority.

1.46. "**Terminating Party**" has the meaning given in Section 11.3.

1.47. "**Territory**" has the meaning given in the preamble.

1.48. "**Third Party Claim**" has the meaning given in Section 13.1.

1.49. "**Vaccine IP Rights**" has the meaning given in Section 10.1.

1.50. "**Waste**" has the meaning given in Section 8.1.

1.51. "**Willful Misconduct**" means an act or omission taken (a) intentionally to achieve a wrongful purpose; (b) knowingly without legal or factual justification; and (c) in disregard of a known or obvious risk that is so great as to make it

highly probable that the harm will outweigh the benefit. Each of the foregoing conditions must be proven with clear and convincing evidence.

2. Principal Obligations and Undertakings of the Parties

2.1 AstraZeneca's principal obligations and undertakings are as follows:

a. Among the Parties, AstraZeneca shall have the sole right and responsibility for all aspects relating to the research and development of the AZD1222 Vaccine with the goal of establishing a vaccine that is safe and efficacious for manufacture and sale as contemplated by this Agreement.

b. AstraZeneca shall use its Best Reasonable Efforts to manufacture the Doses of AZD1222 Vaccine for distribution within the Territory, and to arrange the delivery thereof to the designated port of destination in the Philippines as advised by the NTF, through the DOH ("**Destination Port**"), following the availability of all required Authorizations in the Territory, the Doses of the AZD1222 Vaccines enumerated in Annex "A", in accordance with the terms and conditions of this Agreement.

c. AstraZeneca confirms the non-exclusive nature of this Agreement and that there is nothing which precludes or restricts the LGUs, the NTF or the DOH from purchasing any products whatsoever from third parties, including any products that are complementary to, competitive to, equivalent to, or substitutable for the AZD1222 Vaccine or that are indicated for or expected to be beneficial for use in the prophylaxis, treatment or vaccination against SARS-CoV-2.

2.2 The LGUs' principal obligations and undertakings are as follows:

a. Each of the LGUs commit to allocate a portion of their available budget to purchase from AstraZeneca the minimum Doses of the AZD1222 Vaccine indicated beside their names in Annex "A" hereof.

b. The LGUs shall shoulder the Purchase Price as defined in Section 4.2, and shall cause the prompt remittance of the payment to AstraZeneca in accordance with the schedule provided in this Agreement.

c. The LGUs shall reimburse AstraZeneca for all costs associated with delivery, distribution, storage, and destruction of the AZD1222 Vaccine prior to the delivery of the AZD1222 Vaccine to the Destination Port. Such reimbursement shall also include, but not limited to, foreign

exchange losses incurred by AstraZeneca during the term of this Agreement in transitioning collection to AstraZeneca's group account.

2.3 NTF, through the DOH, shall have the following principal obligations and undertakings:

a. The NTF, through the DOH, shall provide an endorsement to AstraZeneca in securing a Certificate of Product Registration ("**CPR**") for the AZD1222 Vaccine from the Philippine Food and Drug Administration ("**FDA**"), subject to AstraZeneca's submission of all required information and documents to facilitate the FDA's evaluation.

b. The NTF, through the DOH, shall provide support to the LGUs in securing any other applicable approvals from relevant Government Authority as necessary or required for the importation into and the use of the AZD1222 Vaccine in the Philippines.

c. The NTF, through the DOH, as the Consignee of the AZD1222 Vaccine, shall be primarily responsible in handling customs formalities for the importation of the AZD1222 Vaccine in order to facilitate the prompt clearance procedure and release of the shipment by the Bureau of Customs, and/or to qualify for tax and duty-free importation.

d. The NTF, through the DOH, shall distribute and administer the AZD1222 Vaccine as follows: one hundred percent (100%) to be distributed to geographical areas and sectors specifically identified by the LGUs, provided that such distribution will be in accordance with the allocation framework or general priority guidelines that will be developed by DOH, after careful study and consultation with relevant stakeholders.

e. The NTF, through the DOH, shall undertake the development of the allocation framework or general priority guidelines that is as fair as possible and include persons from all over the Territory and from all sectors based on vaccine developer's eligibility criteria for recipients.

f. The NTF, through the DOH and the LGU, commits and undertakes that the AZD1222 Vaccine will be administered free of charge and shall not be distributed or sold to any person or entity for any cash amount or any other form of consideration.

g. The DOH shall administer the AZD1222 Vaccine only to persons who have been sufficiently made aware of the possible risks associated therewith, and who have given their clear and unequivocal written consent to receive the AZD1222 Vaccine or waive in writing any liability on the part of AstraZeneca, the LGUs, the NTF, the DOH and their officers, employees and representatives, as well as health care professionals who may become involved in the administration thereof.

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h. The NTF and the DOH confirms that the importation of the AZD1222 Vaccine into the Territory shall not be subject to any tax. Should there be any tax due for the said transaction, the same shall be borne by the NTF and/or the DOH.

j. Upon the arrival of the AZD1222 Vaccine at the Destination Port, the NTF, through the DOH, shall henceforth be responsible for and shall shoulder the costs for the further transportation, storage, distribution and administration of the AZD1222 Vaccine.

3. Project Management

3.1. Project Manager. Promptly after the Effective Date, each of the LGUs, the NTF, the DOH and AstraZeneca shall appoint, and provide details to the other Parties of, a project manager ("**Project Manager**") who shall be responsible for the following:

a. Represent the applicable Party, acting as liaison between the Parties concerning performance and progress under this Agreement;

b. Work with the other Project Managers to manage and facilitate communications among the Parties under this Agreement;

c. Meet monthly to perform their responsibilities in accordance with the terms of this Agreement.

The Project Managers shall not have final decision-making authority with respect to any matter under this Agreement. Each of the Parties may replace its Project Manager at any time by seven (7) days' prior notice in writing to the other Parties. The Parties shall each bear the costs of its Project Manager.

4. Ordering, Pricing and Payment.

4.1. Ordering. Promptly after the Effective Date, the LGUs shall each submit to AstraZeneca a Firm Order for the Doses of the AZD1222 Vaccine indicated beside their names in Annex "A" hereof, together with each LGUs' order number, other registration/identification details, and invoice address. AstraZeneca shall accept the Firm Order in writing, and the confirmed Firm Order shall be binding upon the Parties and subject to the terms and conditions set out in this Agreement. All other terms and conditions (including any terms and conditions which the LGUs purport to apply under any order, specification or other document attached to any order form) are hereby excluded.

4.2. Pricing. With respect to the Firm Order, each of the LGUs shall undertake to cause AstraZeneca to be paid a fixed amount equal to the amount indicated beside their names in Annex "A" hereof (excluding Indirect Tax) (the "**Purchase Price**") in accordance with the terms and conditions of this Agreement, reflecting a fixed price of five Dollars ($5) per Dose; provided that, notwithstanding any other provision in this Agreement, the Parties agree that:

a) in no circumstances shall AstraZeneca be requested or required to manufacture or supply the AZD1222 Vaccine (at any time) at a loss or to supply the AZD1222 Vaccine without regard to the reasonable commercial interests of AstraZeneca; and

b) if (at any time) AstraZeneca determines that the amount of the Purchase Price has resulted in (or would result in) AstraZeneca supplying the AZD1222 Vaccine at a loss (having regard, without limitation, to the total cost of goods and other directly attributable costs incurred in manufacturing, regulatory approval and supply of the AZD1222 Vaccine provided, or to be provided, to the LGUs and taking into account any payments made by the LGUs in respect of the Purchase Price) then AstraZeneca shall:

(i) provide a written statement to the LGUs identifying the amount of such loss that has arisen or may arise; and

(ii) invoice the LGUs for an amount equal to such loss (or potential loss), with such invoice due and payable to AstraZeneca within thirty (30) days following the date of issue to the LGUs (unless a longer period is specified in the relevant invoice).

4.3 Funding and Invoicing.

a) Payment Schedules. The LGUs shall pay the Purchase Price to AstraZeneca in accordance with the following schedules (each a "**Milestone Payment**"):

(i) a fixed amount equal to One Dollar ($1.00) per dose promptly after the Effective Date of the Agreement; and

(ii) the proportionate balance of the Purchase Price pertaining to every batch of Doses delivered by AstraZeneca to NTF, through the DOH, at the Destination Port.

b) Cost Reimbursement and Invoicing to LGUs. AstraZeneca shall invoice each of the LGUs for each of the Milestone Payments within one (1) day after the achievement of the corresponding milestone event set forth in Section 4.3(a). AstraZeneca shall separately invoice the LGUs from time to time for the potential loss pursuant to Section 4.2, as well as all costs associated with delivery, distribution, storage, and destruction of the AZD1222 Vaccine prior to the delivery of the AZD1222 Vaccine to the Destination Port, and foreign exchange losses incurred by AstraZeneca in relation to said costs during the term of this Agreement in transitioning collection to AstraZeneca's group account. For the avoidance of doubt, any collective costs shall be divided among the LGUs in proportion to their Firm Order of AZD1222 Vaccine as indicated in Annex "A" hereof.

c) Cost Reimbursement and Invoicing to the NTF. The NTF, through the DOH, shall reimburse AstraZeneca for all costs associated with storage, and destruction of the AZD1222 Vaccine as set forth in more detail herein, and foreign exchange losses incurred by AstraZeneca in relation to said costs during the term of this Agreement in transitioning collection to AstraZeneca's group account. AstraZeneca shall thereafter invoice the NTF, through the DOH, for the amount of such costs from time to time.

4.4 Timing and Method of Payments. Each of the LGUs and the NTF, through the DOH, shall pay each invoice submitted to them under this Agreement within thirty (30) days after the date of the invoice. All payments to AstraZeneca under this Agreement shall be made by deposit of Philippine Pesos by wire transfer of immediately available funds in the requisite amount to such bank account as AstraZeneca may from time to time designate by written notice to the LGUs or the NTF, through the DOH, where applicable. For the purpose of calculating any sums due under, or otherwise reimbursable pursuant to this Agreement, AstraZeneca shall convert any amount expressed in a foreign currency into its Philippine Pesos equivalent using the AZ Exchange Rate. All payments under this Agreement shall be due and payable within ten (10) days after the date of the invoice provided that AstraZeneca submitted complete documents.

4.5 Late Payments. In the event any of the LGUs or the NTF, through the DOH, as applicable, fails to pay any amount payable under this Agreement within twenty (20) days of the due date for any such payment, without prejudice to any other rights or remedies that AstraZeneca may have hereunder:

a) interest shall accrue on that outstanding amount for the period beginning on the due date for payment and ending on the date of actual payment at (i) the rate of the greater of 1) zero (0); or 2) the then-current overnight lending rate published by Bangko Sentral ng Pilipinas (BSP) on the first day of the month in which the payment period ends, in each case plus four (4) percentage points; or (ii) the maximum rate permitted by Applicable Law for the period from the due date for payment until the date of actual payment, whichever is higher; and

b) without prejudice to Section 4.5(a) and subject to giving the LGUs or the NTF, through the DOH, where applicable, twenty (20) days prior written notice of its intention to do so, AstraZeneca shall be entitled to suspend its obligations under this Agreement towards the relevant LGU or the NTF, through the DOH, until such time as any unpaid amounts have been paid in full.

4.6 Indirect Taxes. All payments due to AstraZeneca under this Agreement are stated exclusive of any Indirect Taxes which may be chargeable, which if properly chargeable, the LGUs shall pay in addition at the rate and in the manner for the time being prescribed by Applicable Law and subject to AstraZeneca providing a valid and accurate invoice. Any Tax imposed in the Territory relating to the importation of the AZD1222 Vaccine shall be dealt with in accordance with Section 2.3(i) hereof.

5. Delivery, Distribution and Storage.

5.1 Delivery.

a) AstraZeneca shall notify the Project Managers of each of the LGUs, the NTF, and the DOH at least thirty (30) days prior to such time that AstraZeneca expects AZD1222 Vaccine to be available. Such notification shall include an estimate of the total number of AZD1222

Vaccine expected to be available for delivery (and as distributed among the LGUs in AstraZeneca's sole discretion, but in proportion to the Firm Order of each LGU indicated beside their names in Annex "A" hereof, if practicable) and the expected dates that such AZD1222 Vaccine will be available to be shipped to the Destination Port. The LGUs and the NTF, through the DOH, shall promptly send to AstraZeneca a joint confirmatory notification (including confirmation of delivery instructions to the Destination Port). Subject to Section 5.2, the NTF, through the DOH, through its authorized representatives, shall take delivery of such AZD1222 Vaccine at the Destination Port within five (5) working days of the date of availability as indicated by AstraZeneca's notification, provided that all required documents are complete.

b) Following receipt of a confirmatory notification, AstraZeneca shall issue an invoice to each of the LGUs. The LGUs shall pay such invoice in accordance with Section 4.4. The Parties shall work together to identify the final delivery schedule for such AZD1222 Vaccine taking into account the goal of creating an efficient delivery of the AZD1222 Vaccine.

c) Deliveries made to the Destination Port may be made in installments or portions of the total number of AZD1222 Vaccine hereunder. Any delivery to the Destination Port will include a minimum of one batch of finished drug product and the risk of loss or damage and title to AZD1222 Vaccine supplied under this Agreement shall immediately pass to the NTF, through the DOH, upon their arrival at the Destination Port.

5.2 Storage and Destruction. Pursuant to Section 5.1 of this Agreement, AstraZeneca will provide the LGUs, the NTF and the DOH with at least thirty (30) days' advance notice of when any Doses of AZD1222 Vaccines are available for delivery. At the request of the NTF, AstraZeneca will agree to store such AZD1222 Vaccine for up to an additional five (5) working days (for a total of ten (10) working days). The NTF, through the DOH, shall be responsible for all storage costs upon the arrival of the AZD1222 Vaccine at the Destination Port (including the cost of any amounts required to insure theAZD1222 Vaccine). To the extent that the NTF has not taken delivery of such AZD1222 Vaccine by the end of the ten (10) working day period and either AstraZeneca or the NTF does not agree to AstraZeneca's continued storage of the AZD1222 Vaccine at NTF's full cost, AstraZeneca may destroy the AZD1222 Vaccine at NTF's full cost or sell the AZD1222 Vaccine to a third party. The NTF, through the DOH, shall reimburse AstraZeneca for all costs associated with the storage and insurance of the AZD1222 Vaccine, as well as their destruction as stated above, within thirty (30) days from its receipt of an invoice from AstraZeneca,

provided that AstraZeneca provides the NTF, through the DOH, with original or certified copies of official receipts proving payment of such costs.

6. Defective Product

6.1 In the event of any disagreement concerning whether the AZD1222 Vaccine or any batch thereof has any Defect, the NTF, through the DOH, and AstraZeneca will use their respective reasonable efforts to resolve such disagreement as promptly as possible. Either NTF, through the DOH, or AstraZeneca may submit a sample of the allegedly Defective product for testing to an independent testing laboratory of recognized standing in the industry (to be mutually agreed and approved by the Parties acting in good faith) ("**Laboratory**") to determine whether or not such product was Defective at the time of delivery. The cost of the testing and evaluation by the Laboratory shall be borne by the NTF, through the DOH, unless the Defect resulted from the Willful Misconduct or Gross Negligence of AstraZeneca or any CMO.

6.2 In respect of any product that a Laboratory has found to be Defective, AstraZeneca shall at the election of the NTF:

(a) cancel delivery in writing of the affected Defective product without prejudice to the obligation of the LGUs to pay for such product (on a pro-rata basis) unless the relevant Defect is due to AstraZeneca's Willful Misconduct or Gross Negligence; or

(b) without prejudice to the obligation to pay for such affected Defective product unless the relevant Defect is due to AstraZeneca's Willful Misconduct or Gross Negligence, replace such product with an identical quantity of conforming product, upon the Parties agreeing on the delivery schedule for such replacement product, which AstraZeneca shall use Best Reasonable Efforts to deliver on an expedited basis. Absent AstraZeneca's Willful Misconduct or Gross Negligence, such replacement product will be invoiced to the LGUs (on a pro-rata basis) at the price per dose set out in Section 4.1 (as applicable to the source of the Defective product); and the affected Defective product shall be made available for collection and disposal by AstraZeneca in accordance with Applicable Law.

In the event the relevant Defect is due to AstraZeneca's Willful Misconduct or Gross Negligence, AstraZeneca shall be responsible for (i) the cost of collection and disposal of such product and (ii) any of NTF's reasonable, and direct, out-of-pocket expenses actually incurred by it in connection with the storage, transportation and distribution of such product after delivery, provided that the NTF, through DOH, shall use its Best Reasonable Efforts to mitigate any such costs and expenses. Absent AstraZeneca's Willful Misconduct or Gross Negligence, all such activities shall be at the cost and expense of the NTF (through the DOH) and AstraZeneca shall be reimbursed therefor.

7. Product Recall.

The NTF, through the DOH, shall be responsible for all costs of any recall or market withdrawal of the product in the Territory, including reasonable costs incurred by or on behalf of AstraZeneca, its Affiliates and Subcontractors, except to the extent that such

recall or market withdrawal results from a breach of this Agreement by, or Gross Negligence on the part of, AstraZeneca and/or any of its Affiliates or any of their respective Personnel, in which event AstraZeneca will be responsible solely for: (i) any reasonable and documented out of pocket expenses directly incurred by the NTF, through the DOH, to Third Parties in implementing such recall or market withdrawal; and (ii) replacing, at AstraZeneca's expense, the product which has to be recalled (for the avoidance of doubt, such obligation would not require AstraZeneca to supply any vaccine that is not the AZD1222 Vaccine).

8. Product Security

8.1 The NTF, through the DOH, shall destroy all waste material, including damaged or Defective product ("**Waste**") within mutually acceptable timelines during the term of this Agreement and upon termination of this Agreement. Such Waste shall be secured pending destruction. The NTF, through the DOH, shall keep a record of destruction of any Waste and promptly issue certificates of destruction. Such records shall be kept for a period of at least two (2) years and shall be made available to AstraZeneca on request.

8.2 The NTF, through the DOH, shall comply with all Applicable Laws relating to the traceability of pharmaceutical products in accordance with AstraZeneca's specifications, standards, strategy and instructions from time to time. For this purpose, AstraZeneca may in its discretion adopt any relevant third party specifications, standards and strategy from time to time, in accordance with a timeline agreed with the NTF, through the DOH (with such agreement not to be unreasonably withheld or delayed by the NTF, acting through DOH).

8.3 The NTF, through the DOH, warrants and undertakes that it will not alter or modify any product in any way (including labelling and packaging but excluding any transportation packaging) after delivery.

8.4 The NTF, through the DOH, shall: (i) arrange refrigerated transportation that will transport the AZD1222 Vaccine from the Destination Port to an appropriate storage facility, and ensure that said storage facility maintains a temperature range suitable for the AZD1222 Vaccine as confirmed from final studies and advised by AstraZeneca, and that the AZD1222 Vaccine are at all times kept within this temperature range prior to their administration; (ii) store all AZD1222 Vaccine securely and in environmental conditions which are in accordance with instructions and directions provided by AstraZeneca from time to time; and (iii) deliver, ship and distribute the AZD1222 Vaccine in a secure manner appropriate to the transportation route and destination, in each case (i) and (ii) to (without limitation) guard against and deter theft, diversion, tampering or substitution (with, for example, counterfeits).

8.5 Any incident including any diversion, theft, tampering, substitution or other breach of the security of the products (including suspicious returns), machinery, other tools of production or product security information shall be reported by the NTF, through the DOH, to AstraZeneca (copying the AstraZeneca global security team at globalsecurity@astrazeneca.com) within one (1) day of discovery of such incident by the NTF, through the DOH. The NTF, through

the DOH, shall provide all reasonable assistance to AstraZeneca during any investigation that AstraZeneca may initiate in relation to such incident.

9. Regulatory Matters.

9.1 Compliance; Assistance. AstraZeneca shall be responsible for timely complying with all legal requirements of approval processes of the clinical trials and the market authorization of the AZD1222 Vaccine in the Territory. Notwithstanding the foregoing, the NTF, through the DOH, shall use Best Reasonable Efforts, within the framework of its competencies, to support AstraZeneca in providing accelerated quality and current Good Manufacturing Practices facility approvals if the requirements of safety, quality and efficacy of the AZD1222 Vaccine allow it to do so and are fully met. The NTF, through the DOH, shall use Best Reasonable Efforts to support, within the framework of its competencies, AstraZeneca in its Best Reasonable Efforts to achieve for the AZD1222 Vaccine fast access to the population in the Territory through access mechanisms, including accelerated regulatory approval processes.

9.2 Pharmacovigilance. The Parties shall cooperate with regard to the reporting and handling of safety information involving the AZD1222 Vaccine purchased under this Agreement in accordance with Applicable Laws on pharmacovigilance and clinical safety.

10. Intellectual Property.

10.1 Ownership. Each of the LGUs, the NTF and the DOH acknowledge that AstraZeneca and AstraZeneca UK have pre-existing obligations to its upstream licensor and throughout the term of this Agreement, may incur obligations to its CMOs and other contractors in respect of patents, know-how and other intellectual property rights relating to the AZD1222 Vaccine. The LGUs, the NTF and the DOH acknowledge and agree that as between or among the Parties, (i) AstraZeneca UK shall be the sole owner of all intellectual property rights generated during the development, manufacture, and supply of the AZD1222 Vaccine, including all Know-How (collectively, the "**Vaccine IP Rights**"), and (ii) AstraZeneca UK shall be entitled to exclusively exploit any such Vaccine IP Rights. Except as expressly set forth in this Agreement, neither AstraZeneca nor AstraZeneca UK grant to the LGUs, the NTF or the DOH, by implication, estoppel or otherwise, any right, title, license or interest in the Vaccine IP Rights. All rights not expressly granted by AstraZeneca or AstraZeneca UK hereunder are reserved by AstraZeneca and AstraZeneca UK.

11. Term and Termination.

11.1 Term. This Agreement shall commence on the Effective Date and, unless earlier terminated as provided in Section 11.2 or 11.3 below, shall remain in effect until

the AZD1222 Vaccine are delivered to the LGUs or the NTF, through the DOH, in accordance with this Agreement.

11.2 Termination for Abandonment.

(a) In the event that AstraZeneca or AstraZeneca UK abandon the development, manufacturing and other efforts hereunder (whether as a result of its determination that the AZD1222 Vaccine cannot be safely or efficaciously developed, manufactured, distributed, or administered or the determination that regulatory approvals for the AZD1222 Vaccine cannot or will not be obtained in a timely manner), AstraZeneca shall notify the LGUs and the NTF, through the DOH, of such abandonment and the reasons justifying it and any of the Parties will have the right to terminate this Agreement upon ten (10) days prior written notice to the other Party.

(b) In the event any Party terminates this Agreement pursuant to Section 11.2(a), upon the request of the LGUs, AstraZeneca shall:

(i) use Best Reasonable Efforts to mitigate all unused and wasted materials, costs and losses and to mitigate any sums otherwise payable by the LGUs hereunder;

(ii) invoice the LGUs (on a pro-rata basis) for amounts that have not otherwise been paid by any of them in respect of:

a. the price for product delivered under this Agreement prior to the date of termination; and

b. the cost for any portion of the Firm Order which is cancelled as a consequence of the termination, to the extent such costs and expenses (or the materials or services associated therewith) cannot reasonably be refunded, cancelled, mitigated or otherwise reallocated to other products, activities or for manufacture of the product for third Parties, and provided that, in so far as it concerns raw materials, equipment and services for the manufacture of the product paid for by the LGUs, the LGUs shall be entitled, but not obliged, to take possession of the same;

(iii) invoice the NTF, through the DOH, for all costs and expenses incurred by AstraZeneca in connection with the termination of this Agreement, including the cost of destruction of any product for which delivery is cancelled as a consequence of the termination; and

(iv) return to the LGUs (or its designee), within thirty (30) days after the date of termination of this Agreement, any portion of the Purchase Price that is unspent, if any, after deducting all expenses incurred by AstraZeneca including any non-cancellable expenses relating to the activities under this Agreement.

(c) Within thirty (30) days following the date of termination of this Agreement, the NTF, through the DOH, shall reimburse AstraZeneca for all reasonably incurred unpaid expenses and any non-cancellable expenses relating to the activities under this Agreement that the Purchase Price does not cover.

Without prejudice to the indemnification rights of AstraZeneca and the other Indemnified Persons under Article 13, no additional compensation shall be claimed from the LGUs or the NTF, through the DOH, for any damages AstraZeneca might incur due to the termination.

11.3 Termination for Cause.

(a) Any Party (the **"Terminating Party"**) may terminate this Agreement if any one of the other Parties (the **"Party-in-Breach"**) is in material breach of its obligations (considered as a whole) of this Agreement following notice and an opportunity to cure as set forth below; provided, however, that if the Party-in-Breach is one or some of the LGUs, the other Parties shall terminate this Agreement only with respect to said LGUs and the obligations contemplated herein shall continue to subsist with respect to the other Parties. Prior to any termination under this Section 11.3, the Terminating Party must notify in writing the Party-in-Breach and the other party not in breach of its intention to terminate this Agreement and the grounds for such termination. The Party-in-Breach shall have a reasonable period of not less than thirty (30) days following the date of receipt of the written notification to cure such material breach or dispute the existence of such underlying breach by submitting observations, including the measures it has taken or will take to continue fulfilling its contractual obligations. If the Terminating Party confirms that the measures that the Party-in-Breach has taken or will take care of such breach within such period, the notice of termination submitted by the Terminating Party shall become null and void. In the event of a dispute of the existence or cure status of any material breach, such dispute shall be subject to Section 17.5 of this Agreement prior to any termination of this Agreement.

(b) In the event the NTF, the DOH, or the LGUs terminate this Agreement pursuant to Section 11.3(a) due to AstraZeneca's material breach:

(i) AstraZeneca shall be entitled to invoice the LGUs for amounts that have not otherwise been paid by any of them in respect of the price for the AZD1222 Vaccine delivered pursuant to this Agreement prior to the date of termination, and payment shall be made by the relevant LGUs within thirty (30) days of the date of invoice for the same; and

(ii) in the event that the amounts paid by the LGUs prior to the date of termination shall exceed the amounts due for the AZD1222 Vaccine delivered pursuant to this Agreement prior to the date of termination, AstraZeneca shall refund the relevant LGUs the amount of such excess.

(c) In the event AstraZeneca terminates this Agreement pursuant to Section 11.3(a) or if the Party-in-Breach is a Party other than AstraZeneca, AstraZeneca shall use Best Reasonable Efforts to perform its obligations and avail of its rights enumerated in Section 11.2(b).

11.4 Survival. The following provisions shall survive expiration or termination of this Agreement: Sections 4.4 (Method of Payments), 4.5 (Late Payments), and 4.6 (Indirect Tax), 5.1(b) (Delivery), 5.2 (Storage and Destruction) and Articles 1 (Definitions), 10 (Intellectual Property), 11 (Term and Termination), 13 (Indemnification), 14 (Release; Limitation of Liability, Disclaimer of

Warranty), 15 (Confidentiality), 16 (Export/Import Controls) and 17 (Miscellaneous).

12. Representations and Warranties.

12.1 AstraZeneca. AstraZeneca represents, warrants and covenants to the other Parties that:

(a) the execution and delivery of this Agreement and the performance by it of the transactions contemplated hereby have been duly authorized by all necessary corporate action;
(b) it has the power and authority to execute and deliver this Agreement and to perform its obligations hereunder;
(c) this Agreement has been duly executed and is a legal, valid and binding obligation on it, enforceable against it in accordance with its terms;
(d) it shall use its Best Reasonable Efforts to ensure that the AZD1222 Vaccine shall be manufactured in accordance with, and shall comply in all material respects with, current Good Manufacturing Practices in the country where the AZD1222 Vaccine are manufactured, including adherence to applicable pharmacovigilance regulations;
(e) it is not under any obligation, contractual or otherwise, to any Person or third party in respect of the AZD1222 Vaccine or that conflicts with or is inconsistent in any material respect with the terms of this Agreement or that would impede the complete fulfillment of its obligations under this Agreement;
(f) all information submitted to the other Parties in relation to this Agreement is true, complete and accurate in all material respects; and
(g) it shall comply with all Applicable Laws that are applicable to its activities and operations under this Agreement.

12.2 LGUs. Each of the LGUs represent, warrant and covenant to the other Parties that:

(a) the execution and delivery of this Agreement, and the performance of the transactions contemplated hereby have been duly authorized by all necessary action;
(b) it has the power and authority to execute and deliver this Agreement, and it has the power and authority to perform each of its obligations hereunder, including to satisfy the payment obligations hereunder;
(c) this Agreement has been duly executed and is its legal, valid and binding obligation, enforceable against it in accordance with its terms;
(d) it is not under any obligation, contractual or otherwise, to any Person or third party that conflicts with or is inconsistent in any material respect with the terms of this Agreement or that would impede the complete fulfillment of its obligations under this Agreement; and
(e) it shall comply with all Applicable Laws that are applicable to each of its activities and operations under this Agreement.

12.3 NTF and DOH. The NTF and the DOH represent, warrant and covenant to the other Parties that:

(a) the execution and delivery of this Agreement, and the performance of the transactions contemplated hereby have been duly authorized by law and all necessary action;
(b) they have the power and authority to execute and deliver this Agreement, and they have the power and authority to perform each of their obligations hereunder, including to satisfy any payment obligations hereunder;
(c) this Agreement has been duly executed and is their legal, valid and binding obligation, enforceable against them in accordance with its terms;
(d) they are not under any obligation, contractual or otherwise, to any Person or third party that conflicts with or is inconsistent in any material respect with the terms of this Agreement or that would impede the complete fulfillment of each of their obligations under this Agreement; and
(e) they shall comply with all Applicable Laws that are applicable to each of their actions and obligations under this Agreement.

13. Indemnification.

13.1 Third Party Claims. The NTF and the DOH, shall indemnify and hold harmless the LGUs and AstraZeneca, their Affiliates, sub-contractors, licensors, sub-licensees, officers, directors, employees, other agents, and representatives of each (collectively, the "**Indemnified Persons**") from and against any and all damages and liabilities, including settlements for which the NTF and the DOH have given their consent pursuant to Section 13.2, and reasonable legal costs relating to, resulting from or associated with any third party claim (a "**Third Party Claim**") for death, physical, mental, or emotional injury, illness, disability, or condition, fear of the foregoing, property loss or damage, and business interruption of the injured party or a Related Person of such injured person (together, "**Losses**") relating to or arising from the use or administration of the AZD1222 Vaccine shipped or allocated to its jurisdiction. Such indemnification will be available regardless of where the AZD1222 Vaccine is administered, where the claim is brought, and whether the claim of a defect originates from the distribution, administration and use, clinical testing or investigation, manufacture, labelling, formulation, packaging, donation, dispensing, prescribing or licensing of the AZD 1222 Vaccine in the Territory.

Such indemnification will **not** be available to Indemnified Persons:

(a) to the extent such Losses are the result of such Indemnified Person's Willful Misconduct, or
(b) to the extent that there has been a final determination by a court of competent jurisdiction that a defect in the AZD1222 Vaccine has arisen

from AstraZeneca's failure to comply with current Good Manufacturing Practices or applicable pharmacovigilance regulations.

Indemnification under this Section 13.1 will be available for Losses arising from the use and administration of the AZD1222 Vaccine supplied under this Agreement, regardless of when or where vaccination occurred and regardless of when or where the injury leading to the Losses occurs or is reported.

13.2 Process. The Indemnified Person shall give (or cause AstraZeneca to give) the NTF and the DOH, prompt notice of any Third Party Claim served upon the Indemnified Person stating the nature and basis of such Third Party Claim and the maximum estimated amount (in Philippine Pesos) of such Third Party Claim, to the extent known (which estimate may be updated from time to time). Notwithstanding the foregoing, no delay or deficiency on the part of the Indemnified Person in so notifying the NTF and the DOH, shall limit any right of any Indemnified Person to indemnification under this Article 13, except to the extent such failure materially prejudices the defense of such Third Party Claim. AstraZeneca shall assume and control the defense of any Third Party Claim using legal counsel reasonably chosen by AstraZeneca. Each of the Parties shall (i) use commercially reasonable efforts to mitigate the effects of the claim and (ii) fully cooperate with AstraZeneca and its legal representatives in the investigation and defense of any matter which is the subject of indemnification, at the cost and expense of the NTF and the DOH. AstraZeneca shall keep the NTF and the DOH, reasonably informed of the progress of the defense of the Third Party Claim. The NTF and the DOH shall pay the invoices of legal counsel and other expenses of AstraZeneca arising from defending the Third Party Claim promptly upon presentment of an invoice and in any case within ninety (90) days of presentment thereof. AstraZeneca shall have the right to seek settlement or compromise of, and to so settle or compromise, the Third Party Claim; *provided* that AstraZeneca shall not settle or compromise a Third Party Claim without the prior written consent of either the NTF or the DOH, and they shall not unreasonably withhold, condition or delay their approval of the settlement of any claim, liability or action covered by this Article 13.

14. Release; Limitation of Liability for Claims Other Than Third Party Indemnification; Disclaimer of Warranties.

14.1 Release. The LGUs, the NTF and the DOH each waive and release any claim against AstraZeneca arising out of or relating to: (a) lack of safety or efficacy of the AZD1222 Vaccine, subject to compliance by AstraZeneca with applicable regulatory requirements in the Territory for a pandemic product, limited to manufacture by AstraZeneca of the AZD1222 Vaccine in accordance with Good Manufacturing Practices; (b) use or administration of the AZD1222 Vaccine under pandemic conditions, except to the extent such claim arises from AstraZeneca's Willful Misconduct or failure to comply with regulatory requirements in the Territory applicable to the AZD1222 Vaccine including manufacture by AstraZeneca of the AZD1222 Vaccine in accordance with Good Manufacturing Practices; (c) issues relating to storage or transport conditions including deep cold chain storage; (d) lack of proper aseptic technique or dosing

at the point of administration of the AZD1222 Vaccine; or (e) delays in delivery of the AZD1222 Vaccine under this Agreement.

14.2 Limitation of Liability for claims other than third party indemnification. The aggregate liability of AstraZeneca and its Affiliates in respect of claims made by the LGUs, the NTF, and/or the DOH, or any Affiliates acting on their behalf (as distinguished from Third Party Claims for indemnification), whether for breach of contract, another contractual-based claim, arising in tort (including negligence) or otherwise, arising out of, under or in connection with this Agreement shall not exceed the amounts actually paid by the LGUs and the NTF, through the DOH, to AstraZeneca under this Agreement.

14.3 Disclaimer of Warranties. The Parties acknowledge that they are not relying on any understanding, arrangement, statement, representation (including, any negligent misrepresentation but excluding any fraudulent misrepresentation), warranty, condition, term, customary practice, course of dealing or provision except for the warranties set out in this Agreement. All statements, representations, warranties, terms, conditions and provisions (including, any implied by statute or equivalent, case law or otherwise and any implied warranties and/or conditions as to merchantability, satisfactory quality, fitness for purpose and skill and care), other than fraudulent misrepresentations and the provisions set out in this Agreement, are hereby excluded to the maximum extent permissible by law.

15. Confidentiality.

15.1 Definition of Confidential Information. In this Agreement, "**Confidential Information**" shall, subject to Section 15.2 mean:

(a) any and all Know-How, software, algorithms, designs, plans, forecasts, analyses, evaluations, research, business information, financial information, business plans, strategies, customer lists, marketing plans, or other information whether oral, in writing, in electronic form, or in any other form; and

(b) any physical items, compounds, components, samples or other materials; disclosed by or on behalf of a Party or any of that Party's Affiliates (the "**Disclosing Party**") to the other Party or any of the other Party's Affiliates (the "**Receiving Party**") before, on or after the Effective Date.

15.2 Exclusions from Confidential Information. In this Agreement, Confidential Information shall not include any information or materials, for which the Receiving Party can prove:

(a) is or becomes public knowledge through no improper conduct on the part of the Receiving Party, the Receiving Party's Affiliates and/or their respective representatives;

(b) is already lawfully possessed by the Receiving Party and/or the Receiving Party's Affiliates without any obligations of confidentiality or restrictions on use prior to first receiving it from the Disclosing Party;

(c) is obtained subsequently by the Receiving Party and/or the Receiving Party's Affiliates from an unrelated third party without any obligations of

confidentiality and such unrelated third party is in lawful possession of such information or materials and not in violation of any contractual or legal obligation to maintain the confidentiality of such information or materials; or

(d) the Disclosing Party agreed to release the Receiving Party from the confidentiality obligation earlier.

15.3 Legally Required Disclosure of Confidential Information. The Receiving Party and/or the Receiving Party's Affiliates may disclose Confidential Information to the extent required by law or regulation or by legal, judicial, regulatory or administrative process or pursuant to an audit or examination by a regulator or self-regulatory organization subject to compliance with this Section 15.3. If the Receiving Party is so compelled to disclose any Confidential Information, the Receiving Party will provide the Disclosing Party with prompt written notice thereof so that the Disclosing Party may seek a protective order or other appropriate remedy. Subject to its obligations to comply with such subpoenas, court processes or directions, the Receiving Party will reasonably cooperate with the Disclosing Party's counsel in their efforts to obtain a protective order or other similar remedy to accord some form of confidential treatment to any such Confidential Information of the Disclosing Party.

15.4 Limitations on Use of Confidential Information. The Receiving Party shall treat all Confidential Information as secret and confidential and shall not use, copy or disclose to any third party any Confidential Information of the Disclosing Party (whether before, on or after the date of this Agreement) except as set out in Section 15.5 below.

15.5 Use and Disclosures of Confidential Information. The Receiving Party may:

(a) ensure the protection of confidential information or documents with the same level of protection as its own confidential information or documents and in any case with due diligence;

(b) use and disclose Confidential Information of the Disclosing Party solely to the extent necessary to enable the Receiving Party to exploit the rights granted under this Agreement and/or to perform its obligations under this Agreement; provided, that where any disclosure is required to third parties the Receiving Party shall: (1) only disclose Confidential Information to third parties that have entered into appropriate and legally binding confidentiality and non-use obligations in respect of the Confidential Information disclosed; and (2) procure that such third parties do not further disclose or use Confidential Information. For the avoidance of doubt, the Receiving Party shall not use the Confidential Information with respect to or for any other program or project other than the AZD1222 Vaccine and the express objectives set forth herein.

(c) disclose Confidential Information of the Disclosing Party to those of the Receiving Party's Affiliates, officers and employees to whom such disclosure is necessary (and only disclose that part of the Confidential Information which is necessary) to enable the Receiving Party to exploit the rights granted under this Agreement and/or to perform its obligations under this Agreement and provided that the Receiving Party shall remain responsible for procuring that the Receiving Party's Affiliates, officers and employees do not further disclose and/or use the Confidential Information for any other purpose; and

(d) after giving written notice to the Disclosing Party, disclose any part of the Confidential Information of the Disclosing Party solely to the extent that it is legally required to do so pursuant to an order of a court of competent jurisdiction or other Governmental Authority or otherwise as required by Applicable Law including the laws and regulations applying to any public listing authority, provided that the Receiving Party shall use reasonable endeavors to limit such disclosure and to provide the Disclosing Party with an opportunity to make representations to the relevant court or other Governmental Authority, Regulatory Authority, or allied authority or listing authority.

15.6 Protection of Confidential Information. The Receiving Party shall at all times maintain documents, materials and other items (including items in electronic form) containing Confidential Information of the Disclosing Party and any copies thereof, in a secure fashion by taking reasonable measures to protect them from theft and unauthorized use and disclosure. Without prejudice to the foregoing, the Receiving Party shall exercise at least the same degree of care to prevent theft and unauthorized disclosure and/or use of the Disclosing Party's Confidential Information as the Receiving Party exercises in respect of its own confidential material of like importance.

15.7 Losses of Confidential Material. The Receiving Party shall notify the Disclosing Party immediately if the Receiving Party becomes aware of any unauthorized use or disclosure of, or any unauthorized access to or of any theft or loss of any copies of any Confidential Information of the Disclosing Party.

15. 8 Survival. The provisions of this Article 15 shall commence on the Effective Date and shall continue for so long as any of the Parties has knowledge of any Confidential Information received or derived from any other Party and shall survive termination or expiry of this Agreement for a period of five (5) years in respect of all Confidential Information.

16. AstraZeneca Expectations.

16.1 Export/Import Controls.

(a) This Agreement is made subject to any restrictions under the export control laws, rules and regulations concerning the export of products, materials, or technical information either from the United States of America or to a foreign national within the United States of America (e.g., a "deemed export" applying to transfers solely within the United States of America) which may be imposed upon or related to the LGUs, the NTF, through the DOH, or AstraZeneca from time to time by the government of the United States of America.

(b) Each Party shall at all times during the term of this Agreement comply with applicable Export/Import Laws and ensure that it has in place appropriate controls and safeguards to prevent any action being taken by it that would amount to or result in a violation of or non-compliance with any Export/Import Laws.

17. Miscellaneous.

17.1 Interpretation. In this Agreement:

(a) Any phrase introduced by the terms "including", "include" and "in particular" or any similar expression shall be construed as illustrative only and shall not limit the sense of the words preceding these terms and will be deemed to be followed by the phrase "without limitation";
(b) the words "hereof", "herein", "hereto" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement;
(c) any reference to a "month" means a calendar month, any reference to a "day" means a calendar day;
(d) any reference to Philippine Pesos or PhP/ ₱ is to the lawful currency from time to time of the Territory;
(e) the term "or" and "and/or" will be interpreted in the inclusive sense commonly associated with the term "and/or";
(f) the headings are for convenience only and shall not affect the interpretation of this Agreement;
(g) the meaning given to defined terms in this Agreement shall also apply to their grammatical variants provided that the initial letter is capitalized; and
(h) in the event of any inconsistencies between this Agreement and any attachments hereto, the terms of this Agreement shall prevail.

17.2 Notices.

Any notice given under this Agreement shall be in writing in English, shall refer to this Agreement and shall be sent by either pre-paid recorded first class post/pre-paid airmail or courier to the principal office or registered office of the recipient or by electronic transmission to the addresses set forth below:

AstraZeneca:

Victor M. Sepulveda
victor.sepulveda1@astrazeneca.com

Copy to *(which shall not constitute notice)*:

legalnotices@astrazeneca.com

LGUs:

Please refer to Annex "B".

NTF:
[•]

DOH:
[•]

Any written notice sent by a Party that is actually received by the other Party shall be deemed to have been properly given and received by that Party irrespective of whether or not the delivery requirements of Section 17.2 have been complied with.

17.3 Governing Law. This Agreement shall be governed by the laws of the Philippines.

17.4 Resolution.

(a) In the event of a dispute arising under this Agreement between or among the Parties, the Parties shall first refer such dispute to informal dispute resolution discussions between or among their respective Executive Officers. Any of the Parties may initiate such informal dispute resolution by sending written notice of the dispute to the other Parties, and, within twenty (20) days of such notice, the Executive Officers shall meet and attempt to resolve the dispute by good faith negotiations.

(b) If the Parties are unable to reach agreement to settle the dispute within the period mentioned above, the Parties agree to submit the dispute to arbitration in Singapore in accordance with the arbitration rules of the Singapore International Arbitration Centre ("**SIAC**" and the "**Rules**") for the conduct of international arbitrations for the time being in force, which rules are deemed to be incorporated by reference in this clause. The arbitration will be conducted in the English language. Any notice of arbitration, response or other communication given to or by a Party to the arbitration must be given and deemed received as provided in the Rules.

(c) The Parties agree that the arbitration award shall be final and binding on the Parties. The Parties agree that no Party shall have any right to commence or maintain any suit or legal proceedings (other than for interim or conservatory measures) until the dispute has been determined in accordance with the arbitration procedure provided herein and then only for enforcement of the award rendered in the arbitration. Judgment upon the arbitration award may be rendered in any court of competent jurisdiction or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be. Each Party hereby renounces any right it may otherwise have to appeal or seek relief from the award or any decision of the arbitrators contained therein and agrees that no Party shall appeal to any court from the award or decision of the arbitrators contained therein. Each Party waives any requirement under Applicable Law that arbitration need not be completed within a specific time.

17.5 Waiver. Failure or delay by any of the Parties to exercise any right or remedy under this Agreement shall not be deemed to be a waiver of that right or remedy, or prevent that Party from exercising that or any other right or remedy on any occasion. Any term or condition of this Agreement may be waived at any time by any of the Parties that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in writing duly executed by or on behalf of the Party waiving such right or

remedy. The waiver by any of the Parties of any right or remedy hereunder shall not be deemed a waiver of any other right whether of a similar nature or otherwise.

17.6 Force Majeure. None of the Parties shall be held liable or responsible to the other Party or be deemed to have breached this Agreement for failure or delay in fulfilling or performing any term of this Agreement when such failure or delay is caused by or results from events beyond the reasonable control of the non-performing Party, subject to that Party having taken all reasonable steps (both anticipatory and reactionary) to avoid or mitigate such risks, including fires, floods, earthquakes, hurricanes, embargoes, shortages, epidemics, quarantines, war, acts of war (whether war be declared or not), terrorist acts, insurrections, riots, civil commotion, government interruptions, strikes, lockouts, or other employment disturbances (whether involving the workforce of the non-performing Party or of any other person) acts of God or acts, omissions or delays in acting by any governmental authority (except to the extent such delay results from the breach by the non-performing Party or any of its Affiliates of any term or condition of this Agreement). Defaults of service, defects in equipment or material or delays in making them available, labor disputes, strikes and financial difficulties may not be invoked as force majeure, unless they stem directly from a relevant case of force majeure.

The situation or event must not be attributable to negligence on the part of the Parties or on the part of the sub-contractors.

The non-performing Party shall notify the other Parties of such force majeure promptly following such occurrence takes place by giving written notice to the other Parties stating the nature of the event, its anticipated duration (to the extent known), and any action being taken to avoid or minimize its effect. The suspension of performance shall be of no greater scope and no longer duration than is necessary and the non-performing Party shall use Best Reasonable Efforts to remedy its inability to perform and limit any damage.

17.7 Sub-contracting. AstraZeneca may, without the need for the consent of the LGUs or the NTF, sub-contract or delegate its obligations or services to be provided under this Agreement to one or more of its Affiliates and/or to any CMO or other third-party consultant or contractor.

17.8 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed in writing by facsimile, PDF format via email or other electronically transmitted signatures and such signatures shall be deemed to bind each Party hereto as if they were original signatures.

17.9 Entire Agreement. This Agreement constitutes the entire agreement and understanding of the Parties relating to the subject matter of this Agreement and supersedes all prior oral or written agreements, representations, understandings or arrangements between the Parties relating to the subject matter of this Agreement.

17.10 Severability. If any provision of this Agreement is held to be void or otherwise unenforceable by a court of competent jurisdiction from whose judgment no appeal is

made within the applicable time limit then the provision shall be omitted and the remaining provisions of this Agreement shall continue in full force and effect.

17.11 Amendment. No amendment shall be made to this Agreement except in writing signed by the duly authorized representatives of the Parties.

17.12 Relationship of the Parties. Nothing in this Agreement shall create or imply an agency, partnership or joint venture between or among the Parties. No Party shall act or describe itself as the agent of the other Parties nor shall any Party have or represent that it has any authority to make commitments on behalf of the other Parties.

17.13 Non-assignability. Except as previously authorized herein, neither this Agreement nor any of the rights, interests or obligations under this Agreement may be assigned or delegated, in whole or in part, to any other person or entity, by any Party herein.

[*Signature page follows*]

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Agreement.

ASTRAZENECA PHARMACEUTICALS (PHILS.), INC.

_____
Name: LOTIS RAMIN
Title: Country President
Date:

REPUBLIC OF THE PHILIPPINES
ACTING THROUGH THE NATIONAL TASK FORCE AGAINST COVID-19

_____
Name: SECRETARY CLARITO GALVEZ, JR.
Title: Vaccine Czar
Date:

DEPARTMENT OF HEALTH

_____
Name: FRANCISCO Q. DUQUE, JR.
Title: Secretary
Date:

LGUS

Name of LGU	Name and Designation of Signatory	Signature	Date Signed