

**ANTI-CORRUPTION, COMPETITION AND SANCTIONS LAWS AND REGULATIONS****1. Compliance****Anti-Corruption, Competition and Sanctions Laws and Regulations**

1.1 Each Party represents that in the context of this Agreement:

- a) neither itself nor, to the best of its knowledge, any of its affiliates, directors or officers has engaged in any activity or conduct which would violate any applicable anti-bribery, anti-corruption, competition or anti-money laundering laws or regulations and it has instituted and maintain policies and procedures designated to prevent violation of such laws, regulations and rules; and
- b) neither itself nor, to the best of its knowledge, any of its affiliates, directors or officers is: (i) the subject of any sanctions (a "Sanctioned Person") or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of sanctions broadly prohibiting dealings with such government, country, or territory (a "Sanctioned Country")

1.2 Each Party undertakes that it shall not:

- a) engage in any activity or conduct which would violate any applicable anti-bribery, anti-corruption, competition or anti-money laundering laws or regulations; and
- b) directly or indirectly, lend, contribute or otherwise make available any amount received under this Agreement to a Sanctioned Person or a person located in a Sanctioned Country or otherwise violate any applicable foreign trade control regulation or sanction.

**Audit and Inspection Rights**

1.3 During the term of this Agreement, at the reasonable request of a Party with at least [three (3)] business days' prior notice, either Party may at its own expense during regular business hours [inspect] [have a mutually-agreed independent third party inspect] [the facility and] audit the other Party's books, records, and other documents as necessary to verify compliance with the terms and conditions of this Agreement.

**Remedies**

1.4 If a Party breaches any of its obligations or representations in this Clause [X] (Compliance):

1.5

- a) such Party shall indemnify and hold the other Party harmless from all fines, penalties and all associated expenses arising out of or resulting from such violation. Notwithstanding the foregoing, no Party shall be liable for any indirect or consequential loss or damage or any loss or damage due to loss of goodwill or reputation; and
- b) the other Party may terminate this Agreement and recover from the violating Party as a debt the amount of any loss or damage resulting from the termination.