



QuantuMDX Group Limited
Lugano Building
57 Melbourne Street
Newcastle upon Tyne
NE1 2JQ
(the "**Supplier**")

DFID Ref QuantumDx 09042020
Email "**REDACTED**"

OFFICIAL COMMERCIAL

09 April 2020

"**REDACTED**"

Investment in supply and manufacture of COVID-19 testing kits

The Supplier has certain technical expertise in relation to the creation and production of SARS-CoV-2 laboratory based diagnostic assay (the "**Products**") as more particularly set out in the specification attached at Part 1 of the schedule attached to this letter (the "**Schedule**"). As a result of the unprecedented SARS-CoV-2 pandemic, The Secretary of State for International Development at the Department for International Development, 22 Whitehall, Westminster, SW1A 2EG ("**DFID**") has agreed to provide certain assistance to the Supplier to enable the Supplier to: (i) further develop the Products to meet Milestone 1 as set out in the Part 2 of the Schedule; and (ii) thereafter scale up the manufacture and the production of Products and ancillary materials to meet demand in the United Kingdom and beyond.

1. Accordingly the parties have agreed as follows:

- a. In exchange for the performance of the obligations set out in this letter, the parties hereby agree and acknowledge that DFID "**REDACTED**" payment of THREE MILLION TWO HUNDRED THOUSAND UK POUNDS STERLING (£3,200,000) exclusive of VAT "**REDACTED**".
- b. The parties acknowledge that all remaining balance of the Consideration shall be due and payable by the third party funder, FIND (having its address at Campus Biotech, 9 Chemin des Mines – 1202 Geneva, Switzerland). The Supplier acknowledges that it will otherwise be required to agree suitable terms and conditions for this funding directly with FIND including in particular (i) global access terms for the Products in accordance with the global access policy, as agreed between FIND and the Supplier and (ii) conditions and schedule terms for the payment of the remaining part of the Consideration.
- c. To avoid any doubt, DFID shall have no further payment obligation to the Supplier other than as set out at Clause 1 above, save that it shall provide all reasonable assistance to facilitate the agreement between FIND and the Supplier.
- d. "**REDACTED**"

2. "**REDACTED**" the Supplier hereby agrees and undertakes: -

- a. To complete the development of the Products so that the Products meet the Milestones;

- b. **"REDACTED"**
 - c. To appoint sub-contractors (having obtained DFID's prior written consent which may be subject to additional terms) to scale up the manufacture of the Products to meet the Milestones and the requirements of DFID. The Supplier shall be responsible for the acts and/or omissions of any such sub-contractors;
 - d. **"REDACTED"**
 - e. To develop, test, manufacture and supply the Products in accordance with best industry standards and practices that are applicable and to ensure that the Products (and that all stages of development, testing and manufacture thereof) comply with all regulations and laws;
 - f. To obtain and maintain in force all licences, permissions, authorisations, regulatory approvals, consents and permits needed to develop, test, manufacture, export and supply the Product in accordance with the terms of this letter;
 - g. To comply with all applicable laws (including compliance with the Bribery Act 2010), enactments, orders, regulations and other instruments relating to the development, testing, manufacture, packing, packaging, marking, storage, handling, and delivery (including exporting) of the Product;
 - h. To use best endeavours (and to procure that its subcontractors use best endeavours) to reduce its manufacturing, supply and other costs for the Product, including implementing cost savings initiatives and seeking more competitive supplies of raw materials, third party components and equipment; and
 - i. To maintain in force appropriate levels of insurance in respect of the Products (and to procure that any subcontractors have in place insurance) to cover their obligations under this letter or as shall be agreed by the parties acting reasonably.
3. **"REDACTED"**
4. The Supplier hereby warrants, represents and undertakes that:
- a. it has the capacity to and is able to enter into this letter and comply with the various obligations set out in it;
 - b. it shall (and it shall take all reasonable steps to procure that the subcontractors shall) perform their obligations with all reasonable skill and care using appropriately skilled personnel;
 - c. the Products shall meet the specification attached at Part 1 of the Schedule and shall be fit for their intended purpose and shall be free from an defects in design, material and workmanship within IVD industry standard and/or acceptable tolerances;
 - d. to the best of its knowledge and belief, having undertaken all due and diligent enquiry, it has all necessary rights to comply with its obligations set out in this letter (including without being limited to all intellectual property rights necessary to perform this letter);
 - e. the information provided by the Supplier (including, without limitation financial details) and other information disclosed to DFID in support of this funding was, at the time of disclosure and remains true, complete and accurate in all material respects; and
 - f. **"REDACTED"**
5. The Supplier shall on demand indemnify and keep indemnified DFID from and against all losses, claims, demands, actions, awards, judgements, settlements, costs, expenses, liabilities and damages (including all interest, fines, penalties, and legal costs and expenses) incurred by it arising out of or in connection with any breach of Clause 4(d) subject to save in the case of fraud or dishonesty of the Supplier or in circumstances where liability cannot be legally

limited, a maximum liability under this Clause and Clause 4 (d) of the Advanced Consideration. This Clause shall survive termination of this letter.

6. **“REDACTED”**
7. **“REDACTED”**
8. Supplier shall not assign or transfer or subcontract any of its rights, benefits or obligations under this letter without the prior written consent of the DFID. DFID shall be entitled to assign this letter on notice.
9. Supplier shall include in any agreement with sub-contractors, the right for DFID to step in to such sub-contract for and on behalf the Supplier where DFID considers it necessary to do so.
10. The Supplier undertake not to use, divulge or communicate to any person without DFID's prior written consent, (i) the existence, terms of or subject matter of this letter; or (ii) any information of whatsoever nature (whether oral, written, electronic or in any other form) relating directly or indirectly to the Products, this letter, DFID and its activities, together with any information derived from such information and any analyses, compilations, studies and other material prepared by or on behalf of DFID which contains or otherwise reflects or is generated (wholly or partly) from such information.
11. The Supplier will, at any time and from time to time, promptly, at its cost and expense, do all such acts and provide all documents, information and assistance as DFID may require to enable it to comply with its obligations under the Freedom of Information Act 2000, Environmental Information Regulations 2004 Freedom of Information Scotland Act 2002 and the Environmental Information (Scotland) Regulations 2004 (and/or any guidance or code applicable from time to time relating to access to information held by public bodies). The Supplier further undertakes (unless required by law to do so) not to respond directly to a request for information or an apparent request under any of the aforementioned legislation, guidance or codes without DFID's prior written consent to do so.
12. No variation of the terms of this letter shall be effective unless it is in writing and duly executed by or on behalf of both parties.
13. Any failure by DFID to seek redress for breaches, or to insist on strict performance, of any terms, conditions or provisions of this letter, or a failure or delay to exercise any right or remedy to which it is entitled in terms of this letter shall not constitute a waiver.
14. If any provision of this letter is or becomes illegal or invalid, it shall not affect the legality and validity of other provisions. The parties shall in good faith amend this letter to reflect as nearly as possible the spirit and intention behind the illegal or invalid provision to the extent that such spirit and intention is consistent with the applicable laws and so that the amended clause complies with the applicable laws.
15. This letter will be governed by and interpreted in accordance with the law of England and Wales. Both parties submit to the exclusive jurisdiction of the English Courts in relation to any claim, dispute or matter arising out of or relating to this letter.

Please sign the acknowledgement below, in acceptance of the foregoing letter together with the attached Schedule.

Yours faithfully

The Secretary of State for International Development

I, for and on behalf of, QuantuMDX Group Limited confirm that I have received and agree with the terms of the above letter dated [April 2020] together with the attached Schedule.

“REDACTED”