

Memorandum of Understanding
Ministry van Health, Welfare and Sport
("Ministry")
and
SYNLAB Belgium SRL
("SYNLAB") 11 September 2020

The Ministry and SYNLAB intend to sign a contract for the provision of Covid-19 PCR testing capacities before 27 September 2020. This Memorandum of Understanding describes the main terms both parties agree on and that shall be reflected, amongst others, in said contract:

1. SYNLAB will agree to make available lab capacity of up to 5.1.1c Covid-19 PCR (polymerase chain reaction) tests per day (7 days per week, weekly average) for the Ministry. The term "week" referred to herein means Monday-Sunday, both inclusive.
2. SYNLAB commits to provide up to a certain test volume, and the Ministry guarantees to purchase certain test volumes, as follow:
 - From day 1 of the contract term until 4 October 2020: test volume provided 5.1.1c tests / day; guaranteed purchase volume 5.1.1c tests / day (40%)
 - From 5 October 2020 to 1 November 2020: test volume provided 5.1.1c tests / day; guaranteed purchase volume 5.1.1c tests / day (40%)
 - From 2 November 2020 to 29 November 2020: test volume provided 5.1.1c test/day; guaranteed purchase volume 5.1.1c tests / day (40%)
 - From 30 November 2020 until 31 December 2020: test volume provided 5.1.1c tests/day; guaranteed purchase volume 5.1.1c tests /day (35%), ramping up to 5.1.1c tests/day before year-end (guaranteed purchase volume 5.1.1c test / day (35%))
 - From 1 January 2021 to end of contract term: test volume provided 5.1.1c tests/day; guaranteed purchase volume 5.1.1c test / day (35%)

For the avoidance of doubt, if guaranteed purchase volumes are not met, SYNLAB is entitled to payment of the respective guaranteed purchase volumes.
3. SYNLAB is prepared to explore further increase of capacities.
4. SYNLAB shall inform the Ministry of agreed volume levels reached before time. The corresponding guaranteed purchase volumes shall apply from that earlier time. The parties shall hold fortnightly status calls to review forward capacity and outlook. In the event that SYNLAB successfully accelerates capacity ramp-up, the Ministry agrees that the minimum guarantee level corresponding to the higher delivered capacity will be granted. For the avoidance of doubt, for capacity levels higher than 5.1.1c test/day, the minimum guarantee level is fixed at 35% of the capacity level achieved.
5. Conversely, if SYNLAB fails to achieve a volume level (weekly average) stated under Sec. 2., the corresponding guaranteed purchase volume shall not apply and the earlier guaranteed purchase volume will continue to apply.
6. The guaranteed purchase volume per day will be measured on a weekly basis.
7. The contract will have a term running until 30 April 2021, and may be extended by mutual agreement following good faith negotiations.
8. Prices per test are set on a weekly basis and calculated by the average daily realized test volume. The following pricing applies to all tests of that week (weekly average quantity):
 - From 1 – 5.1.1c tests/day: 5.1.1c euro/test

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- From 5.1.1c tests/day: 5.1.1c euro/test
- From 5.1.1c tests per day: 5.1.1c euro/test .

All prices are either VAT free or net to SYNLAB of any applicable VAT.

- The parties consent that the turnaround time ("TAT") from sample pick-up by SYNLAB until electronic send-out of results towards CoronIT shall be as short as reasonably possible. SYNLAB commits to the following TAT:
 - Max. 24 hours for at min. 70% of the tests / day (calculated on a weekly basis)
 - Max. 36 hours for max. 30% of the tests (calculated on a weekly basis).
- SYNLAB shall provide pick-up service for samples at locations in the Netherlands with two pick-up slots daily. Because of stable workflow both parties strive to a limited number of locations and for a maximum period of time.
- Synlab complies with validation by the RIVM and will take part in periodical reviews on tests.
- SYNLAB complies with the use of and procedures regarding CoronIT.
- Subject to reasonability, SYNLAB accepts the role of LCDK in coordinating the Dutch samples streams and its consequences on the analysis of tests by SYNLAB, and undertakes to discuss and agree with LCDK and a GGD how samples should be prepared and packed, considering SYNLAB's proposed workflow.
- Payment will be on a monthly base, with a maximum payment time of 30 days from date of invoice.
- SYNLAB and the Ministry will only communicate on this agreement and the upcoming contract when both agree on timing and content of public announcements.
- The contract will further provide reasonable wording concerning (non-exclusive):
 - Extraordinary situations (such as Force Majeure) on which one of the two parties can terminate this contract forthwith by notice in writing to the other Party
 - Non-compliance and customary consequences
 - Joint publications
 - Data Protection
 - VAT
 - Reasonable liability
 - Law and Jurisdiction

Ministry van Health, Welfare and Sport

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DUO DG Public Health

SYNLAB Belgium SRL

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