Warsaw, 24/08/2018

REQUEST FOR PROPOSAL No. 50/2018 - SARCO

I. THE ORDERING PARTY:

OncoArendi Therapeutics S. A. ul. Żwirki i Wigury 101 02-089 Warszawa VAT ID: 728 27 89 248	**Contact person:** **Joanna Lipner** **e-mail: j.lipner@oncoarendi.com** **Tel. + 48 512 974 496**

II. OBJECT FOR THE REQUEST:

Formulation development & GMP manufacture of the Investigational Medicinal Product and Placebo for clinical trials

The request for offers is carried out with the reference to the application process for the grant titled: **SARCO**: PRECLINICAL AND CLINICAL DEVELOPMENT OF SMALL MOLECULE OATD-01, A DRUG CANDIDATE FOR THE TREATMENT OF SARCOIDOSIS,
which would be co-financed by the National and European Union Funds and because of the competitiveness principle.

III. THE FORM OF THE ORDER:

III.1 The request is not made under The Public Procurement Law (Journal of laws of 2013, item 907 as mentioned).

III.2 This order is carried out in accordance with the principle of competitiveness, openness, transparency and equal access.

III.3 The Ordering Party reserves the right to cancel this procedure without providing reasons and also to complete the procedure without choosing the winner tender.

III.4 In the course of examination and evaluation of the offers the Ordering Party may require Contractors to present explanations concerning the content of submitted bids.

III.5 The Ordering Party reserves the right to change the content of this request. If the changes can affect the content of pricing proposals submitted in the procedure, the Ordering Party will extend the tender submission deadline. Any changes made will be provided promptly to all parties invited to submit the pricing proposal and to all parties that informed the Ordering Party about being interested in participating in the tender.

III.6 This procedure does not set the obligation for OncoArendi Therapeutics SA to sign any formal contracts.

III.7 It is not possible to make and offer for part of the order.

IV. CONDITIONS FOR PARTICIPATION IN THE PROCEEDINGS:

IV.1 The Request for offers relates to potential Contractors whose scope of business activity is in full compliance with the subject of this Request.

IV.2 The offers may be issued by parties who:

A) have necessary qualifications, appropriate technical capabilities and necessary human resources for executing the project described in the Request for Proposal No. 50/2018 – SARCO and in the Appendix No. 6.

B) have at least 3 years of experience in providing service covered by this Request for Proposal and involving formulation development and GMP manufacture of the Investigational Medicinal Product and Placebo for early clinical trials.

C) have a valid manufacturing license of the Investigational Medicinal Products (IMP) for clinical trials on humans.

D) have a valid GMP certificate.

E) guarantee that any inspections that were carried out within the last five years didn't reveal any major negative findings and provides their 5 years' regulatory inspection history and if the period of activity of the contractor is shorter than 5 years, then concerns the whole period of the contractor's activity. The Ordering Party reserves the right to enquire a copy of selected documents issued by regulatory agencies after inspections which took place between August 2013 until now. If the copies of the above documents are not disclosed to the Ordering Party within three days from the date of sending a written request for making them available, the offer will be considered invalid.

F) are in a good economic and financial standing, which assures proper execution of the project in the declared time.

G) will pursue the contract in a way that is beneficial to the environment by minimizing the consumption of materials, raw materials energy, etc. (with environmental certificates such as ISO 14001:2015).

As a proof of the above, the Ordering Party requires that the Contractor submit, along with the tender, a statement about fulfilling conditions for participation in the proceedings (the model statement is attached as Appendix 2 to this request for proposal), a copy of a manufacturing license for the IMP for clinical trials in human, a copy of GMP certificate and a copy of report, from the last inspection, issued by regulatory agency.

IV.3 Regarding human resources, the Ordering Party requires the Service Provider to engage:

A) Project Manager, who has at least 2 years of experience in conducting research and development projects, carried out on behalf of third parties, regarding the formulation development and GMP manufacture of medicinal product.

B) Technologist Specialist, who has documented experience in the development of solid forms of medicinal products (tablets), handling process equipment for the production of solid forms and the production of solid forms of medicinal products and investigational medicinal products. The Ordering Party requires a specialist planned to be involved in the project execution has been holding the position of a leading specialist or a project leader for at least 3 years.

C) Analytics Specialist, who has documented experience in the implementation of the analytical part of pharmaceutical development projects for medicinal products, including the development,

transfer and validation of analytical methods for active substances and medicinal products as well as stability analysis of pharmaceutical preparations. The Ordering Party requires a specialist planned to be involved in the project execution has been holding the position of a leading specialist or a project leader for at least 3 years.

D) A qualified person (QP) with the authority to release the Investigational Medicinal Product.

As a proof of the above, the Ordering Party requires that the Contractor submit, along with the tender, a statement about fulfilling conditions for participation in the proceedings (the model statement is attached as Appendix No. 2 to this request for proposal), CV's of the above mentioned specialists.

IV.4 Excluded from the proceedings shall be those contractors who are personally or equity related to the Ordering Part by in particular:

A) participation in the company, in a civil or limited partnership;
B) holding at least 10% shares or interests;
C) serving a function of a member of the supervisory organ, a member of the management organ or proxy;
D) having family ties, such as by marriage, by lineage at first or second degree, by adoption, guardianship or custody.

As a proof of the above the Ordering Party requires that the Contractor submit, along with the tender, a statement about not being related to the Ordering Party. The model statement is attached as Appendix No. 3 to this request for proposal.

IV.5 The Ordering Party does not allow the Service Provider to subcontract any of the main part of order/service, i.e. formulation development, GMP manufacture and quality testing of the Investigational Medicinal Product and Placebo for clinical trials on humans. Less pivotal elements of the contract, like the GMP storage of the IMP and placebo for clinical trial in human or single specific analytical tests may be subcontracted to third parties. The Service Provider is responsible for the subcontractor qualification.

IV.6 The Ordering Party requires that the entire GMP manufacturing campaign of the IMP and placebo to be performed within the EU.

IV.7 Issuing the offer represent the full acceptance of the rules set in this Request.

V. DETAILED DESCRIPTION OF THE OBJECT OF THE REQUEST:

CPV Code: 73120000-9 Experimental and development services.

V.I General Information

OncoArendi Therapeutics SA intends to contract this year further formulation development studies and the GMP manufacture of the investigational medicinal product and placebo for planned, phase 2 clinical trials.

The drug substance OATD-01 is the low-molecular weight organic compound, chitinase inhibitor that is being developed as an innovative treatment of sarcoidosis.

The detailed scope of work and the technical information package are presented in Appendix No. 6 to this Document. The Appendix No. 6 will be disclosed on the Service Provider's demand only after signing the confidentiality agreement available as Appendix No. 5. The scan of filled and signed confidentiality agreement should be send by email to j.lipner@oncoarendi.com. The Appendix No. 6 will be provided within 2 workings days from receiving a scan of the signed confidentiality agreement.

V.2 The project timeline

The Ordering Party intends to initiate the project in October 2018:

- all documents, necessary for the project initiation, will be disclosed no later than on the 15th of October 2018,
- the API, in the amount sufficient to perform formulation development studies, will delivered no later than on the 31st of November 2018,
- the API, in the amount sufficient to manufacture the Investigational Medicinal Product, will be delivered no later than on the 28th of February 2019,

The Ordering Party requires the following tasks to be completed in no more than 5 months from the date of delivering by Ordering Party the API in the amount sufficient to manufacture the Investigational Medicinal Product:

- the Investigational Medicinal Product and Placebo to be manufactured and released,
- the ICH compliant stability study to be initiated,
- the draft formulation development and manufacturing campaign reports to be submitted.

V.3 The Ordering Party will provide

1. Report on the formulation development work performed so far.
2. Report on the first manufacturing campaign.
3. Description of analytical methods.
4. Sufficient amount of the API along with the corresponding CoA.
5. Sufficient amount the API standard along with the corresponding analytical report.
6. Sufficient amount of the impurities standards along with the corresponding analytical reports.
7. Material Safety Data Sheet for the test item.

VI. EVALUATION OF THE OFFERS:

VI.1 Price – weight: 80% (80 pts.)

A) In this criterion points will be calculated according to the formula below:

$$Pc = \frac{C_{min}}{C_{evaluated}} x80$$

Pc – Points received

C_{min} – The smallest Net price

$C_{evaluated}$ – Net price of the offer being evaluated

80 – weight of the criterion (80%)

The total cost of the service is the sum of the prices for individual studies, which have been priced according to the information provided in the Request for Proposal No. 50/2018 – SARCO and Appendix No. 6 to the Request for Proposal.

VI.2 Project execution time – weight: 20% (20 pts.)
In this criteria, points will be awarded according to the formula:
20 points – when the Investigational Medicinal Product will be manufactured and released in up to 3 months from the date of delivering by Ordering Party the API in the amount sufficient to manufacture the Investigational Medicinal Product.
10 points – when the Investigational Medicinal Product will be manufactured and released in more than 3 months and less than 4 months from the date of delivering by Ordering Party the API in the amount sufficient to manufacture the Investigational Medicinal Product.
0 points – when the Investigational Medicinal Product will be manufactured and released in more than 4 months and less than 5 months from the date of delivering by Ordering Party the API in the amount sufficient to manufacture the Investigational Medicinal Product.
20 – weight of the criterion (20 %).
The project execution time is defined as time form the date of delivering by Ordering Party the API in the amount sufficient to manufacture the Investigational Medicinal Product to the date when the Investigational Medicinal Product will be manufacture and release by Contractor.

VI.3 In the case of two or more tenders with equal number of points awarded, to guarantee performance of the contract in a manner favorable to the environment, by providing minimize the consumption of materials, raw materials, energy etc. any environmental certifications will be taken onto consideration (eg. ISO 14001:2015).

If the abovementioned does not allow to choose the best offer, the Ordering Party shall call Contractors who submitted equally evaluated offers to submit, within the period specified, additional offers. Contractors cannot offer higher prices than offered in the tenders.

VII. HOW TO PREPARE AND SUBMIT THE OFFER:

VII.1 The offer should be signed by the person authorized to represent the institution.

VII.2 Each contractor may submit only one offer.

VII.3 Costs of the offer preparation shall be incurred by the offering party.

VII.4 Offers must be submitted no later than: **24/09/2018 23:59** CET and must be written on the form as in Appendix No. 1 to the request for proposals.

VII.5 Offers shall be issued only via email to: **j.lipner@oncoarendi.com**.

VII.6 The date of receiving the email shall be considered as a date of issuing the offer.

VII.7 Offers that do not meet the deadline, are incomplete or sent to the wrong email address will not be taken into consideration.

VII.8 Any questions concerning the Object of the tender should be addressed to **j.lipner@oncoarendi.com** (+48 512 974 496) no later than 21/09/2018 15:00 (CET). Contact person is: Joanna Lipner.

VII.9 Any questions concerning the formal issues of the tender should be addressed to **m.skrzek@oncoarendi.com** (+48 22 552 67 24) no later than 21/09/2018 15:00 (CET). Contact person is: Michał Skrzek.

VII.10 The offer should include the validity date (at least 30 days from the submission deadline).

VII.11 The price should be set in both Net and Gross.

VII.12 The values in the offer (Net and Gross) should be rounded to two decimals with the mathematical rule of rounding the numbers (according to § 5 section 6 of the regulation of Ministry of Finance of 28 November 2008 (Journal of Laws of 2008, No. 212, item 1337, as mentioned).

VII.13 The offer price should include VAT. The correct determination of VAT is responsibility of the contractor – in accordance with the provisions of the Act of 11 March 2004 on Goods and Services Tax (Journal of Laws of 2004 No. 54 item. 535 as mentioned).

VII.14 The offer shall not be prepared in price variants.

VII.15 The financial settlements between the Ordering Party and the contractor may be made in PLN, EUR, USD or GBP.

VIII. TENDER RESULTS:

Bidder will be informed about choosing his offer via email. Formal results will be also published on the Ordering Party's website (www.oncoarendi.com) and concurrency database.

IX. MOST IMPORTANT PROVISIONS OF THE AGREEMENT:

IX.1 Supplier will be obligated to enter into the agreement including all conditions presented in the Request for the Offer in the place and time specified by the Ordering Party.

IX.2 It is not possible to introduce significant changes to the content of the agreement in relation to the content of the offer, which was the base for the Service Provider selection, unless:

A) The amendments concern performing additional services by the Service Provider, not covered by the basic contract, provided they are necessary and the following conditions are met:

i. The change of the Service provider cannot be made due to the economic or technical reasons, in particular concerning the interchangeability and interoperability of equipment, services or installations, ordered as part of basic contract.

ii. The change of the Service Provider would cause significant inconvenience or substantial cost increase to the Ordering Party.

iii. The value of any subsequent changes do not exceed 50% of the basic contract value.

B) The amendment does not lead to change in the nature of the contact and the following conditions are met:

i. The need for the contract change is brought about by circumstances which the Ordering Party, acting with due diligence, could not foresee.

ii. The value of a change does not exceed 50% of the basic contract value.

C) The amendment does not lead to change in the nature of the contract and the total value changes is less than 209 000 EUR, and at the same time is less than 10% of the basic value.

Any contract amendment must be done in writing, otherwise will not be valid.

IX.3 Information regarding contractual penalties:

A) If the offered project execution time (as defined in the offer) extends for at least 30 days for reasons attributable to the Service Provider´s fault (which includes only gross negligence and willful misconduct , the Service Provider shall pay the Ordering Party a contractual penalty of 1% of the net offer price for exceeding the time limit, and then another 2% of net offer price for each additional 30 days of delay. Moreover, the Ordering Party will gain a right to withdraw from the contract of the project execution time is exceeded by at least 60 days. The Ordering Party may withdraw from the agreement until 31st Dec 2019.

B) Due to the termination or withdrawal from the Agreement by either Party for reasons for reasons attributable to the Service Provider´s fault (which includes only gross negligence and willful misconduct, the Ordering Party will charge a contractual penalty of 10% of net offer price.

C) The formal basis for charging contractual penalties will be a debit note the Ordering Party delivers to the Contractor. The Ordering Party shall be entitled to deduct contractual penalties from payments due to the Contractor.

D) The Ordering Party has the right to claim damages in the amount exceeding contractual penalties based on general principles.

E) Contractual penalties will be paid within 30 days form the debit note receipt date.

IX.4 Due to the nature of the Agreement, the Ordering Party reserves the right to conduct a GMP audit of the site of the Investigational Medicinal Product and Placebo manufacture with its own resources or using an independent third party at each stage of the Agreement, in particular before it is undertaken by the Supplier. Negative audit findings that could have an impact on the quality of the Investigational Medicinal Product and Placebo may be the basis for cancelation of the Agreement by the Ordering Party.

X. APPENDENCIES:

A) The offer form (Appendix No. 1).

B) Statement concerning fulfilment of all the requirements set out in part IV of the Request for offers (Appendix No. 2).

C) Statement concerning personal or/and capital connections between the Service Provider and the Ordering Party (Appendix No. 3).

D) Declaration of compliance with the information obligations provided for in Article 13 or Article 14 of the GDPR (Appendix No. 4).

E) Confidentiality Agreement (Appendix No. 5).

F) Detailed Scope of Work & Technical Information Package (Appendix No. 6), disclosed only after signing the confidentiality agreement.

G) The Conditional Contract for the performance of the research services within the scope of the project (Appendix No. 7).