



STANDARD TERMS AND CONDITIONS OF SALE

1. GENERAL. ALL SALES OF GOODS, ITEMS OR EQUIPMENT (“GOODS”) ARE EXPRESSLY LIMITED TO AND MADE CONDITIONAL UPON THE TERMS AND CONDITIONS CONTAINED HEREIN (THIS “ACKNOWLEDGEMENT”), AND ANY OF PURCHASER’S (AS DEFINED BELOW) PROPOSED TERMS AND CONDITIONS CONTAINED IN ITS PURCHASE ORDER OR OTHERWISE WHICH ARE IN ADDITION TO OR DIFFERENT FROM THOSE CONTAINED HEREIN ARE HEREBY OBJECTED TO AND SHALL BE OF NO EFFECT. PURCHASER SHALL BE DEEMED TO HAVE ASSENTED TO ALL TERMS AND CONDITIONS CONTAINED HEREIN, IF AN EMPLOYEE OR REPRESENTATIVE OF PURCHASER EXECUTES THIS ACKNOWLEDGEMENT OR THE PURCHASER FAILS TO OBJECT REASONABLY THERETO

IN WRITING WITHIN 5 (FIVE) DAYS OF RECEIPT, OR ANY PART OF THE GOODS DESCRIBED HEREIN ARE ACCEPTED, OR AN EMPLOYEE OR REPRESENTATIVE OF PURCHASER CONFIRMS, IN WRITING OR VERBALLY, THAT CS BIO CO. (“SELLER”) SHALL COMMENCE MANUFACTURING OF THE GOODS. THIS ACKNOWLEDGEMENT, INCLUDING, ANY ATTACHMENTS, EXHIBITS, AND SCHEDULES ATTACHED HERETO, AND ANY SPECIFICATIONS, WHICH ARE ACCEPTED BY SELLER, BECOME A BINDING CONTRACT BETWEEN PURCHASER AND SELLER ON THE TERMS AND CONDITIONS REFLECTED IN THOSE DOCUMENTS (THE “SALES AGREEMENT”).

2. COVENANTS OF PURCHASER. If Purchaser delivers instructions to Seller, which indicates that Seller is authorized to commence the manufacturing of the Goods, delivery of such instructions to Seller shall constitute Purchaser’s acceptance of the terms and conditions of this Acknowledgement, to the exclusion of any and all other terms and conditions. Purchaser agrees that Purchaser shall execute and deliver this Acknowledgement as soon as practicable after the delivery of such instructions.

3. PRICES. Unless otherwise expressly stated in the text of this Acknowledgement, including any attachments, exhibits, and schedules attached hereto, the prices stated are for shipment F.O.B. Seller’s plant and do not include any (i) costs of handling, freight, inspection, permits or other compliance with governmental laws and regulations, (ii) any sales, use, excise or other taxes, or (iii) foreign customs duties into countries outside the U.S., all of which shall be the sole liability of and shall be paid by Purchaser.

4. PAYMENT. Payment of the purchase price for any Goods purchased hereunder is due within 30 days of the receipt by Purchaser of the Goods or an invoice whichever is sooner. Payments not received when due must bear interest at 18% per annum, computed on the basis of a 360-day year and actual days elapsed and to accrue from the date such payment is due until paid in full; provided, however, if such interest rate is not permitted by the laws of the State of California, then the highest rate of interest that the laws of the State of California permit. If Purchaser fails to pay the purchase price when due, Seller may cease future deliveries and terminate the Sales Agreement in accordance with Section 16. Seller reserves the right to limit or cancel the credit of Purchaser, and Seller may require or demand payment or adequate assurances of performance from Purchaser prior to taking any preparatory steps for performing the Sales Agreement or beginning the manufacture of the Goods.

5 SHIPMENT. The Goods are sold F.O.B. Seller’s plant and Seller shall ship the Goods by any commercial carrier it deems satisfactory (“Transportation Company”). Shipping dates are approximate and are based upon prompt receipt of the acceptance of this Acknowledgment executed by an authorized employee or agent of the Purchaser and all necessary information being provided. Seller does not guarantee or covenant to deliver the Goods by such estimated delivery date.

6. TITLE AND RISK OF LOSS. Title to the Goods passes to the Purchaser when the Purchaser has fully paid for the Goods. Seller’s liability for loss or damage ceases and the risk of loss passes to the Purchaser at the time of such delivery to the Transportation Company. All claims for loss or damage must be handled by the Purchaser through the Transportation Company. Purchaser assumes the risk of loss and Seller shall not be liable for any loss or damage after such delivery to the Transportation Company, but Seller will cooperate with Purchaser in Purchaser’s prosecution of claims against the Transportation Company. Purchaser shall be liable to Seller for any unpaid balance of purchase price, irrespective of any loss or damage after such delivery to the Transportation Company. The Purchaser shall inspect the Goods immediately on their arrival, and shall within 10 days from receipt give notice to the Seller of any shortage, incorrect material or any matter or thing which the Purchaser claims makes the Goods non-conforming. If the Purchaser fails to give such notice, the Goods are considered to be in accordance with the Sales Agreement and the Purchaser is bound to accept and pay for them in accordance with the Sales Agreement.

7 WARRANTY. Seller warrants Goods of its own manufacture to be free from defects in material and workmanship for the Warranty Period (as defined below), if properly installed, maintained and operated under normal conditions and in accordance with Seller’s instructions manual. In the event Purchaser complies in full with all of its obligations under this Agreement, including, without limitation, the conditions in Section 8 of this Acknowledgment, Seller shall at its option and in its sole discretion, repair or replace any Goods that Seller in its reasonable judgment and upon inspection be defective or issue Purchaser a refund or credit in the amount of the purchase price of the Defective Goods. The Warranty Period shall commence upon delivery of the Goods to the Transportation Company and terminate on the earlier of: (i) 14 months from date of delivery of the Goods to the Transportation Company or (ii) one year from date Goods are placed into service, whichever occurs first. On repaired Goods, the warranty shall be the same as for new Goods except that the warranty on repaired Goods shall apply only to parts repaired or replaced by the Seller. No separate warranty shall apply to repaired Goods as a whole or to parts not repaired or replaced by the Seller. This warranty shall not apply to the component parts of any Goods manufactured in whole or in part by a party other than Seller and resold by Seller, except to the extent that any such third party has warranted the component parts to Seller and is liable to Seller under such warranty. THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL, EXPRESS, OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OR REPRESENTATION AS TO MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER



MATTER. THIS SECTION SURVIVES THE TERMINATION OR CANCELLATION OF THE SALE AGREEMENT. THIS WARRANTY IS APPLICABLE TO THE ORIGINAL OWNER AND IS NOT TRANSFERABLE UNLESS PURCHASER ACTS AS AN AGENT FOR ULTIMATE CUSTOMER. No person is authorized to give any additional warranties on Seller's behalf or to assume for Seller any other liability in connection herewith, except in a writing signed by an authorized officer of Seller.

8. CONDITIONS OF APPLICABILITY OF WARRANTY. Seller's warranty of any Good is of no effect if (i) the Good is not stored or handled appropriately; (ii) the Good has not been operated or maintained in accordance with operating instructions; (iii) the defect of the Good is attributable in any way to installation, modification or repair made by any party other than Seller; (iv) the defect of the Good resulted from damages occurring after delivery to the Transportation Company of the Good; (v) the defect of the Good has not been reported to Seller within the Warranty Period; (vi) the defect should have been discovered by Purchaser in Purchaser's inspection and it is not reported within 20 days after the day of discovery; (vi) Purchaser or a third party modifies or repairs the Good without Seller's prior written approval; (vii) Purchaser does not notify Seller in writing of the claimed defect within 20 days of discovery.

9 EXCLUSIVE REMEDY. Purchaser's sole and exclusive remedy against Seller arising out of or in connection with any claimed defect in any Goods sold hereunder, whether based upon contract, strict liability or negligence, and whether for personal injury, commercial loss or other monetary loss, shall be, at Seller's option and in Seller's sole discretion, the repair or replacement of such Goods that Seller determines in its reasonable judgment and upon inspection to be defective or the issuance to Purchaser of a credit or refund in the amount of the purchase price of such Goods. No Goods may be returned to Seller's plant without providing written notice of that intent and obtaining Seller's prior written consent; the freight shall be prepaid by the Purchaser.

10. LIMITATION OF LIABILITY. IT IS AGREED UNDER NO CIRCUMSTANCES SHALL SELLER BE LIABLE FOR ANY DAMAGE OR COSTS, WHETHER SPECIAL, DIRECT, INDIRECT OR CONSEQUENTIAL, ARISING FROM THE TESTING, REPAIR, REPLACEMENT OR USE OF THE GOODS PROVIDED BY SELLER. Any action resulting from any breach or failure of Seller to perform hereunder must be commenced one year after the cause of action accrued.

11. EXCLUSION OF WARRANTY AGAINST INFRINGEMENT. The Seller does not warrant that the Purchaser will be free from rightful claim of a third person for patent or copyright infringement.

12 PERFORMANCE; FORCE MAJEURE. Seller shall not be liable for loss or damage due to delay in manufacture or delivery resulting from any cause beyond Seller's reasonable control or due to compliance with any regulations, orders, acts, instructions or priority requests of any federal, state or municipal government, or any department or agency thereof, civil or military authority, acts of God, acts or omissions of Purchaser, fires, floods, weather, strikes, lockouts, factory shutdowns or alterations, embargoes, wars, riots, delays or shortage in transportation or inability to obtain labor, manufacturing facilities or material from Seller's usual sources. Any delay resulting from any such cause shall extend delivery dates to the extent caused thereby. Purchaser's receipt of the Goods shall constitute a waiver of any claims for delay.

13. INDEMNIFICATION. Purchaser agrees to protect, defend, release, indemnify and save Seller harmless from and against any and all expenses, claims, demands or causes of action of every kind and character arising in favor of any person including employees of both Purchaser and Seller, on account of personal injuries or death, or damages to property arising out of, incident to, or resulting directly or indirectly from the performance by Seller hereunder or arising out of incident to, or resulting directly or indirectly from the performance by Purchaser hereunder. Further, it is the express intention of Seller and Purchaser that the indemnity provided for this paragraph is indemnity by Purchaser to indemnify and protect Seller from the consequences of Seller's own negligence if any whether such negligence is the sole or concurring cause of alleged injury and damages to Purchaser or any other person. Purchaser agrees to indemnify and save Seller harmless from any and all losses, expenses, or costs, which Seller sustains by reason of the manufacture of the Goods, and called for by the Sales Agreement according to the plans and specifications furnished to the Seller by the Purchaser.

14. REPRESENTATIONS AND WARRANTIES OF PURCHASER. Purchaser represents and warrants to the Seller that Purchaser owns and possesses all right, title and interest in and to all of the plans, specifications, instructions, or other documents ("Specifications") provided by the Purchaser to Seller in connection with the Sales Agreement. If Purchaser has the right to use the Specifications pursuant to a valid and enforceable license, Purchaser represents and warrants that the delivery of the Specifications and any use by Purchaser of the Specifications as contemplated by the Sales Agreement is consistent with such license.

15. CONFIDENTIAL INFORMATION. The Seller and Purchaser may provide to one another information that is confidential, proprietary, or secret ("Confidential Information"). Confidential information shall not include information which: (a) is or becomes a part of the public domain through no act or omission of the receiving party; (b) was in the receiving party's lawful possession prior to the disclosure and had not been obtained by the receiving party either directly or indirectly from the disclosing party; (c) is lawfully disclosed to the receiving party by a third party without restriction on disclosure; (d) is independently developed by the receiving party; or (e) is disclosed by operation of law. The Seller and Purchaser agree to hold each other's Confidential Information in confidence during the term of the Sales Agreement and for a period of five (5) years thereafter. All Confidential Information shall be used only for the purposes of the Sales Agreement, except to the extent that the disclosing party provides prior written consent.



- 16. TERMINATION.** In the event of a breach by Purchaser, Seller may terminate the Sales Agreement upon giving 10 days' written notice of termination. If the Sales Agreement is terminated by Seller because of Purchaser's breach, Seller is entitled to reasonable reimbursement for any labor, material or other expenses incurred in connection with the Sales Agreement, plus a reasonable amount for overhead.
- 17. ENGINEERING SERVICES.** Unless otherwise provided in the Sales Agreement, Purchaser shall be responsible for the erection, installation, and start-up of the Goods, and shall pay all related expenses.
- 18. SECURITY INTEREST.** Purchaser may not transfer or encumber the Goods in any manner until the full invoice amount has been paid and payment acknowledged by Seller. Purchaser hereby grants to Seller a security interest in the Goods. Purchaser shall execute and deliver any financing statements or other documents that Seller reasonably requires for the perfection of Seller's security interest and Purchaser shall do all other acts necessary for the perfection and preservation of this security interest. Purchaser agrees to pay all costs, including reasonable attorneys' fees, incurred by Seller in the enforcement of any obligation of Purchaser hereunder.
- 19. CANCELLATION.** Purchaser may not cancel any part of the Sales Agreement, except with Seller's written approval from an authorized officer of the Seller at 20 Kelly Court, Menlo Park, CA, 94025, USA. In the event of any cancellation initiated by the Purchaser, the Purchaser shall pay to the Seller the reasonable costs and expenses (including, but not limited to, all engineering, commitments to suppliers and subcontractors) incurred by the Seller prior to receipt of approved notice of such cancellation, with reasonable profit, and including consequential costs incurred, direct or indirect, as a result of Purchaser's cancellation of the purchase order.
- 20. GOVERNING LAW.** The validity, construction and performance of the Sales Agreement is governed by, and must be construed in accordance with, the laws of the state of California (both substantive and procedural), without regard to its conflicts of law provision.
- 21. ENTIRE AGREEMENT.** The Sales Agreement comprises the complete and final agreement between Seller and Purchaser and supercedes all prior negotiations proposals, representations, commitments, understandings or agreements between Seller and Purchaser, either written or oral, on its subject. No other agreement, quotation or acknowledgment in any way purporting to modify any of the terms of the Sales Agreement is binding upon Seller unless made in writing and signed by Seller's authorized agent. The Sales Agreement may not be altered or modified except by written agreement of Seller and Purchaser. Any other representations or warranties made by any person, including employees or other agents of Seller, that are inconsistent with the Sales Agreement must be disregarded by Purchaser and are not binding upon Seller. If any model or sample were shown to Purchaser, such model or sample was used merely to illustrate the general type and quality of Goods and to represent that the Goods would necessarily conform to the model or sample.
- 22. SUCCESSORS AND ASSIGNS.** The Sales Agreement binds and inures to the benefits of Purchaser and Seller and their respective successors and permitted assigns. Purchaser may not assign any interest in, nor delegate any obligation under the Sales Agreement, without Seller's prior written consent.
- 23. RIGHTS OF RESALE.** If Purchaser breaches or repudiates a provision of the Sales Agreement or fails to comply with the Sales Agreement, Seller may resell those Goods, which have not already been delivered to Purchaser, together with any Goods reclaimed by Seller or as to which Seller may agree to accept return. The sale may be public or private, at wholesale or retail, and the Seller may hold more than one sale. In addition, the Purchaser shall pay Seller the amount by which the entire price established in the Sales Agreement exceeds the amount received from the public or private sale, together with all incidental damages occasioned by the default of the Purchaser. Purchaser acknowledges that Seller's remedy of resale Goods covered under the Sales Agreement is not Seller's exclusive remedy in the event of Purchaser's breach or repudiation of the Sales Agreement.
- 24. JURISDICTION; ARBITRATION.** PURCHASER HEREBY CONSENTS TO JURISDICTION OF ANY STATE COURT LOCATED IN SAN MATEO COUNTY, CALIFORNIA AND THE FEDERAL COURTS LOCATED IN CALIFORNIA IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE SALES AGREEMENT. PURCHASER HEREBY WAIVES ANY DEFENSE BASED ON LACK OF JURISDICTION, IMPROPER VENUE, OR FORUM NON CONVENIENS. At Seller's election, any claim, dispute or controversy arising out of or relating to the Sales Agreement shall be settled by arbitration, such arbitration shall be conducted in San Mateo County, California in accordance with the then existing rules of the American Arbitration Association before a single arbitrator and judgment upon the award rendered may be entered in any court having jurisdiction thereof.
- 25. WAIVER.** The waiver by Seller of any breach by Purchaser of any provision of the Sales Agreement may not be construed to be either a waiver of the provision itself as to subsequent application or any other provision of the Sales Agreement.
- 26. SEVERABILITY.** If any term, covenant, condition or provision of the Sales Agreement is held by a court of competent jurisdiction to be contrary to law or public policy, the remaining terms, covenants, conditions and provisions of the Sales Agreement remain in full force and effect.
- 27. NOTICES.** Any notice which may be required or permitted to be given under any provisions of the Sales Agreement shall be deemed to have been duly given upon the earlier of (i) 5 days after deposit in the U.S. mail by registered or certified, postage prepaid, or (ii) actual receipt by



confirmed facsimile, hand delivery or overnight courier service, to the Seller and Purchaser at their respective addresses indicated on the front of this Acknowledgement.

28. CANCELLATION ON ACCOUNT OF INSOLVENCY. Seller shall have the right to cancel the Sales Agreement if Purchaser becomes insolvent or bankrupt or makes an assignment for the benefit of creditors.

29. CONSTRUCTION. The captions set forth in the Sales Agreement are inserted only as a matter of convenience and for reference and will not affect the meaning or interpretation of any provision of the Sales Agreement

