

General Terms and Conditions for Purchase – Peptide Consumables

1. General

- 1.1 These General Terms and Conditions for Purchase (“General Conditions”) apply to all purchases agreed between the Company and the Customer by signing a Quotation (as defined below) or by referring to such Quotation in a Purchase Order issued by the Customer. In the event of conflicting provisions between the Quotation and these General Conditions, the provisions of the Quotation shall prevail.
- 1.2 The Quotation and these General Conditions (collectively the “Agreement”) constitute the entire agreement between the Parties with regard to the subject matter hereof. The Agreement shall become effective when the Quotation has been signed by both the Company and the Customer.

2. Definitions

In these General Conditions:

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| <i>Agreement</i> | shall mean the Quotation and these General Conditions; |
| <i>Company</i> | shall mean Protein Technologies Inc. or any of its wholly-owned subsidiaries, as indicated in the Quotation; |
| <i>Company Certified Personnel</i> | shall mean one or more person(s) at the Company, the Customer or at any third party appointed by the Company, trained and certified by the Company to unpack and handle the Instrument; |
| <i>Consumables</i> | shall mean all items manufactured or supplied by the Company which are needed for the use of the Instrument, including without limitation one or more amino acids, resins, additives, activators, RVs and expendable accessories/spare parts; |
| <i>Customer</i> | shall mean the company, person or other entity as indicated in the Quotation; |
| <i>Documentation</i> | shall mean all user documentations, help files, instrument quality assurance certificates and technical specifications and other written documentation regarding the Products that are made available to the Customer by the Company, whether in paper form or electronically; |
| <i>Installation Location</i> | shall mean the agreed location for installation of the Instrument as indicated in the Quotation; |
| <i>Instrument</i> | shall mean the instrument manufactured or supplied by the Company as specified in the Quotation; |
| <i>Party or Parties</i> | shall mean the Company and/or the Customer individually or collectively, as the case may be; |
| <i>Products</i> | shall mean the Instrument and the Consumables collectively; |
| <i>Purchase order</i> | shall mean a binding commitment by the customer to purchase according to the Quotation or by referring to such Quotation in a Purchase Order issued by the Customer |
| <i>Quotation</i> | shall mean the quotation accepted and agreed by the Company and the Customer, including its appendices; |
| <i>Research Use Only</i> | shall mean the use for research purposes only, without any medical objective. By way of non-limiting example, research use excludes any use in diagnostic procedures (such as e.g. medical diagnostics or performance evaluation studies for medical analyses). |
| <i>Software</i> | shall mean the software for the purpose of controlling the Instrument, evaluating data, and storing results and information related to methods used for the Instrument; |
| <i>AFR</i> | shall mean, the Mid-term, Applicable U.S. Federal Rate (AFR) of interest with quarterly compounding for the month of the invoice date as published by the U.S. Internal Revenue Service. |

3. Delivery

- 3.1 If no other term of delivery is specified or arrangement provided for the delivery, the Products will be delivered in accordance with the Incoterms indicated in the Quotation.
- 3.2 The Customer acknowledges that delivery of the Instrument is normally within 6-8 weeks after the placement of order or as specified in the Quotation.
- 3.3 The Customer acknowledges that delivery of the Consumables is normally within 10 working days after the placement of order or as specified in the Customized Delivery Arrangement. Special or large volume orders may require longer delivery lead times.
- 3.4 The Installation Location where the Instrument shall be placed is set out in the Quotation.
- 3.5 The Customer shall NOT unpack the Instrument, after delivery. Only Company Certified Personnel are authorized to unpack the Instrument (with the exception of the PS3 Peptide Synthesizer).
- 3.6 The Customer shall examine the Products at the time of delivery according to the following:
 - a) The Customer shall examine the package of the Instrument at the time of delivery. If the Customer should find that the package is damaged or in any way deficient upon delivery, the Customer shall note the damage or the deficiency on the note of received goods. The note of received goods shall be issued in two copies, of which the Customer and the deliverer shall take one each. The Customer shall without delay notify the Company about the damage or deficiency by sending a copy of the note of received goods to the Company or, if unpacking is to take place within two (2) days from delivery, inform the Company Certified Personnel of the damaged package during the unpacking of the Instrument.
 - b) The Customer shall examine the Consumables at the time of delivery. If the Customer should find that the Consumables are damaged or in any way deficient upon delivery, the Customer shall note the damage or the deficiency on the note of received goods. The note of received goods shall be issued in two copies, of which the Customer and the deliverer shall take one each. The Customer shall without delay notify the Company about the damage or deficiency by sending a copy of the note of received goods to the Company.
 - c) Shipping containers and all packing material must be retained. Company will not accept responsibility for shortages or damages if this procedure is not followed. A 15% restocking charge will be billed to Customer on merchandise accepted for return on orders correctly filled. Customer shall notify Company prior to returning merchandise, noting Company's order number and the date on all paper work and packages. Return transportation must be prepaid by the Customer (c) Company reserves the right to make partial shipments of the order at its discretion and to issue invoices separately.

4. Price and Payment

- 4.1 The Company will charge the Customer the price for the Products, which is set out in the Quotation.
- 4.2 Payment shall be made against invoice from the Company. Payments shall be in U.S. dollars and are due in 30 days net.
- 4.3 In the event of late payment, the Company reserves the right:
 - a) to suspend deliveries and/or cancel its outstanding obligations under the Agreement;
 - b) to charge interest at an annual rate equal to AFR plus eight (8) percent until the actual date of payment.

- c) to, ultimately, cancel and terminate the Agreement.
- 4.4 Customer agrees to hold all pricing, discounts, proprietary and technical information provided to the Customer by the Company as confidential, to the extent that the information is not publicly available.

5. Installation

- 5.1 At the time of Instrument installation, manpower for lifting the Instrument shall be supplied by the Customer. It is the Customer's responsibility to ensure the safety of the manpower used for the lifting and that the Instrument is kept in its original state and not damaged through the lifting. For avoidance of doubt, the Company takes no responsibility for the safety of the manpower used for the lifting.

6. Service

- 6.1 The Customer may enter into a separate service agreement with the Company to maintain performance of the Instrument according to specifications.
- 6.2 If the Customer has entered into a separate service agreement with the Company the Customer agrees to grant the Company access to the Instrument and administrative rights in order to perform service on the Instrument. Customer agrees and acknowledges that only Company Certified Personnel are authorised to service the Instrument.

7. Warranty

- 7.1 The Company represents and warrants to the Customer that the Instrument, when delivered to the Customer, shall (i) be free from defects in materials and workmanship and (ii) shall substantially conform to the Documentation accompanying the Instrument, however provided that:
 - a) the Instrument has been unpacked and installed by Company Certified Personnel;
 - b) all operations of the Instrument have been performed by Company Certified Personnel;
 - c) all operations have been performed within limits set by the Documentation and in accordance with instructions appearing on the screen, the online help files and other parts of the Documentation;
 - d) the Instrument has not been relocated from the original point of installation, the Instrument has not been relocated by anyone else than Company Certified Personnel.
 - e) in case the Instrument needs to be relocated, the relocation process has to take place under the supervision of the Company, at the cost of the Customer, in order to assure a functional instrument after the relocation process;
 - f) all Consumables used in or with the Instrument have been approved or supplied by the Company;
 - g) in the event of extraordinary events (for example vibrations due to an earth quake, construction work blasting or similar) the Instrument has been calibrated by Company Certified Personnel after such event before further use of the Instrument;
 - h) the relevant defect does not arise from normal wear and tear;
 - i) the warranty does not include a preventative maintenance visit.
- 7.2 The Company warrants that the Consumables sold by the Company under the Agreement, when delivered to the Customer, (i) are tested and approved by the Company, (ii) are free from defects in materials and workmanship and (iii) shall operate in accordance with the Documentation, however provided that:
 - a) the Consumables are used only as authorized hereunder in the Instrument;
 - b) the relevant defect does not arise from normal wear and tear;
 - c) the Consumables are received in a package with an unbroken seal;
 - d) all operations have been performed within limits set by the Documentation.

The Warranty for the Instrument in Section 7.1 above, is valid during twelve (12) months from the latest of either (i) the date the Instrument was shipped to the Customer or (ii) the date when the Instrument was installed by Company Certified Personnel at the Installation Location. If an instrument installation is delayed beyond two months after the shipment is received, the Company reserves the right to adjust warranty date prior to installation.

If a purchase follows from a Trial (as defined in the Company's General Terms and Conditions for Trial and Rental), the warranty period shall be calculated from the date when the purchase was agreed between the Company and the Customer.

- 7.3 The Warranty for the Consumables in Section 7.2 above, is valid during the shelf life period stated on the product label, however for consumables not longer than ninety (90) days from delivery.
- 7.4 The Customer shall without undue delay, and at the latest within two (2) weeks from the expiry of the warranty period above, notify the Company in writing of any defects which appears. For such damage or deficiency on the Products or the package that the Customer should have noticed at the delivery control, according to Section 3.6 above, notice shall be made within three (3) days from such delivery control. If the Customer does not notify the Company within the time limit above, the Customer loses its right to have the defect remedied.
- 7.5 The Company's sole and exclusive liability under the warranty in Section 7.1 and 7.2 above shall be limited to correct or replace the Instrument or the Consumables (at the Company's risk and expense) or, at the Company's option, refunding the price paid by the Customer subject to the Customer returning the defective Instrument or Consumable to the Company at the Company's risk and expense or (if an abatement of the price is agreed with the Customer) refunding to the Customer the appropriate part of the price paid.
- 7.6 The expressed terms of this Section 7 are in lieu of all other warranties, expressed or implied, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose or non-infringement, all of which are hereby excluded to the fullest extent permitted by law.

8. Limitation of Liability

- 8.1 The aggregate liability of the Company in respect of all claims from the Customer, irrespective of reason, shall in no event exceed the purchase price for the Products, as indicated in the Quotation.
- 8.2 Under no circumstances shall the Company be liable to the Customer or any other person for lost revenues, lost profits, loss of business, or any indirect, incidental, punitive, exemplary, special or consequential damages of any nature, whether or not foreseeable, arising from use of the Products or any breach of warranty or of this Agreement.
- 8.3 The Company takes no responsibility, whatsoever, for any misjudgements of the Customer of the results generated by the Customers use of the Products.

9. For Research Use Only; Reservation of Rights

- 9.1 The Company provides the Products for Research Use Only. The Customer will be solely responsible for obtaining any regulatory approval that may be required for the Customer's intended use of the Products.
- 9.2 The Products may only be used by a Company Certified Personnel in its own premises and for its own business.
- 9.3 Without limiting the foregoing, the Customer may not, unless prior permission is obtained in writing by the Company:

- a) reverse engineer or disassemble the Products, in whole or in part,
- b) transfer, resell or convey the Instruments and/or Consumables to a third party,
- c) modify the software installation and the instrument connection by e.g. connecting the instrument to a LAN without going via the external computer, or
- d) copy the Software, except that one copy may be made for back-up purposes.

10. Indemnification

- 10.1 Customer agrees to indemnify and hold the Company, its affiliates, officers and employees harmless from any claim, demand or damage, including reasonable attorneys' fees due to or arising out of Customer's use of the Products to the extent such claim, demand or damage is not a direct result of a defect or the Company's negligence in the design or manufacture of the Products.

11. Software

- 11.1 The Customer agrees and acknowledges that he/she will be required to accept the installation of the software for the Instrument (including such additional software products defined in the installation packages) to be able to use the Product.

12. Intellectual property

- 12.1 The Company shall obtain and retain full and complete ownership to all technology, know-how, designs, drawings, technical documents, software programs or other documents in whatever medium or format as well as all industrial or intellectual property rights or Company Trademarks held by the Company. Nothing contained herein shall be construed as giving the Customer any ownership, license or other rights with respect to any industrial or intellectual property rights owned or controlled by the Company, and such industrial or intellectual property rights shall always remain the legal and absolute property of the Company.

13. Disputes

This transaction shall be governed by and construed in accordance with the laws of the State of Delaware. Company and Customer agree that any controversy arising out of this transaction shall be resolved solely and exclusively in, and Company and Customer hereby submit to the sole and exclusive jurisdiction of, the state courts of State of Delaware and federal courts of the United States located in the State of Delaware.

14. Miscellaneous

- 14.1 Should any of the terms contained in the Agreement be declared void or unenforceable by any court of competent jurisdiction, such declaration shall have no effect on the remaining terms hereof.
- 14.2 The failure of either Party to enforce any rights granted hereunder or to take action against the other Party in the event of any breach hereunder shall not be deemed a waiver by that Party as to subsequent enforcement of rights or subsequent actions in the event of future breaches.
- 14.3 The obligations of either Party hereunder shall be excused or suspended to the extent performance is prevented or delayed by any future condition, which
- a) is beyond the reasonable control, and without the fault or negligence, of the Party affected thereby,
 - b) was not foreseeable by such Party at the time this Agreement was entered into, and
 - c) could not have been prevented by such Party taking reasonable steps.
- 14.4 Only those amendments and additions to the Agreement that are made in writing and signed by authorized representatives of the parties are valid.

Appendix 11.1.i

SOFTWARE

RESTRICTIONS

End-User may not:

1. modify, translate, reverse engineer, de-compile, disassemble, modify, translate or create derivative works from the Software
2. attempt to defeat, avoid, bypass, remove, deactivate or otherwise circumvent any software protection mechanisms in the Software, including without limitation any such mechanism used to restrict or control the functionality of the Software
3. attempt to derive the source code or the underlying ideas, algorithms, structure or organization from the Software (except to the extent that such activities may be allowed under applicable law).

End-User must comply fully with all relevant export laws and regulations of the United States and other applicable export and import laws to assure that neither the Software, nor any direct product thereof, are exported, directly or indirectly, in violation of applicable laws.

SOFTWARE WARRANTY

Limited Warranty

The Company warrants that

1. the Software will perform substantially according to the functions described in the Documentation for a period of ninety (90) days from the date of receipt.
2. the media in which the Software is furnished, will be free from defects in materials and workmanship under normal use for a period of ninety (90) days from the date of purchase.
3. The Company does not warrant that the Software will perform error free without interruption or that the Company will correct all program errors. The Company will however:
 - a. correct within a reasonable period of time, major failures of the Software to perform substantially according to the functions described in the Documentation.
 - b. correct major errors in the Documentation
 - c. replace any magnetic media which has proven defective in materials or workmanship on an exchange basis without charge.

These are the sole and exclusive remedies for any breach of warranty. The Company is not responsible for any problems caused by changes in the operating characteristics of computer hardware or computer operating systems which are made or released after the release of the Software, nor for problems in the interaction of the Software with software not supplied and/or manufactured by The Company.

In no circumstances whatsoever shall the Company be held liable for any loss of whatever kind or damage to equipment, the Instrument or its accessories resulting from or connected with the introduction of a computer virus into the End-User environment.

None of vendors or developers of the third-party components are obliged to give direct support to the End-User.

Limitations of Liability and Third-Party Claims

Under no circumstances shall the Company be liable in contract, tort or otherwise for any loss, cost, expense, or damage to the End-User in an amount cumulatively exceeding End-User's agreed payment of the Software. Under no circumstances shall the Company or any third party be liable to the End-User or any other person for lost revenues, lost profits, loss of business, or any indirect, incidental, punitive, exemplary, special or consequential damages of any nature, whether or not foreseeable, arising from use of the Software or any breach of warranty or of this Agreement.

End-User shall give the Company prompt notice of any claim from a third party brought against End-User that the Software as it exists on the date of this Agreement, infringes a duly issued patent, copyright right or other intellectual property right. The Company will have the right – however not the obligation – to act on any such claim.

Miscellaneous

This Agreement is not assignable or transferable in whole or in part by the End-User. No alteration or amendment to this Agreement shall be valid unless such alteration or amendment is made in writing and signed by both Parties. – This Agreement contains the entire understanding between the Parties on its subject matter, and annuls and replaces any other Agreements or understandings, whether written or oral, which may exist or have existed between the Parties on the subject matter hereof. – This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona, without regards its conflict of laws principles. Notwithstanding what is stated above, if the Company is the licensor, the following shall apply: This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona, USA, without regards its conflict of laws principles. All disputes arising out of or relating to this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one arbitrator appointed in accordance with the said Rules. The seat of arbitration shall be Arizona, USA, and the proceedings shall be conducted in English. The costs of litigation, as well as the other party's reasonable attorney fees and expert witness fees shall be borne by the losing party.