

## **Product terms and conditions**

- 1. Controlling Provisions. Any non-sale transfer, or contract of sale, service agreement, or quotation made or accepted by or on behalf of DNA Genotek Inc. and its Affiliates ("**Provider**") with any other person and their Affiliates ("Recipient") for the sale and/or transfer of any goods and/or services (collectively, "Product(s)") is subject to these terms and conditions. No terms and conditions other than the terms and conditions contained herein are binding upon Provider unless accepted in a writing signed by the Provider. All terms and conditions contained in any oral or written communication, including, without limitation, Recipient's purchase order, which are different from and/or in addition to these terms and conditions are hereby rejected and are not binding on Provider, whether or not they materially alter this document, and Provider hereby objects thereto. Recipient is deemed to have assented to all terms and conditions contained herein if any part of the Products are shipped or an invoice is presented in connection with the said Products. This document constitutes the entire, complete, and exclusive agreement between the parties with respect to the subject matter hereof.
- 2. Pricing Confidentiality. Quotes and pricing terms are negotiated and may be unique to the Recipient, therefore, and except as otherwise provided by law, Recipient hereby agrees to keep confidential all pricing quotes and invoiced amounts received from Provider. Recipient shall not use this confidential information in furtherance of its business, or the business of anyone else, whether or not in competition with Provider
- 3. Payment Terms/Credit. Recipient agrees to pay for the Products according to the Provider's payment terms. Except as otherwise agreed to in writing, the purchase price shall be paid in full within 30 days of the date of shipment ("Ship Date"). In the event Recipient fails to make a payment to Provider when due, Recipient's entire account(s) with Provider will become immediately due and payable without notice or demand. All past due amounts are subject to interest at the rate of 12% per annum compounded on a daily basis, or, if that amount exceeds the maximum amount allowable by law, at the maximum rate permitted by law. Prices are subject to change without notice. Provider may

- require at any time assurances of Recipient's creditworthiness and may withdraw or limit Recipient's credit if the assurances are unsatisfactory. Recipient hereby grants Provider a purchase money security interest in the Products until the Provider is fully paid. Recipient will assist Provider in taking actions to perfect and protect Provider's security interest. Recipient is not entitled to set-off any amounts due Recipient against any amount due Provider in connection with this transaction.
- 4. Title/Delivery. All Products are shipped F.C.A. (Incoterms), point of shipment. Risk of loss shall inure to the Recipient upon transfer of goods to Recipient, Recipient's representative, or common carrier. The cost of any special packing or special handling caused by Recipient's requirements or requests shall be added to the amount of the order. If Recipient causes or requests a shipment delay, or if Provider ships or delivers the Products erroneously as a result of inaccurate, incomplete or misleading information supplied by Recipient or its agents or employees, storage and all other additional costs and risks shall be borne solely by Recipient. Claims for Products damaged or lost in transit should be made by Recipient to the carrier, as Provider's responsibility ceases upon transfer of goods to Recipient, Recipient's representative or common carrier.
- 5. Taxes, Freight and Insurance. The amount of any taxes applicable to the Products will be added to the purchase price and must be paid by Recipient unless Recipient furnishes Provider with an exemption certificate acceptable to the taxing authorities. Any taxes that Provider is required to pay or collect are for the benefit of the Recipient, who shall promptly pay the amount thereof to Provider upon demand. Any freight, insurance, customs charges, broker charges or other type of charges required to deliver products into a country and any taxes payable or collectible by Provider in connection with the manufacture, sale or shipment of the Products are in addition to quoted prices for the Products, and Recipient must reimburse Provider whether or not those charges are separately stated on the invoice. Additional charges may be invoiced for special packaging requested by Recipient or deemed necessary by Provider.

- **6. Claims, Cancellations and Returns.** Upon arrival of the Products at Recipient's receiving location, Recipient shall inspect the Products for any defects. Claims for damage, shortage or errors in shipping must be reported within five (5) days following receipt by Recipient. Recipient has 20 days from the date Recipient receives the Products to inspect them for defects and nonconformance that are not due to damage, shortage or errors in shipping and notify Provider, in writing, of any defects, nonconformance or rejection of the Products. Products must not be returned without the prior written consent of Provider. Any Products returned without the consent of the Provider, regardless of the reason(s) for rejection, may be subject to a restocking charge of 25% of the purchase price. All returned Products must include a written notice stating the specific reason(s) for their rejection and must be shipped by Recipient to Provider in a commercially reasonable manner. No Recipient claims will be allowed if Products have been altered by Recipient. The only remedy for Products alleged to be defective in workmanship or material is replacement pursuant to section 14. After the 20 day period, Recipient is deemed to irrevocably accept the Products. Recipient hereby agrees that the 20 day period is a reasonable amount of time for inspection and revocation. Additionally, Recipient has no right to request any modifications to any Product or service previously ordered by Recipient or its representatives or cancel any order without Provider's written consent and payment to Provider of all charges, expenses, commissions and reasonable profits owed to or incurred by Provider as the result of a signed order. A charge of 15% of the purchase price may be applied to any order cancelled prior to shipping. Custom Products or custom ordered items may not be canceled after an order is signed, may not be returned at any time, and no refund will be made.
- 7. Use of Products and Indemnity. Recipient must not reverse engineer, disassemble, modify, adapt or create derivative works of the Products, Product contents and/or any accompanying documentation. Unless clearly indicated otherwise on the Products themselves, on the label, on the packaging, package inserts, user manual or any accompanying documentation shipped with the Products and/or separately provided to Recipient, said Products are developed, designed and sold for research use only by the Recipient and solely for the collection of samples in order to stabilize, store, recover and/or analyze bio-molecules contained therein. Unless clearly indicated otherwise on the Products themselves, on the label, on the packaging, package inserts, user manual or any accompanying documentation shipped with the Products and/or separately provided to Recipient, THE PRODUCTS ARE NOT TO BE USED FOR HUMAN DIAGNOSTIC OR DRUG PURPOSES UNLESS

## EXPRESSLY APPROVED FOR SUCH PURPOSES BY THE REGULATORY AUTHORITIES IN THE COUNTRY OF USE.

Without limiting the foregoing, Recipient shall handle and use the Products in conformity with (i) good laboratory practice, (ii) all applicable laws and regulations, guidelines and decisions of judicial or regulatory bodies, and (iii) any patent or other proprietary rights of third parties. Recipient indemnifies Provider against all losses, costs and expenses relating to (i) use of Products not in compliance with those stated above, (ii) failure of Recipient to comply with good laboratory practice, laws, regulations, guidelines or decisions in the handling or use of the Products, (iii) violations or infringements of patents or other proprietary rights of third parties by Recipient in the handling or use of the Products, or (iv) any other use or misuse of the Products by Recipient.

- **8. Not For Resale or Export.** Except as expressly provided herein, Recipient must not lease, rent, license, sub-license, sell, re-sell, distribute, transfer, or export the Products to any other person or entity, including affiliates, subsidiaries, or parent companies, domestic or foreign, without Provider's prior written consent.
- **9. Limited Rights.** The purchase of the Products conveys to Recipient the non-transferable right for use of the Products, solely by the Recipient, in compliance with the applicable intended use statement, limited use statement, or limited label license, if any, included herein, on the Products themselves, on the label, on the packaging, package insert, user manual, and on any other documentation accompanying the Products and/or separately provided to Recipient. No other rights are granted expressly, by implication or by estoppels, or under any other rights owned or licensable by Provider.
- **10. Intellectual Property.** Unless agreed otherwise in writing by Provider, Provider shall retain all right, title and interest in and to, and possession of, all its proprietary technology, including but not limited to, all Intellectual Property rights associated with any ideas, concepts, methods, processes, techniques, inventions or works of authorship (including programs, improvements and documentation) developed or created by or on behalf of Provider for furnishing Products. For the purposes of this Agreement, the term "Intellectual Property" means any and all Patent Rights, business processes, copyrights, data rights, trademarks, trade names, service marks, service names, trade secrets, mask works, moral rights, know-how or any other similar right arising or enforceable under the laws of any country or international treaty regime. If the Recipient's research results in an invention or discovery of a new use, improvement or enhancement of the Products, whether patentable or not

(hereinafter "Invention"), Recipient shall immediately disclose the Invention to Provider and Provider will: a) automatically have a non-exclusive irrevocable, perpetual sub-licensable (royalty-free) license to commercially exploit the Invention worldwide, as if Provider was the original author and/or inventor; and b) have the right of first refusal to any exclusive license of the Invention; and c) have the option to convert such license to an exclusive license. Provider may use this proprietary technology in any of its Products, in whole or in part, even if the proprietary technology was developed expressly for use by Recipient. At Provider's request, Recipient will take such further actions, including the execution and delivery of instruments of conveyance, to give full and proper effect to the provisions of this Agreement.

- **11. Changed or Discontinued Product(s).** Provider's policy is to implement product updates, improvements and/ or revisions as deemed necessary or if market conditions warrant. Provider hereby reserves the right, without liability or prior notice and at its sole discretion, to revise, or discontinue, or cease to make available any or all Product(s) at any time, and to cancel any sale under reasonable conditions. In the event Provider has to cancel an order, Receiver will be refunded the total payment for Product(s) undelivered due to the cancellation. Provider cannot guarantee same Product availability indefinitely. In the event that Recipient has an outstanding order for Products that are discontinued, Provider has the right, without liability or prior notice, to substitute Products(s) that have equivalent functionality and specifications of the discontinued Product, provided that performance is equivalent to or better than the original Product.
- 12. Inability to Fulfill Obligations. Provider will make a good faith effort to complete delivery of the Products as indicated by Provider in writing, but Provider assumes no responsibility or liability for loss or damage due to delay or inability to deliver, whether or not such loss or damage was made known to Provider, including, but not limited to. liability for Provider's non-performance caused by acts of God, war, labor difficulties, accidents, inability to obtain materials, delays of carriers, contractors or suppliers or any other causes of any kind whatever beyond the control of Provider. If any of the foregoing events occurs, Provider may at its option (i) make deliveries of the Products proportionate to production and/or postpone the shipment of the Products to a reasonable time after the event has been remedied or (ii) give notice to Recipient within 20 days after the commencement of any such event that this contract is terminated and all rights and liabilities of Provider and Recipient cease and terminate, except with respect to

- Products previously shipped or in Provider's inventory. Under no circumstances will the Provider be liable for any special, consequential, incidental, indirect, or liquidated damages, losses, or expense (whether or not based on negligence) arising directly or indirectly from delays or failure to give notice of delay. Provider has no obligation to buy in the open market any article required by Provider to manufacture the Products when a supplier thereof has defaulted in delivery.
- **13. Warranties.** Provider warrants to Recipient that at the time of transfer to Recipient, recipient's representative, or common carrier (a) it has good and marketable title to the Products, free of all encumbrances, and (b) all Products conform to the specifications listed on the Products, including information contained in any certificate of analysis, on the label, on the packaging, package insert, user manual, and on any other documentation accompanying the Products and/or separately provided to Recipient. The warranties provided herein are not transferable or available to any other customer or user subsequent to the Recipient. **PROVIDER MAKES** NO OTHER EXPRESSED OR IMPLIED WARRANTIES. PROVIDER HEREBY DISCLAIMS ALL EXPRESSED OR IMPLIED WARRANTIES, WHETHER IMPLIED BY OPERATION OF LAW OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, EXCEPT AS EXPRESSLY SET FORTH IN THIS PARAGRAPH, ALL PRODUCTS AND/OR SERVICES PROVIDED BY PROVIDER AND ITS EMPLOYEES AND AGENTS ARE PROVIDED "AS IS" AND "WHERE IS". THE PROVIDER TAKES NO RESPONSIBILITY FOR THE RESULTS ACHIEVED BY THE RECIPIENT USING THE PRODUCT.
- **14. Remedies and Damages.** Recipient's only remedy for its timely rejection of non-conforming Products or for any other failure of Provider to perform its obligations is (a) replacement of non-conforming Products by Provider at no cost to Recipient within a reasonable time after the returned Products are received by Provider in the same condition as they were received by Recipient or (b) if Provider is unable to replace non-conforming Products with conforming Products within 60 days after their return to Provider, repayment by Provider of all amounts paid by Recipient to Provider for the purchase price of the Products as well as cancellation of any balance of the purchase price owing to Provider, Provider makes no promise or representation that the Products will conform to any federal, State or local laws, ordinances, regulations, codes or standards, except as particularly specified and agreed upon in writing by an authorized representative of Provider. UNDER NO CIRCUMSTANCES, AND IN NO EVENT, WILL PROVIDER BE LIABLE FOR

PERSONAL INJURY OR PROPERTY DAMAGE OR ANY OTHER LOSS, DAMAGE, COST OF REPAIRS OR INCIDENTAL, PUNITIVE, SPECIAL, CONSEQUENTIAL, OR LIQUIDATED DAMAGES OF ANY KIND, WHETHER BASED UPON WARRANTY, CONTRACT, STRICT LIABILITY, NEGLIGENCE OR ANY OTHER CAUSE OF ACTION ARISING IN CONNECTION WITH THE DESIGN, MANUFACTURE, SALE, TRANSPORTATION, INSTALLATION, USE OR REPAIR OF THE PRODUCTS PROVIDED UNDER THE TERMS OF THIS AGREEMENT. NEITHER PARTY'S LIABILITY, IF ANY, SHALL EXCEED THE NET SELLING PRICE OF THE PRODUCT(S).

The foregoing limitation also applies to Provider's directors, officers, employees, agents, representatives, and licensors. Recipient acknowledges its damages are limited to those set out in this Section and expressly agrees that these damages constitute the only remedy available to Recipient, and Recipient expressly waives all other remedies and measures of damages that might otherwise be available at law or equity.

**15. Arbitration.** The Provider and Recipient will attempt in good faith to resolve through negotiation any dispute, claim or controversy arising out of or relating to these terms and conditions, the breach hereof or the Products. Either the Provider or Recipient may initiate negotiations by providing written notice to the other party, setting forth the subject of the dispute and the relief requested. Each of the recipients of such notice will respond in writing within five days with a statement of its position on and recommended solution to the dispute. If the dispute is not resolved by this exchange of correspondence or the Recipient fails to timely respond to a notice, then representatives of each party with full settlement authority will meet at a mutually agreeable time and place within twenty days of the date of the initial notice in order to exchange relevant information and perspectives, and to attempt to resolve the dispute. If the dispute is not resolved by these negotiations, the parties will submit to arbitration before a single arbitrator agreeable to the parties. If the parties cannot agree on an arbitrator within 10 days after arbitration has been requested in writing, the arbitration will proceed in Ottawa, Ontario, before a single arbitrator knowledgeable with the biotechnology industry but not associated with a biotechnology company, appointed by Provider pursuant to the rules of the International Commercial Arbitration Act (Ontario). The award is to be rendered in such form that judgment may be entered thereon in the highest court of any forum having jurisdiction. The arbitration will take place under the rules then used by the *International* Commercial Arbitration Act (Ontario). The cost of any such arbitration will be borne equally by all parties thereto.

- **16. Governing Law.** This contract is construed according to and governed by the laws of Ontario and the laws of Canada applicable therein, without giving effect to: (i) the principles of conflicts of law and that body of law applicable to choice of law; (ii) the United Nations Convention on Contracts for the International Sale of Goods, and/or its implementing and/or successor legislation and/or regulations; and/or (iii) the Uniform Commercial Code and/or its implementing and/or successor legislation and/or regulations, as applicable respectively. Except to the extent required by law, the Parties waive trial by jury.
- 17. Affiliate(s). For the purpose of this Agreement, the term "Affiliate" shall mean any corporation or other business entity controlling, controlled by or under common control with a party; and for such purpose, "control" shall mean direct or indirect ownership of: i) fifty percent (50%) or more of the voting interest in such corporation or other entity; ii) fifty percent (50%) or more of the interest in the profit or income in the case of an entity other than a corporation; or iii) in the case of a partnership, control of the general partner. The name of each party appearing herein shall be deemed to be the name of each such Affiliate of that party to the extent necessary to carry out the intent of this Agreement, and provided further that the performance of the obligations of any such Affiliate shall be deemed guaranteed by the party to this Agreement.
- **18. General.** This contract will not be assigned by the Recipient to any other party without the written consent of the Provider. These terms and conditions of sale are not construed against the party preparing them, but shall be construed as if all parties jointly prepared these terms and conditions of sale and any uncertainty or ambiguity will not be interpreted against any one party. Provider's failure to insist upon the strict performance of any term or condition herein is not deemed a waiver of any of Provider's rights or remedies hereunder, nor of its right to insist upon the strict performance of the same or any other term herein in the future. If any provision hereof is held to be illegal, invalid or unenforceable under any present or future laws, such provision is fully severable and the terms and conditions herein will be construed and enforced as if such illegal, invalid or unenforceable provision had never been made a part hereof. The remaining provisions herein will remain in full force and effect and will not be affected by such illegal, invalid or unenforceable provisions or by their severance from this Agreement.