

Standard Terms and Conditions for the Supply of Laboratory Quality Products and Services

Interpretation

- 1.1 **"Agreement"** means the relevant agreement with the Customer which shall consist of a Quotation accepted by the Customer in accordance with clause 2.1 and these standard terms and conditions;
- 1.2 **"Customer"** means the company, organization or individual which accepts the supply of Goods and/or Services;
- 1.3 **"Customer Materials"** includes goods, samples, equipment, laboratory results, materials or information provided by the Customer to VHG in connection with the Goods and/or Services;
- 1.4 **"Goods"** means the goods, samples, equipment and materials including without limitation reference materials, certified reference materials, chemical reference materials, laboratory supplies, biological materials, American Type Culture Collection products, proficiency testing samples, custom synthesis products, analytical data, results, reports, certificates of analysis, and safety data sheets to be provided to the Customer by VHG under the Agreement;
- 1.5 **"Liability"** means any and all liability (including liability for the acts or omissions of Personnel): (a) for any breach of the Agreement; (b) for any misrepresentation, misstatement, or tortious act or omission, including without limitation, negligence arising under or in connection with the Agreement; (c) for any breach of statutory duty; (d) for any actual or alleged product defect or product liability; and/or (e) otherwise arising in connection with the performance or contemplated performance of the Agreement or any Goods delivered under the Agreement (including under indemnification provisions (if any));
- 1.6 **"Personnel"** means any officers, employees, agents or contractors;
- 1.7 **"Price"** means the price agreed for the Goods and/or Services;
- 1.8 **"Quotation"** means an estimate or quotation given by VHG to the Customer for the supply of Goods and/or Services;
- 1.9 **"Services"** means the services, including without limitation any proficiency testing services, custom synthesis services, analysis of data, interpretation of results, production of reports, certification of Goods, training, distribution of samples and/or related services to be provided to the Customer by VHG under the Agreement; and
- 1.10 **"VHG"** means VHG Labs, Inc. and **"VHG Group"** means any company controlled by, controlling or under common control or otherwise affiliated with VHG;
- 1.11 Unless the terms and conditions are expressly accepted by VHG by a specific written amendment hereto, the Agreement between the parties shall be on these standard terms and conditions. All other terms and conditions (including any terms or conditions which the Customer purports to apply under any purchase order, confirmation of order, specification or other document) are expressly excluded from the Agreement.
- 1.12 A reference to a particular law is a reference to it as in force for the time being, taking into account any amendment, extension, application or re-enactment, and including any subordinate legislation for the time being in force made under it.

2. Orders and Quotations

- 2.1 Any Quotation is given by VHG on the basis that no agreement shall come into existence until the Customer has endorsed and returned it without amendment. Any Quotation is valid for a period of one calendar month only from the date of issue or as otherwise noted in the Quotation, provided that it was not previously withdrawn.
- 2.2 The Customer shall promptly supply to VHG the Customer Materials and any other materials required for VHG to execute the Customer's order for the supply of Goods and/or Services and the Customer hereby acknowledges that its failure in providing the Customer Materials may preclude or delay the supply of the Goods and/or Services.
- 2.3 VHG reserves the right at its sole and absolute discretion to refuse orders from Customers for the supply of Goods and/or Services, including without limitation to countries or individuals where the supply of Goods and/or Services would contravene any relevant export controls, economic sanctions, or other trade embargoes or restrictions imposed by its suppliers, the EU, the UN, or the resident country of the appropriate VHG sales office which may be applicable from time to time.

3. Delivery and Damage

- 3.1 VHG shall endeavour to supply the Goods and/or Services within the time agreed, and if no time is agreed, within a reasonable time.
- 3.2 Any dates specified by VHG for supply of the Goods and/or Services are intended to be an estimate, and time for delivery shall not be made of the essence by notice. In no circumstances shall VHG be liable for loss or damage of any kind by any delay in the supply of the Goods and/or Services. VHG may make delivery of the Goods and/or Services by installments and the Customer shall accept such installments. In the event of any shortage of Goods, VHG may allocate available Goods among its customers in the manner it deems reasonable.
- 3.3 Any liability of VHG for non-delivery of Goods shall be limited to replacing the Goods within a reasonable time or issuing a credit note against any invoice for such Goods.
- 3.4 Any Goods which are damaged, defective or incorrect when delivered to the Customer must be reported to VHG immediately. VHG may at its sole and absolute discretion elect to replace or refund the Customer in respect of such Goods, and any claim for refund or replacement must be made within 30 (thirty) days of delivery. After said 30 (thirty) days, any delivered Goods are deemed accepted and conforming to the Agreement. Any replacement Goods will be dispatched within a reasonable time. All Goods must be stored in accordance with instructions and no claim for any refund and/or replacement will be payable by VHG unless these instructions have been followed by the Customer at all times.

4. Warranty and Indemnity

- 4.1 VHG warrants that all items in the Goods and/or Services are correctly identified and in good order, and have not to the best of its knowledge been tampered with, altered, added to or substituted in any way whatsoever prior to delivery to the Customer. Any statements (whether written or oral) as to the Goods supplied or Services carried out and all/any opinions in any reports or other communications provided by VHG to the Customer are made in good faith and on the basis of the Customer Materials.
- 4.2 EXCEPT AS OTHERWISE EXPRESSLY STATED IN THESE STANDARD TERMS AND CONDITIONS, ALL WARRANTIES, CONDITIONS, REPRESENTATIONS, RIGHTS, OBLIGATIONS, LIABILITIES AND OTHER TERMS WHETHER EXPRESS OR IMPLIED BY STATUTE OR COMMON LAW IN CONNECTION WITH THE GOODS AND/OR SERVICES (INCLUDING WITHOUT LIMITATION ANY RELATING TO PERFORMANCE, CARE AND SKILL OR COMPLIANCE WITH REPRESENTATIONS, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE) ARE, TO THE FULLEST EXTENT PERMITTED BY LAW, EXCLUDED FROM THE AGREEMENT AND DISCLAIMED.
- 4.3 Save to the extent VHG is liable for negligence in its provision of the Goods and/or Services (subject to the other terms of this clause 4), VHG shall have no Liability for the use made by the Customer of the Goods and/or Services, for advice supplied by VHG to the Customer, and/or for any decisions taken by the Customer or costs incurred by the Customer in consequence of such use.
- 4.4 Nothing in these standard terms and conditions excludes or limits the liability of VHG to the extent prohibited by law.

4.5 Subject to clause 4.4:

- a) VHG's total aggregate Liability (including for negligence) in all circumstances shall be limited to the value of the affected Goods and/or Services and the Customer shall have a duty to mitigate any loss suffered by it; and
 - b) VHG shall have no Liability in any circumstances for loss of profit, loss of business or revenue, loss of anticipated savings, depletion of goodwill, any third party claims, or any indirect or consequential loss or damage, which arise out of or in connection with any Agreement, even if advised of the possibility of such losses or damages.
- 4.6 The Customer's sole remedy in respect of any Liability of VHG or its Personnel shall be in damages as set forth and limited in these standard terms and conditions.
 - 4.7 Save insofar as VHG can be shown to have been negligent in providing the Goods and/or Services, the Customer shall: (a) fully indemnify VHG and VHG's Personnel against any loss, damage or injury (including injury resulting in death) to property or person sustained by (i) VHG and/or its Personnel, (ii) the Customer and/or its Personnel, and (iii) any third party, where such loss, damage or injury is caused by the negligent act or omission or willful misconduct of the Customer or the Customer's Personnel; and (b) fully indemnify VHG against all damages, costs, expenses of any kind whatsoever (including reasonable attorneys' fee and other professional fees) and losses suffered or incurred by VHG as a result of, or in connection with any third party claim brought against VHG resulting from death, injury, or any other damage or loss whatsoever occasioned by the use made of the Goods and/or Services including without limitation any report or other information or advice of VHG.

5. Health and Safety

- 5.1 The Customer shall ensure that all appropriate safety measures and legislation are observed when sending any Customer Materials to VHG and shall ensure that any hazardous material is clearly marked. Where the Customer knows or suspects that any substance or procedure it is providing, making available or requesting may give rise to a hazard, the Customer shall make VHG aware in writing of the nature of that hazard before arranging for the delivery to VHG (or collection by VHG) of the Customer Materials or before any VHG Personnel will be exposed to the hazard.
- 5.2 The Customer shall ensure that the Customer's Personnel attending VHG's premises in connection with the Goods and/or Services comply at all times with all health and safety measures, procedures and protocols in place on VHG's premises and with such other directions regarding safe working as VHG may direct. VHG reserves the right at its absolute discretion to refuse to admit to or remove from its premises any of the Customer's Personnel who in VHG's opinion are unable to comply with this clause 5.2.

6. Customer Materials

- 6.1 The Customer shall ensure that the Customer Materials are tested or inspected and are suitable for use by VHG in the supply of the Goods and/or Services. The Customer shall arrange at its own expense and risk the delivery of the Customer Materials to VHG. The Customer warrants that each item comprised in the Customer Materials is correctly identified, in good order and has not to the best of the Customer's knowledge been tampered with, altered, added to or substituted in any way whatsoever.
- 6.2 Where applicable, the Customer may direct that VHG stores, destroys, or re-delivers to the Customer the Customer Materials (or such part remaining) after the supply of the Goods and/or Services has been completed, such storage, destruction or re-delivery to be at the Customer's own cost. If no direction is received within three (3) months of completion of the supply of Goods and/or Services, the Customer shall be deemed to have abandoned the Customer Materials, and VHG shall be entitled to store, destroy or re-deliver such Customer Materials and to charge the Customer reasonable costs for the same at its discretion or to use such Customer Materials for VHG's internal research purposes.

7. Risk and Title

- 7.1 Risk in the Goods shall pass to the Customer on shipment of the Goods by VHG. However, title shall remain with VHG and shall not pass to the Customer until payment in full (in cash or cleared funds) has been received by VHG.
- 7.2 Until such time as title in the Goods has passed to the Customer:
 - a) VHG shall have absolute authority to re-take, sell or otherwise deal with any of the Goods which have not yet been used by the Customer; and
 - b) VHG shall be reasonably entitled to require the Customer to either: (i) return the Goods to VHG at the Customer's own cost; or (ii) reimburse VHG for the cost of providing the Goods.
- 7.3 Responsibility and liability in respect of the safe storage and handling, use and subsequent disposal of Goods transfers to the Customer on shipment by VHG, and the Customer shall ensure that all Goods are handled appropriately at all times by suitably qualified Personnel.

8. Price

- 8.1 Under VHG's Quantity Discount Policy, if the Customer purchases:
 - a) any 10 standards, it will receive a 10 percent discount;
 - b) any 25 standards, it will receive a 15 percent discount; and
 - c) any 50 standards, it will receive a 20 percent discount.
- 8.2 The Quantity Discount Policy cannot be used in conjunction or combined with any other discount offered by VHG or the VHG Group.
- 8.3 VHG reserves the right to amend the Price to take account of any variations in the Goods and/or Services as a result of additional information from or a request in writing by the Customer. VHG shall obtain the Customer's prior written approval before performance of any additional work or variations in the Goods and/or Services. Unless expressly stated otherwise, all Prices are exclusive of applicable sales, use, excise or other taxes.

9. Payment

- 9.1 The Price shall become payable upon the earlier of performance of the Services and/or delivery of any Goods comprised in the Goods and/or Services or as otherwise set out in the Quotation. Payment shall be made by the Customer in the currency designated in the Quotation (which is US dollars) within 30 (thirty) days of the date of VHG's invoice. There is no discount for early payment. VHG shall be entitled to payment for all installments of Goods and/or Services supplied to the Customer, whether under a blanket order or otherwise.
- 9.2 Payment is made when monies are credited to VHG's account. Negotiable instruments or promises to pay do not constitute payment.
- 9.3 The Customer shall make all payments due under the Agreement without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise.
- 9.4 The Customer shall pay to VHG, in addition to other amounts payable hereunder, any costs reasonably incurred by VHG (including without limitation, legal costs and fees of debt collection agencies) in recovering any amounts due to VHG from the Customer pursuant to the Agreement.

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- 9.5 VHG may appropriate sums received from the Customer against any debt due to VHG from the Customer (under this or any other Agreement), irrespective of any purported appropriation by the Customer.
- 9.6 If the Customer fails to pay VHG any sum due pursuant to the Agreement then, without limiting any other right or remedy available to VHG:
- VHG may cancel the Agreement and all other agreements with the Customer or suspend any further deliveries to the Customer;
 - VHG may immediately demand payment of any other invoices not yet due, with liability to pay interest on sums due applying from the date of the demand
 - VHG may take whatever steps are deemed necessary, without limitation, to secure payment; and
 - the Customer will be liable to pay interest to VHG on such sum from the due date for payment at the rate of 1.5% per month or the maximum rate permitted by law, whichever is less, accruing on a daily basis until payment is credited to VHG's account, whether before or after any judgement.

10. Intellectual Property

- 10.1 Unless otherwise agreed in writing, the ownership of any and all rights in and to any data, results, reports, certificates of analysis, safety data sheets, copyright, patents, designs, conceptual solutions, analyses, processes, techniques, methodologies, inventions, software, databases, know-how, confidential information, and any other rights in intellectual property (whether registered or unregistered) ("IP"), other than third party rights, arising as a result of VHG providing the Goods and/or Services ("VHG IP"), shall remain vested in VHG.
- 10.2 The Customer shall not without the prior written consent of VHG use, exploit, divulge, or disclose to third parties any VHG IP which may be communicated to or gained by the Customer in connection with or as a result of VHG providing the Goods and/or Services, save that VHG shall grant the Customer a non-exclusive non-transferable, non-sublicensable right to use the IP in any Goods provided by VHG to the Customer in accordance with the terms of this Agreement.
- 10.3 VHG in respect of the Goods and/or Services, and the Customer in respect of the Customer Materials and its use of the Goods and/or Services, shall each indemnify and keep indemnified the other against all liability (including reasonable attorneys' fees and other professional costs) incurred by the other arising out of or in connection with any claim alleging infringement or misuse of a third party's IP.

11. Restrictions on Use – VHG name, ATCC, and pharmaceutical products

- 11.1 The Customer shall not use VHG's name in any way to imply endorsement or otherwise by VHG of the Customer Materials, or of any process, information, advice, product or service provided, marketed or sold by the Customer.
- 11.2 The Customer hereby represents, warrants and agrees that it shall only use pharmaceutical active reference materials and/or impurities of the same associated with a pharmaceutical product patented by a third party for the purpose of an act or use which is reasonably related to the development and submission of information required for regulatory approval purposes in relation to the manufacture, use or sale of pharmaceuticals.
- 11.3 The Customer agrees that it shall only use any Goods which are American Type Culture Collection ("ATCC") products supplied by VHG in accordance with the terms of the Material Transfer Agreement ("MTA") which is enclosed with the ATCC products and set out in the ATCC product catalogue, and in particular but without limitation for the purpose of scientific research and laboratory research purposes only, and the Customer may not distribute or sell the ATCC products to another company or third party. The Customer acknowledges that ATCC and/or VHG shall each be entitled to enforce such terms of the MTA at their absolute discretion.
- 11.4 The Customer represents and warrants that it will: (a) restrict access to the ATCC products to Personnel within its laboratory who are capable and qualified to handle the ATCC products safely; and (b) exercise the utmost care, taking into account the unique characteristics of the material, to maintain and use the ATCC products with appropriate precautions to minimise any risk of harm to persons and property and to safeguard them from theft and/or misuse. The Customer agrees that ATCC products designated Class II, III or IV constitute known pathogens and that other ATCC products not so designated may be pathogenic under certain conditions.
- 11.5 The Customer assumes all risk and responsibility in connection with the receipt, handling, storage, disposal, use and any misuse or other wrongdoing with respect to the ATCC products supplied hereunder. The Customer agrees that any handling or other activity undertaken in its laboratory with the ATCC products will be conducted in compliance with all applicable laws and regulations. The Customer shall indemnify and keep indemnified VHG against all loss, actions, costs, claims, expenses, and liabilities incurred by VHG by reason of any breach by the Customer of this Agreement and/or the MTA.
- 11.6 For the avoidance of doubt, any expiration date specified on shipping documentation relating to the ATCC products is an estimate of expected useful life and does not constitute a warranty.

12. Confidentiality

- 12.1 Both parties shall use reasonable endeavours to keep confidential for a period of five (5) years from the acceptance date of the supply of Goods and/or Services any confidential information (oral or written) provided or disclosed by or on behalf of the other. This clause shall not apply to any information which at the time of disclosure is (or subsequently becomes) published or generally available to the public (other than as a breach of the receiving party's obligation under this clause), which at the time of disclosure was already in the possession of the receiving party (other than under an obligation to the disclosing party), which subsequently legally comes into their possession from another source, which was independently developed, or which is required to be disclosed in order to comply with a legal requirement.

13. Cancellation

- 13.1 If the Customer cancels, extends or delays (or purports to cancel) the Agreement or part thereof, or fails to accept supply of the Goods and/or Services at the time agreed or if no time is agreed within a reasonable time, then the Customer shall be liable for (without prejudice to any other rights of VHG) and shall indemnify and keep indemnified VHG against any resulting loss, damage or expense or additional costs incurred by VHG in connection with the supply or non-supply of the Goods and/or Services including without limitation the cost of any services, material, plant or tools used or intended to be used therefor and the cost of labor and other overheads, including a percentage in respect of profit.
- 13.2 Where the Goods and/or Services (or any part thereof) supplied by VHG to the Customer are for the provision of custom synthesis services ("Synthesis Services") the Customer acknowledges that occasionally certain Synthesis Services can be difficult to perform. In the event that VHG is unable to perform and/or complete all or any part of the Synthesis Services for any reason (including without limitation due to technical and experimental difficulties) then VHG reserves the right at its sole and absolute discretion to cancel such Synthesis Services

at any time and terminate the Agreement without liability to the Customer. Where VHG exercises its right to cancel under this clause 13.2, VHG shall notify the Customer in writing as soon as reasonably practicable, and (a) if the Quotation provides for a fixed Price and/or timeframe, then the Customer shall not be liable for payment for such Synthesis Services; or (b) if the Quotation provides for an estimate of Price and/or timeframe, then the Customer shall be liable only for payment of the Synthesis Services or part thereof performed by VHG as at the date of such cancellation notice.

14. Termination

- 14.1 VHG may terminate the Agreement forthwith by notice in writing if the Customer is in material breach of the Agreement and, where such breach is remediable, the Customer fails to remedy the same within 30 (thirty) days of the receipt of a written request from VHG to do so.
- 14.2 Each party has the right to terminate the Agreement at its discretion if the other party: (a) is unable to pay its debts; (b) is insolvent; (c) enters any form of bankruptcy, either compulsorily or voluntarily which is not dismissed within 60 (sixty) days; (d) is subject to a receiver or other third party (including without limitation a garnishor or trustee) being appointed over or taking or attempting to take possession of any of the party's assets; (e) takes or suffers any steps that could lead to the appointment of any insolvency office holder; or (f) undergoes any analogous occurrence under foreign law.
- 14.3 The termination of the Agreement shall be without prejudice to the rights and duties of either party accrued prior to termination. The clauses in the Agreement which expressly or impliedly have effect after termination shall continue to be enforceable notwithstanding termination. The Customer shall pay the Price in respect of any Goods and/or Services (or part thereof) supplied prior to termination, regardless of the reason for termination.

15. Force Majeure

- 15.1 If VHG is unable (whether temporarily or permanently) to procure any services or goods necessary to enable it to supply the Goods and/or Services or if the supply of the Goods and/or Services is prevented or hindered by reason of any cause beyond VHG's reasonable control (which shall include acts of God, governmental action, war or national emergency, acts of terrorism, riot, civil commotion, fire, explosion, flood, epidemic, lock-outs, currency restrictions, strikes or other labour dispute, or restraints or delays affecting shipping or carriers), VHG may cancel the Agreement by notice in writing to the Customer so far as it relates to the Goods and/or Services not then supplied or work not then done and such cancellation shall not give rise to any claims by the Customer provided that the Customer shall remain liable to pay for the Goods and/or Services supplied prior to the date of such cancellation.

16. Legal and Regulatory Compliance

- 16.1 The Customer will comply with all Statutory Requirements in force from time to time. Failure to comply with any provision of this clause 16 is grounds for immediate termination of this Agreement by VHG, which termination shall not result in any costs or compensation becoming payable by VHG to the Customer.
- 16.2 The Customer agrees and undertakes that it shall not, and shall require that its employees and affiliates shall not, take any action in furtherance of an unlawful order, promise or payment, in violation of any applicable anti-bribery law, anti-corruption law and conflict of interest law including, without limitation, the United Kingdom's Bribery Act 2010 or the United States Foreign Corrupt Practices Act ("FCPA"), nor take any action that would cause either itself or any other party (including VHG) to be in violation of the FCPA or the Bribery Act 2010.
- 16.3 The Customer shall inform VHG if at any time it becomes aware, or should reasonably have become aware, that it has been entered on any denied persons, politically exposed persons or other sanctions lists maintained by the UK, the USA, the European Union or any other recognised national or international, governmental or quasi-governmental body. The Customer acknowledges that entry onto any such list is grounds for immediate termination of this Agreement by VHG in accordance with clause 16.1.

17. General

- 17.1 The Customer shall not assign any Agreement or any part thereof without the written consent of VHG. VHG may assign the Agreement or any part thereof to any member of the VHG Group or its successors. VHG shall be entitled to sub-contract any part of the Services to be provided hereunder. Any attempted unauthorised assignment by Customer is null and void.
- 17.2 Each right or remedy of VHG under the Agreement is without prejudice to any other right or remedy of VHG whether under the Agreement or not.
- 17.3 If any provision of the Agreement shall be held to be illegal, invalid or unenforceable in whole or in part, either under enactment or rule of law, such provision or part shall to that extent be deemed not to form part of the Agreement but the legality, validity and enforceability of the remaining provisions of the Agreement shall not be affected unless the absence of the unenforceable provision would materially affect VHG's rights or remedies in which case VHG shall have the right to immediately terminate the Agreement.
- 17.4 VHG reserves the right to announce publicly that it is providing Goods and/or Services to the Customer with the prior written consent of the Customer, not to be unreasonably withheld.
- 17.5 Any waiver by VHG of any breach of, or any default under, any provision of any Agreement by the Customer will not be deemed a waiver of any subsequent breach or default and will in no way affect the other terms or conditions of the Agreement.
- 17.6 No term or condition of the Agreement is enforceable by any person who is not a party to the Agreement and VHG and the Customer may exercise, without the consent of any third party, any rights they may have to amend or rescind the Agreement.
- 17.7 The construction performance and validity of the Agreement shall be governed by the internal laws of the State of Delaware applicable to contracts made and performed in that state, without regard to principles of conflicts of laws, and the parties submit and waive any objection to the exclusive jurisdiction of the state and federal Courts in Delaware for adjudication of any disputes relating in any way to the Agreement or any Goods or Services delivered pursuant to the Agreement.