1. ACCEPTANCE. These terms and conditions apply to all Advanced BioCatalytics Corporation ("ABC") Purchase Orders (each an "Order") for goods and/or services (collectively, "Goods") from Seller and expressly limits acceptance to the terms and conditions stated herein. Any additional or different terms proposed by Seller or set forth in forms submitted by Seller, including documents attached or incorporated herein by reference or in Seller’s acknowledgement or invoice, are hereby objected to and rejected unless expressly accepted in writing by ABC. Acceptance of an Order by Seller shall occur upon the earlier of Seller’s written acceptance or by Seller’s commencement of performance or first shipment. Any reference in an Order to Seller’s quotation(s) or other Seller documents shall be limited to the specifications for the Goods being ordered or other transaction-specific terms to the extent expressly set forth on the face of an Order; in no event shall an Order incorporate any pre-printed or standard terms or conditions of Seller even if contained in documents referenced herein.

2. DELIVERY. Time is of the essence. If Seller does not comply with ABC’s specified delivery schedule, ABC may, in addition to any other rights which ABC may have under an Order or at law, require Seller to accomplish delivery by the fastest means, and all charges, including air freight, resulting from the expedited transportation shall be fully prepaid and absorbed by Seller. Unless otherwise specified herein, no variation in the quantity of Goods ordered hereunder including partial delivery will be allowed. Any Goods shipped in excess of the quantity herein designated may be returned to Seller at Seller’s expense.

3. INSPECTION. ABC shall not be obligated to inspect or test any Goods, but all Goods ordered hereunder will be subject to inspection and testing at any time or place as directed by ABC. ABC reserves the right to make final inspection and acceptance at its plant, notwithstanding any prior inspection or payment. If any of the Goods are found at any time to be defective in material or workmanship, or otherwise not in conformity with the requirements herein stipulated, ABC, in addition to any other rights and remedies it may have under warranties or otherwise, shall have the right to exercise the following options: (a) return Goods to Seller, at Seller’s expense, for repair, replacement or full credit, at ABC’s option (b) retain Goods with an equitable reduction in price; and (c) retain and repair Goods at Seller’s expense. ABC’s inspection or acceptance of the Goods shall not terminate or in any way impair the representations or warranties provided herein.

4. SHIPPING INSTRUCTIONS

A. No charges of any kind, including charges for boxing, cartage, freight, insurance, dunning, storage and handling, will be paid by ABC unless specifically agreed to by ABC in writing. Where price as agreed is a function of weight, the price to ABC shall be for net weight of accepted Goods, unless otherwise agreed. Packaging requirements for shipments on Commercial Bills of Lading must meet commercial standards and accepted practices of the industry, with full protection of the Goods to ultimate destination, and must conform to governing classifications. Seller shall be responsible for packing and packaging necessary to withstand transportation hazards.

B. Seller shall strictly comply with any special instructions on the order form.

C. Unless otherwise specified herein, all Goods covered by an Order shall be shipped F.O.B. destination with applicable freight charges prepaid by Seller and added to invoice.
D. Unless otherwise specified herein, all custom duties and tariffs relating to Goods covered by an Order, including Goods which are imported into the United States, shall be paid by Seller.

5. TITLE AND RISK OF LOSS. Except as otherwise expressly provided herein, title to and risk of loss and/or damage on all Goods shipped by Seller to ABC hereunder shall be upon Seller until the Goods are physically delivered to ABC’s plant and shall pass to ABC only upon ABC’s inspection and acceptance of such Goods. If any Goods incorporate ABC provided materials, risk of loss for such materials shall transfer to Seller upon delivery to Seller.

6. CHANGES. ABC may at any time direct changes to drawings or specifications for the Goods to be produced hereunder, the method of shipping or packing the Goods or their place of delivery, and Seller agrees to make such changes, provided that Seller shall be entitled to an equitable adjustment of the price of goods or the time required for performance under an Order. No claim for adjustment shall be valid unless asserted within thirty (30) days from date Seller receives notification of such change.

7. PRODUCT AND SERVICES WARRANTY. In addition to any warranty implied by law, Seller expressly warrants all Goods provided hereunder (i) to be free from defect in design, workmanship, and materials, (ii) to conform strictly to applicable specifications, drawings, and approved samples, if any; (iii) to be fit and sufficient for ordinary commercial purposes and the purpose intended by ABC; (iv) to be of merchantable quality; and (v) to be in accordance with applicable federal and state laws, codes and standards. Seller further expressly warrants that all services performed at the premises of ABC in connection with Goods provided hereunder shall be performed in a good and workmanlike manner, by agents or employees of Seller with a degree of skill and expertise appropriate to the complexity of the services performed. All of the aforesaid warranties shall run to ABC, its successors, assigns and customers. In no event shall Seller’s warranty have a duration or terms less favorable than those extended by ABC to the customer that purchases such Goods or any product into which the Goods are incorporated. All such warranties shall survive inspection, testing, acceptance and payment by ABC. In the event of breach of warranty, ABC may, in addition to other rights it may have at law, at its option, either return for credit or require prompt correction or replacement of the defective or non-conforming Goods, at Seller’s expense. ABC’s approval of Seller’s designs shall not relieve Seller of the warranties or other obligations set forth herein.

8. PRICE TO ABC. Seller warrants that the prices for the Goods sold to ABC under an Order are not less favorable than those currently extended to any other customer for the same or like goods in equal or less quantities or for services of the same or like scope. In the event Seller reduces its price to third parities for such goods or services during the term of an Order, Seller agrees to reduce the price to ABC accordingly effective as of the date of the first reduction.

9. PAYMENT TO SELLER. Upon the submission of proper invoices, Seller shall be paid the prices stipulated herein for Goods delivered and accepted, consistent with the payment terms set forth on the order form. Unless otherwise requested by ABC, invoices shall be rendered separately for each delivery and shall prominently indicate the information required by the instructions on the order form. The date for cash discount, if any, shall commence on the date the Goods are accepted by ABC or the date of the receipt of a proper invoice, whichever is later. All invoices and charges shall be subject to audit, including as may be required by ABC’s customers.

10. INTELLECTUAL PROPERTY. Except as otherwise provided herein, each party will retain ownership of its Intellectual Property as the same existed prior to negotiations leading to the issuance of an
Order. “Intellectual Property” shall include, without limitation, all patents, patent applications, copyrights, trademarks, trade secrets, know how, designs and other technology. Notwithstanding the foregoing, any Intellectual Property developed by Seller in the course of developing or producing Goods pursuant to an Order, including customized goods or services, shall be owned by ABC, and, in the case of designs or other copyrightable materials, shall be deemed “works made for hire” for ABC’s benefit. In any event, Seller hereby grants ABC a royalty-free, non-exclusive, irrevocable, world-wide license to the Intellectual Property of Seller used in developing or producing the Goods pursuant to an Order, which shall include a license to manufacture, have manufactured and sell Goods of the general type covered by an Order. In the event that Seller makes or creates any invention, discovery, improvement or process, patentable or otherwise, based on or relating to the Goods or technical data, information or proposals provided by ABC, such shall be considered the Intellectual Property of ABC.

11. NONDISCLOSURE OF CONFIDENTIAL INFORMATION. Goods produced hereunder with ABC’s specifications, drawings or Intellectual Property shall not be quoted for sale or sold to other parties without ABC’s express prior written authorization, which ABC may grant or withhold in ABC’s sole and absolute discretion. Any specifications, drawings, methods, samples, plans, customer information or other data or Intellectual Property furnished or owned by ABC, its parent company or their customers shall be treated as confidential information by Seller, not disclosed by Seller to any third parties without ABC’s express written consent, and shall remain ABC’s (or its customer’s) property and shall be returned to ABC on demand. Any documents or data prepared by Seller that incorporate or disclose any confidential information of ABC shall be returned to ABC upon demand, or destroyed upon demand of ABC and Seller shall promptly transmit a certification of such destruction. Seller shall comply with all confidentiality requirements of ABC’s customers, and shall not disclose the identity of ABC’s customers except upon ABC’s express written consent.

12. HEALTH AND SAFETY HAZARDS. If any Goods shipped to ABC by Seller may in any way constitute or create real or potential hazards to human health and safety, Seller shall: (A) clearly and prominently label such Goods to indicate their handling, storage, and use limitations and recommend precautionary measures in compliance with government and safety regulation for the country of manufacture and sale; and (B) prior to or concurrently with the shipment of such Goods furnish, under separate cover to the Purchasing Agent whose name appears on the reverse side of an Order, specifications and data which completely describe the handling, storage and use limitations and the recommended precautionary measures (including Material Safety Data Sheets). Seller is required to abide by applicable federal, state, and local laws and regulatory requirements while performing work at any facility of ABC or its customers or suppliers.

13. INSURANCE. Seller agrees to maintain and require its subcontractors to maintain (a) public liability and property damage insurance; (b) proper Workman’s Compensation Insurance covering all employees engaged in the performance of such services and/ or the delivery of goods; (c) product liability insurance; and (d) other types of insurance appropriate to the nature of the services to be rendered to ABC including as may be specified by ABC. Where an Order calls for the sale of goods, Seller shall procure a minimum of $1,000,000 coverage of commercial liability and products liability insurance and other coverages, in such amounts and terms as may be required by ABC or its customers. The above insurances shall name ABC as an additional insured. In the event Seller does not procure and maintain insurance coverage as required by ABC or its customers, ABC may procure such coverage at Seller’s cost. Seller shall furnish to ABC, promptly upon ABC’s request, certificates currently evidencing insurance in types and amounts of coverage as ABC may request and providing that no cancellation thereof shall be effective except upon thirty (30) days prior written notice to ABC.
14. TERMINATION FOR BREACH. ABC may, by written notice and without liability to ABC, terminate an Order and refuse to accept deliveries, in whole or part, if Seller: (a) repudiates or breaches any provision of an Order; (b) fails to deliver goods or perform services within the time specified herein; or (c) fails to make sufficient progress in fulfillment of its obligations so as to endanger timely performance hereunder and such failure is not cured within ten (10) days (or such shorter time as may be commercially reasonable under the circumstances) after written notice from ABC. In the event of termination hereunder, ABC may procure, upon such terms as ABC deems appropriate, substantially similar Goods and Seller shall be liable to ABC for any excess cost to ABC, provided that Seller shall continue the performance of an Order to the extent not terminated. ABC may require Seller to deliver to ABC any completed or partially completed Goods or inventory that Seller has produced or acquired for the performance of an Order, with payment for any such Goods or inventory accepted by ABC to be in such reasonable amount as Seller and ABC shall mutually determine, but not to exceed the contract price.

15. TERMINATION WITHOUT CAUSE. In addition to any other rights of ABC to terminate an Order, ABC may at any time immediately terminate all or any part of an Order, for any reason, upon written notice to Seller, including upon termination of or volume reductions under orders placed by ABC’s customer. In such case, ABC shall pay Seller all amounts due hereunder for delivered and accepted Goods, and shall pay Seller an amount equal to the actual cost of raw materials and work-in-process applicable to the terminated portion of an Order, provided that Seller shall submit to ABC within thirty (30) days after the termination notice a written claim in such form and with supporting documents as specified by ABC. ABC shall not otherwise be liable to Seller or any subcontractor of Seller, and in no event shall ABC be liable for loss of anticipated profit, unabsorbed overhead, product development and engineering cost, unrecovered depreciation costs, or general or administrative expense related to any termination. ABC reserves the right to verify Seller’s claims hereunder.

16. LIMITATION OF LIABILITY. IN NO EVENT UNDER AN ORDER, OR IN CONNECTION WITH ANY TRANSACTION BETWEEN ABC AND SELLER, OR INVOLVING THE GOODS OR SERVICES COVERED BY AN ORDER, SHALL ABC OR AFFILIATED COMPANIES BE LIABLE TO SELLER (OR TO ANYONE ASSERTING A CLAIM ON SELLER’S BEHALF) FOR (I) INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES OF ANY NATURE, INCLUDING WITHOUT LIMITATION LOST PROFITS, OR (II) PUNITIVE OR EXEMPLARY DAMAGES.

17. INSOLVENCY/CHANGE IN OWNERSHIP. ABC may immediately cancel an Order with no liability to ABC in the event of the insolvency of Seller; filing of a voluntary or involuntary petition in bankruptcy concerning Seller; appointment of a receiver or trustee for Seller; the making of an assignment for the benefit of creditors of Seller; a change in the control or ownership of Seller; or a comparable event.

18. EMERGENCY ORDERS. ABC may from time to time place emergency orders in addition to regular orders placed under an Order, or may request that Seller deliver Goods sooner than the time originally specified by ABC. Seller agrees to exert its best efforts to comply with such emergency orders or revised timetable.

19. INDEMNIFICATION; RECALL. Seller shall indemnify and hold ABC harmless from and against any and all causes of action, claims, liabilities, losses, damages, costs or expenses (including attorneys’ fees and litigation expenses) arising out of any actual or alleged (a) infringement of any patent, copyright, trademark or any other Intellectual Property right covering any item provided hereunder; (b) death or injury to any person or damage to any property alleged to have resulted from any Goods purchased hereunder or work performed by Seller; (c) failure of Seller or the Goods to comply with applicable laws or safety regulations; (d) failure of Seller of the Goods to conform to all warranties or other
requirements of an Order; or (e) any design or manufacturing defect relating to any of the Goods. Seller also shall indemnify and hold ABC harmless, to the extent attributable to Seller, for all costs incurred by ABC (including costs for notification, replacement parts, labor, penalties, fines and buybacks) as a result of any recall, service campaign or similar program initiated by ABC or ABC’s customer, or any governmental agency, with respect to the Goods or the products of ABC into which the Goods are incorporated.

20. SUBCONTRACTING. Seller shall not subcontract any other party to furnish any completed or substantially completed Goods covered by an Order without ABC’s prior written approval.

21. TOOLING AND DOCUMENTS. All specifications, drawings or other documents and data furnished by ABC, and all tools, dies, molds, jigs, gauges, fixtures and patterns which have been furnished, paid for or charged against ABC, or which have had their cost amortized in connection with the contract price, shall remain at all times the property of ABC, treated as confidential information and delivered in good condition, normal wear and tear excepted, by Seller to ABC F.O.B. Seller’s plant, immediately upon demand. Seller warrants that such items and information will not be used for any production intended for parties other than ABC.

22. FORCE MAJEURE. No cause shall constitute a basis for excusable delay unless Seller has notified ABC in writing of the existence of such cause within three (3) days from the inception thereof. Subject to the foregoing limitation, neither party hereto shall be liable to the other for default or delay in performing its obligations hereunder if caused by fire, strike, riot, war, acts of terror, act of God, governmental order or regulation, and/or any other occurrence beyond the reasonable control of the party so defaulting or delaying.

23. CUMULATIVE REMEDIES: WAIVER OF TERMS & CONDITIONS. The remedies set forth herein shall be cumulative and in addition to any other remedies provided by law, including the Uniform Commercial Code of California. ABC’s failure to insist on performance of any term, or to exercise any right or privilege, or its waiver of any breaches, shall not thereafter waive any such or other terms, conditions, rights or privileges.

24. TAXES. The purchase price(s) to ABC for the Goods ordered hereunder include all federal, state and local taxes in effect on the date of an Order. The amounts of any such taxes shall be shown separately on Seller’s invoice to ABC.

25. COMPLIANCE WITH LAWS AND WITH ABC’S QUALITY CONTROL PROGRAM. Seller warrants that all Goods supplied hereunder shall be produced and priced in compliance with all federal, state and local laws and governmental regulations. Seller agrees to promptly provide certification(s) of compliance as ABC may reasonably request, including but not limited to certifications of Seller’s compliance with Occupational Safety and Health Act, Fair Labor Standards Act, and any applicable Equal Employment Opportunity Act requirements. Seller agrees to indemnify and hold harmless ABC from any damages resulting to ABC from any breach of warranties and obligations pertaining to this paragraph. Where an Order calls for the sale of goods directly incorporated into ABC’s product, Seller represents and warrants that all Goods shall be compliant with all ISO (International Organization for Standardization) and ABC requirements including but not limited to documentation, processes, audits, and any other designated activities, and that Seller shall maintain ISO certification to the ABC-specified ISO Standard through continuous registration requirements.

26. GOVERNING LAW/FORUM. An Order and the performance of the parties hereto shall be construed
according to the internal laws of the State of California, without reference to its choice-of-law rules. Seller may bring claims against ABC relating to an Order, the Goods or the performance hereunder only in the federal or state courts for the State of California. Seller consents to the personal jurisdiction of such courts for all claims of ABC. ABC reserves the right to assert claims in any other forum, including where any claims may be asserted by ABC’s customers. Seller hereby waives any objections to personal jurisdiction or the convenience of any such venue.

27. NON-ASSIGNABILITY. Seller shall not assign or transfer any rights or delegate any duties under an Order without the prior written consent of ABC. Any assignment without such consent shall be void and of no effect.

28. CONFLICT MINERALS. Seller has undertaken commercially reasonable efforts to eliminate Conflict Minerals from the Goods. Conflict Minerals means columbite-tantalite (coltan), cassiterite, gold, wolframite, or their derivatives, which originate in the Democratic Republic of the Congo or other country the exploitation and trade of which is determined by the United States to be financing conflict in the Democratic Republic of the Congo or other country.

29. MISCELLANEOUS PROVISIONS.

   A. An Order represents the parties’ entire agreement and supersedes any and all prior and contemporaneous written or oral correspondence, negotiations, representations and agreements with respect to the subject matters hereof. The parties agree that they have not relied on any representations or terms expect as expressly set forth or incorporated herein.

   B. If any term or condition of an Order is held invalid, the remaining terms and conditions shall be affective and shall remain in full force and effect.

   C. An Order may be amended only by a written document executed by a duly authorized representative of ABC.

DATE: November 2018

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