

Terms of SaleDefinitions

"SELLER" means JenKem Technology USA Inc.;

"BUYER" means the purchaser of PEGs or PEG derivatives;

"PRODUCT" means the PEGs or PEG derivatives sold by SELLER to BUYER.

Binding Terms

All sales are subject and limited to these Terms of Sale. No variations to these Terms shall be binding on SELLER unless contained in a writing signed by an officer of SELLER. Therefore, any terms proposed by BUYER, whether in a purchase order or otherwise, that added to, vary from or conflict with these Terms of Sale are hereby objected to and shall not apply unless agreed to in a writing signed by an officer of SELLER. Any terms of BUYER, including without limitation, any preprinted terms provided by BUYER, shall be void and shall have no effect. These Terms of Sale constitute the complete and final agreement between the parties with respect to the sale of PRODUCTS hereunder, and supersede any and all prior and contemporaneous oral or written communications relating hereto.

Changes

Orders may be changed or amended only pursuant to a writing signed by both BUYER and SELLER setting forth the changes to be made. BUYER may not cancel an order unless SELLER agrees to such cancellation in writing. In such event, BUYER shall pay all storage and shipment costs, costs of producing non-standard materials, costs of purchasing non-returnable materials, cancellation costs imposed on SELLER by its suppliers, and all other costs relating from such cancellation.

Delivery

SELLER shall deliver PRODUCTS, and title to and risk of loss of each quantity of PRODUCTS. Such delivery shall constitute a shipment hereunder. In addition to the process quoted for PRODUCTS hereunder. BUYER shall pay all packaging, storage, shipping, customs, duties, taxes, freight, insurance, and other charges associated with shipments of the PRODUCTS. The general method of shipment for each order is indicated in the quotation, subject to SELLER's right to determine the exact method of shipment, and the shipping method may be changed from time to time at SELLER's discretion. All shipments shall be addressed to the destination selected by BUYER and set forth in the relevant purchase order. SELLER reserves the right to make delivery in installments, all such installments to be separated invoiced and paid for when due per invoice, without regard to subsequent deliveries. Delay in delivery of any installment shall not relieve BUYER of its obligation to accept remaining deliveries.

Inspection

Within five (5) days after receipt, (a) BUYER shall inspect the containers for broken seals and other defects, and (b) shall notify SELLER in writing of any claims for shortages, defects or damage identified in such inspection. Thereafter, BUYER shall hold the PRODUCTS for SELLER's written instructions concerning disposition. If BUYER fails to notify SELLER in writing within such five (5) day period, the PRODUCTS shall conclusively be deemed to conform to the Terms hereof and, with respect to any shortages, defects or damage to the PRODUCTS, to have been irrevocably accepted by the BUYER in their short, defective or damaged condition, whereupon payment shall be due for such PRODUCTS.

Force Majeure

SELLER shall not be liable for any delays or other failure to perform hereunder due to any cause beyond SELLER's reasonable control, including, without limitation, acts of BUYER, governmental actions, laws or regulation, fire, explosion, accident, theft, vandalism, riot, acts of war or terrorism, strikes or other labor difficulties, lightning, flood, tornado, windstorm or other acts of God, transportation delays, or inability to obtain necessary labor, fuel, materials, supplies or power at current prices.

Allocation of PRODUCTS

If SELLER is unable for any reason to supply the total demands for PRODUCTS specified in BUYER's order, SELLER may allocate its available supply among any or all BUYERS on such basis as SELLER may deem fair and practical, without liability for any failure of performance which may result therefrom.

Payment

Payment terms are specified in the quotation/proforma invoice. If BUYER defaults in the payment of the purchase price or other terms of this or any other order, SELLER may defer delivery, cancel this order, or sell the PRODUCT on hand for the BUYER's account and apply the proceeds against the contract price. BUYER shall pay any balance to SELLER on demand. BUYER shall pay all costs, including, without limitation, reasonable attorney and accounting fees and other expenses of collection, including court costs, resulting from any default by BUYER in any of the terms hereof. A late payment penalty of 1.5% per month shall accrue on delinquent amounts until paid in full.

Taxes

Exclusive of and in addition to the prices quoted for PRODUCT hereunder, BUYER shall pay any tax, duty, custom, fee, assessment, or charge imposed by any governmental authority on or measured by the sales or other transactions covered herein, and BUYER shall reimburse SELLER for any payment by SELLER thereof upon demand.

Pricing

Prices shown are in U.S. dollars. BUYER shall remit payment in United States currency. PRODUCT prices are subject to change by SELLER without notice, and BUYER should call SELLER for current prices prior to placing an order. SELLER guarantees pricing contained in its written quotations for 60 days. When placing an order, BUYER should reference SELLER's quoted prices or the quote number. SELLER will contact BUYER by phone, fax or e-mail in the event of any discrepancy between BUYER's order and SELLER's pricing or other terms.

Warranties and Limitations of Liability

SELLER will make available to BUYER a Certificate of Analysis for PRODUCTS purchased hereunder. Except for damage or losses that occur after tender of PRODUCTS for delivery, and provided BUYER notifies SELLER in writing of any shortages or patent defects or damage within the five (5) day period described in the "Inspection" section above, SELLER will reprocess or replace, without charge, or refund the purchase price, at SELLER's sole option, any PRODUCT for which there are shortages, patent defects, or damage, after return of such PRODUCTS in accordance with SELLER's instructions. The foregoing constitutes SELLER's sole liability and BUYER's sole recourse. SELLER expressly disclaims all other warranties and liability whatsoever, whether express or implied, including, without limitation, warranties of merchantability, non-infringement and/or fitness for a particular purpose. BUYER bears all risk resulting from the use of PRODUCTS. No employee, agent or representative of SELLER has the authority to bind SELLER to any oral representation or warranty concerning any PRODUCT. SELLER's warranties shall not be effective if JENKEM TECHNOLOGY USA INC. determines that the PRODUCT suffered damage in any manner after tender of delivery of the PRODUCTS or that BUYER has misused the PRODUCTS in any manner, failed to use the PRODUCTS in accordance with the "Permitted Use of PRODUCTS" section (below) or in accordance with industry standards and practices, or failed to use the PRODUCTS in accordance with any additional instructions furnished by SELLER. SELLER shall not in any event be liable for indirect, incidental, consequential, punitive or special damages of any kind resulting from the sale, delivery, use (including but not limited to uses that are prohibited in the "Permitted use of PRODUCTS" section below) or defect of PRODUCTS, even if SELLER has been advised of the possibility of such damage including, without limitation, liability of loss of use, loss of work in progress, down time, loss of revenue or profits, failure to realize savings, loss of PRODUCTS of BUYER or other use or any liability of BUYER to a third party on account of such loss, or for any labor or any other expense, damage or loss occasioned by such PRODUCT, including personal injury or property damage. SELLER's aggregate liability for damages hereunder, whether in contract, tort, or otherwise, shall not exceed the purchase price paid by BUYER for the PRODUCTS involved. All claims must be brought within 30 days of shipment, regardless of their nature.

Permitted Use of PRODUCTS

BUYER shall use PRODUCTS for laboratory research purposes only, shall not use PRODUCTS for research in humans and shall not use or distribute PRODUCTS commercially, whether alone or in combination with other materials, or use them for any other purposes, including, without limitation, for in vitro diagnostic purposes or in foods, drugs, biologics, medical devices or cosmetics for humans or animals. BUYER shall not transfer PRODUCTS to third parties, and BUYER shall not permit, allow, encourage, or facilitate the use by third parties of PRODUCTS in contravention of the use restrictions set forth in the preceding sentence. Without limiting the foregoing restriction, BUYER covenants to SELLER that BUYER shall conduct all necessary tests, comply with all applicable regulatory requirements, and issue all appropriate warnings and information to users of

PRODUCTS. BUYER also shall comply with any instructions furnished by SELLER relating to use of the PRODUCTS and not misuse the PRODUCTS in any manner. Notwithstanding any of SELLER's patents directed to use of the particular PRODUCTS purchased by BUYER, BUYER may, by covalent chemical bonding, attach PRODUCTS to other materials for laboratory research purposes only, but SELLER otherwise reserves all of its rights under any patents or other intellectual property rights covering the use or modifications of its PRODUCTS or the combination of PRODUCTS with other materials; nor does SELLER grant BUYER licenses or transfer any rights, title, or interest in and to PRODUCTS or any intellectual property rights related thereto, including but not limited to trademarks, inventions, trade secrets, or patents, whether by implication, estoppel or otherwise; and SELLER may in its sole discretion choose not to grant any such rights, licenses or other transfers in the future. BUYER may not copy, distribute, reverse engineer (by way of example but not limitation, by performing tests such as HPLC, gas chromatography, or x-ray crystallography), sell, lease, license or otherwise transfer, modify, adapt, or create derivatives of any PRODUCT, except to the limited extent expressly provided by herein. If BUYER wishes to obtain a license for the manufacture, use, or sale of any PRODUCTS or their derivatives, alone or in combination with other materials, BUYER should contact SELLER's Business Development group through Technical Support. SELLER has not tested the PRODUCTS for safety and efficacy in foods, drugs, biologics, medical devices, in vitro diagnostics or cosmetics or other uses, unless expressly stated in SELLER's literature furnished to BUYER. SELLER shall provide a Material Safety Data Sheet for the PRODUCTS purchased hereunder, but BUYER acknowledges that it has the responsibility to verify the hazards and to conduct any further research necessary to learn the hazards involved in using PRODUCTS purchased from SELLER, and that it has the duty to warn its employees and others of any risks involved in handling or using PRODUCTS. BUYER shall train and equip such individuals to handle the PRODUCTS in compliance with all applicable laws, rules and regulations. No PRODUCTS purchased from SELLER will be considered to be foods, drugs, biologics, medical devices, in vitro diagnostics or cosmetics. BUYER covenants to SELLER that BUYER will properly use and dispose of any PRODUCTS purchased from SELLER in accordance with the practices of a reasonable person who is an expert in the field and in strict compliance with all applicable laws and regulations now and hereafter enacted.

BUYER's Representations and Indemnity

BUYER represents and warrants that it shall use all PRODUCTS ordered herein in accordance with "Permitted Use of PRODUCTS" as described above, and that any such use of PRODUCTS will not violate any law or regulation. BUYER shall defend, indemnify and hold harmless SELLER and its affiliates and their employees and assigns from and against any suits, losses, claims, demands, liabilities, costs and expenses (including without limitation attorney and accounting fees, regardless of outcome) that SELLER may sustain or incur as a result of any claim against SELLER based upon negligence, breach of warranty, strict liability in tort, contract, or any other theory of law, or otherwise arising out of, directly or indirectly, the use of PRODUCTS, or by reason of BUYER's breach or covenant or warranty or failure to perform its obligations contained herein. BUYER shall notify SELLER in writing within fifteen (15) days of BUYER's receipt of knowledge of any accident or incident involving PRODUCTS which results in claimed personal injury or damage to property, and BUYER shall fully cooperate with SELLER in the investigation and determination of the cause of such accident or incident and shall make available to SELLER all statements, reports and tests made by BUYER or made available to BUYER by others. The furnishing of such information to SELLER and any investigation by SELLER of such information or incident report shall not in any way constitute any assumption of any liability for such accident or incident by SELLER.

Patent Disclaimer

SELLER does not warrant, and hereby disclaims any warranties that the use or sale of the PRODUCTS delivered hereunder will not infringe the claims of any United States or other patents covering the PRODUCT itself or the manufacture or use thereof alone or in combination with other PRODUCTS or in the operation of any process.

Returns

PRODUCTS may not be returned for credit except with SELLER's written permission, and then only in strict compliance with SELLER's return shipment instructions. Any returned items shall be subject to a 25% restocking fee. For custom products, the custom synthesis fees are non-refundable and will be charged even if the synthesis is unsuccessful, if the synthesis failure is out of the control of JenKem Technology.

Technical Assistance

At BUYER's request, SELLER may, at SELLER's discretion, furnish technical assistance and information with respect to PRODUCTS. Any and all such technical assistance shall be on "as-is" basis, and SELLER makes no warranties of any kind or nature, express or implied, including without limitation, any implied warranty of merchant ability of fitness for any particular purpose or non-infringement with respect to technical assistance for information provided by SELLER or SELLER's personnel. Any suggestions by SELLER regarding use, selection, application or suitability of the PRODUCTS shall not be construed as an express or implied warranty unless specifically designated as such in a writing signed by an officer of SELLER.

Miscellaneous

SELLER's waiver of any default by BUYER, or any failure by SELLER to strictly enforce any term or condition herein or to exercise any right arising hereunder, shall not constitute a waiver (a) of any subsequent default, or (b) of SELLER's right to strictly enforce such terms or exercise such right thereafter. All rights and remedies hereunder are cumulative and are in addition to any other rights and remedies SELLER may have at law or in equity. If any provision of these Terms shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby. The paragraph headings herein are for convenience only; they form no part of the Terms and shall not affect their interpretation. These Terms shall be binding upon, inure to the benefit of, and be enforceable by, the parties hereto, and their respective heirs, personal representatives, successors and assigns. Any notices required to be given hereunder shall be sent in writing to the address of each party as set forth on the applicable purchase order and shall be deemed given when faxed or mailed U.S. first classes postage prepaid, properly addressed. All disputes as to the legality, interpretation, application, or performance of this order or any of the Terms shall be governed by the laws of the State of Texas, regardless of its or any other jurisdiction's choice of law principles.

TSCA (For USA Customers only)

In order to prepare your shipping, we will prepare and sign the TSCA statement for your organization. TSCA statement is needed for customs purposes. TSCA is a statement stating that all the products in this shipment are non-toxic. If you prefer to prepare the TSCA statement by yourself, please let us know. We will email you an electronic copy of this document.

Other fees

Please note that FDA will randomly inspect shipments at US customs. If your shipment is chosen to be inspected by FDA at the US customs, FedEx will charge you a \$20 "FDA inspection fee". The FDA inspection is totally random and occurs only to a small percentage of shipments. The FDA Inspection Fee will be charged to you directly by FedEx and is not covered as part of the Shipping and Handling fee that we charge. The buyer is responsible for bank wiring charge, all the taxes involved, international duties, and tariffs. For payment by Credit Card (Visa, Master, and American Express), a 5% credit card service fee will be added to the total cost of the product plus shipping and handling fee.