

Aline Terms and Conditions

Method of Performance: ALine performs all work on a best-effort basis. Customer will provide, with or without ALine's support, and ALine will accept or modify, as agreed to by both parties, a set of specifications and acceptance criteria for the microfluidic Product performance. If engaged in custom fabrication, a mechanical drawing will be provided by the customer or created by ALine. The customer will own the mechanical drawing created by ALine.

Confidentiality: The parties will comply with the terms of any existing non-disclosure agreement between ALine and Customer. If no such agreement exists, then each party shall not disclose Confidential Information that is so marked to any third party and shall protect Confidential Information by using the same degree of care, but no less than reasonable degree of care, to prevent the unauthorized disclosure of Information, as Recipient uses to protect its confidential information of a like nature. Recipients shall have the right to disclose Information to its employees or agents ("Representatives") so long as the Representative reasonably requires access thereto and has undertaken an obligation of confidentiality with respect to confidential information of others entrusted to him or her. Each party agrees to be responsible for any breach of this agreement by any of its Representatives. Any product or component received by the Customer containing ALine existing or ALine developed IP may not be disassembled, reverse engineered, or resold without written approval.

Aline Intellectual Property: ALine has developed specialized and proprietary know-how (existing IP) for design and manufacture of engineered laminate microfluidic devices and components, such as valves, vents, pumps, or metering channels. Collectively and in any combination, these components and the actuation subroutines that drives them, comprise ALine's "**SMART laminate technology**". In the course of the development program, ALine may make improvements to its existing IP to solve a functional performance need for a component or combination of components in a microfluidic cartridge. ALine retains ownership of any improvements both to individual components and combinations of components and actuation subroutines which are part of ALine's existing IP (*Aline developed IP*).

The work-product resulting from engagement with ALine, the **Program Developed IP**, may include any or all of the following: consulting, reports, concepts, a microfluidic cartridge ("Product"), an instrument, an assay performed in a microfluidic device, any customer existing IP, any customer developed IP or the product actuation routine that manages the assay workflow in the Product. The Product may contain both *Aline existing IP* and *Aline developed IP (together ALine's SMART laminate technology)*. The customer owns the **Program Developed IP** and receives a paid up, royalty-free, non-transferrable license to practice the *SMART laminate technology* embedded in the Product as long as ALine manufactures the *SMART laminate technology*.

Product not containing ALine's *SMART laminate technology* is not subject to licensing terms.

Transfer of Manufacturing Right: If at any time in the future, the *Product* developed hereunder, which contains ALine's *SMART laminate technology*, is not available for purchase from ALine, a separate manufacturing transfer agreement will be established. Upon completion of the manufacturing transfer obligations, ALine shall grant to Customer a non-exclusive, non-transferable, worldwide, fully paid and royalty-free license to use ALine's *SMART laminate technology* solely for the manufacture of the specific Customer *Product*. The license shall be transferrable with notification of intent, and ALine will not unreasonably withhold transfer.

Limitation of Liability: ALine does not warrant any device produced and delivered to the customer for a particular application or purpose. Any warranty claim can be for no more than the total price paid. Any claim, dispute or controversy of whatever nature arising out of or relating to this Agreement will be governed by and construed under the laws of the State of California without giving effect to any choice of law principles that would require the application of the laws of a different jurisdiction. Any such claim, dispute or controversy must be brought in a court of competent jurisdiction, federal or state, located within Los Angeles County, California. The parties hereby irrevocably consent to personal jurisdiction and venue in, and agree to service of process issued or authorized by such court. If any provision is held by a court of competent jurisdiction to be illegal, invalid or unenforceable, that provision will be limited or eliminated to the minimum extent necessary so that these terms and conditions otherwise remains in full force and effect. The parties agree to replace any such invalid provision with a valid provision that most closely approximates the intent and economic effect of the invalid provision. ALine is not liable for the use of its Existing or Developed IP that may infringe any patents. Customer agrees to indemnify and hold harmless ALine and its employees and officers from and against any and all claims, liabilities, damages, costs and expenses of any nature that are incurred by the Indemnitee.

Payments: Milestone 1/Down-payment for Phase 0 required to initiate the program. Cancellation or program inactivity, as evidenced by no billable work by ALine for 180 calendar days, immediately revokes any license to practice the ALine *SMART Laminate Technology*.

Amounts invoiced are due NET 30 unless otherwise specified on the quotation. Overdue invoices will incur a 1.5% service charge per month calculated from the date of the invoice. Any invoices not paid within 180 calendar days will invoke cancellation of the program and revocation of any license to practice ALine know-how.

Shipments and Returns: ALine ships all items ex works, and, unless otherwise instructed by customer, will use FedEx standard overnight. Shipping charges are billed to the customer at cost plus handling.

Returns for rework or replacement requires a Return Merchandise Authorization (RMA). We do not provide credit for returned parts. Please call [877-707-8575](tel:877-707-8575) and speak to customer service to receive an RMA form to describe the problem before returning parts. Include the Sales Order (SO) number and part number in any correspondence. Once received ALine will examine the parts and determine the source of the failure. ALine reserves the right to re-work and replace defective parts that are a result of ALine fabrication errors. ALine is not responsible for failures in performance for parts that otherwise meet the agreed to specifications.

Complete terms and conditions will be agreed to in a separate development agreement, and will supersede any other terms between ALine and the Customer.

These terms and conditions supersedes all oral understandings, representations, prior discussions and preliminary agreement. We will not be bound by, and specifically object to, any term, condition, or other provision which is different from or in addition to the provisions of this Agreement and which is submitted by you in any order, receipt, acceptance, confirmation, correspondence or other document.

Quote is valid for 30 days