

## 1. CONTRACT TERMS.

ALINE agrees to sell to the Customer the services, parts or products (collectively referred to as the "Products") as set forth on a purchase order (the "Order") between the parties. ALINE hereby expressly rejects any terms or conditions different from or in addition to the terms and conditions contained herein. Neither ALINE's delivery of the Products nor any other action, conduct or performance shall constitute acceptance of terms or conditions different from or in addition to the terms and conditions herein.

Customer shall be deemed to have accepted the terms herein by written acknowledgment in the space provided on the Order or by other statement or email, act or course of conduct, dealing or performance constituting acceptance under applicable law, including failure to object in writing to the terms and conditions herein within a reasonable time or by acceptance of the Products.

## 2. PURCHASE PRICE AND PAYMENT TERMS.

A. Prices and Adjustments. Unless otherwise indicated on the Quotation, the prices for the Products stated on the Quotation ("Purchase Price") are effective only for Products scheduled for delivery within sixty (60) days after the date of this document on the Order.

B. Terms of Payment. Except as otherwise provided on the Order, payment of the Purchase Price is due in full twenty (20) days from the invoice date. Except as provided below for "hold orders," invoices shall be issued after the delivery of Product to Customer or Customer's agent. Customer agrees to pay invoices issued by ALINE, regardless of disputes relating to other invoices.

C. Credit Terms and Credit Information. ALINE reserves the right to alter or revoke credit terms to Customer at any time and withhold shipment or delivery of Products to Customer or ship or release on a C.O.D. basis. Customer agrees to promptly furnish credit standing information and credit references to ALINE from time to time upon ALINE's request. Customer hereby represents to ALINE that it is not insolvent (as that term is defined in § 1-201(23) of the Uniform Commercial Code). Customer agrees to notify ALINE in writing if Customer becomes insolvent prior to payment of the Purchase Price. Customer's acceptance of the Products shall constitute a written reaffirmation of Customer's solvency at the time of delivery.

D. Late Payment Fee. Any amounts not paid when due will be subject to a service charge of one and one-half percent (1.5%) of the amount due per month or the highest rate permitted under applicable law, whichever is less.

E. Sales and Similar Taxes; Shipping Costs; Insurance. Unless otherwise mutually agreed to in writing by the parties, Customer shall pay all sales, use, excise or similar taxes and any shipping, delivery and related insurance costs applicable to the Products. In lieu of certain tax payments, Customer may provide ALINE with a tax exemption certificate acceptable to the taxing authorities. Customer agrees to reimburse ALINE for any such amounts which ALINE incurs on behalf of Customer.

F. Hold Orders. If Customer requests ALINE to hold delivery of any Products, ALINE may at its option, invoice Customer on the original date the Products were to be delivered, or invoice Customer on the date such Products are actually delivered.

G. Cancellation. Customer may cancel its order of the Products, in whole or part, only if Customer pays ALINE at full price for all finished Products and also pays for any costs and expenses incurred by ALINE (e.g., raw materials, work in progress, finished goods inventory, un-amortized tooling, labor, handling and overhead), as reasonably determined by ALINE, plus a cancellation fee of 25 percent (25%) of the canceled Order amount.

## 3. SECURITY FOR PAYMENT OF PURCHASE PRICE.

Customer hereby grants ALINE a security interest in the Products (as described in Section 4 below), if any, and proceeds thereof to secure

the due payment and performance of all of Customer's obligations to ALINE. Upon request, Customer shall deliver to ALINE financing statements covering this security interest suitable for filing. ALINE is authorized to file all financing statements deemed appropriate by ALINE or this document as a financing statement.

## 4. SHIPMENT, DELIVERY, TITLE AND ACCEPTANCE.

A. Shipment. Unless otherwise mutually agreed to in writing by the parties, all sales and deliveries are FOB ALINE. ALINE will package the Products for shipment in accordance with standard commercial practices unless the Customer has provided ALINE with packaging and shipping specifications that were part of the Customer's request for quote and these specifications are agreed to by ALINE in writing. If ALINE is to arrange shipping, unless otherwise indicated on the Order, (i) ALINE may exercise its discretion in choosing a carrier, (ii) ALINE may, at its option, obtain insurance on the Products shipped; (iii) shipment, insurance (if acquired) and related charges will be at Customer's expense; (iv) the carrier shall be deemed to be Customer's agent and Customer shall make all claims with respect to damage in transit against the responsible carrier; and (v) title and risk of loss to the Products shall pass to Customer as provided in Paragraph 4.C.

B Changes: Customer may, from time to time, in writing, make changes to the scope of the proposed work. If any such changes cause an increase or decrease in cost or time required for performance under this proposed work, an equitable adjustment shall be made in the price and/or completion date and the proposed work shall be modified in writing accordingly. Any claim by ALINE for adjustment under this clause must be asserted within thirty (30) days from the date of receipt by ALINE of the notification of change. Any change in this proposed work shall be authorized only by an amendment made through email exchange, notation on shared documentation, and agreed to by the Customer through written acknowledgment on documentation shared with the Customer by other statement or email, act or course of conduct, dealing or performance constituting acceptance under applicable law, including failure to object in writing.

C. Delivery Schedule. The delivery schedule specified in this document is an estimate only based on prevailing conditions. ALINE's failure to meet the delivery schedule shall not be a breach of this Agreement or give rise to any cause of action in favor of Customer. Tool completion dates are subject to timely receipt of engineering order, down payment and complete information and are our best estimate.

D. Title and Products, Risk of Loss. Title to and all risk of loss or damage concerning the Products shall pass to Customer immediately upon the sooner of delivery of the Products to Customer, to a common carrier or to any private carrier designated by Customer or ALINE for shipment to Customer's designated point of delivery. Customer's rejection of any Products purchased hereunder shall not shift any risk for those Products until they are returned to and received by ALINE, freight prepaid, pursuant to ALINE's written instructions.

E. Inspection and Acceptance. Customer shall inspect all of the Products upon receipt. Customer shall be deemed to have accepted all of the Products and to have waived and released all claims for shortages or other failure of the Products to conform to those ordered, unless Customer provides written notice to ALINE itemizing any nonconformance, including, but not limited to, notification with respect to shortages, incorrect parts or inconsistencies between the shipment and the enclosed packing list or invoice, within thirty (30) days after delivery of the Products to Customer or Customer's agent. Acceptance shall be irrevocable and no attempted revocation shall have any effect whatsoever.

F. Cure of Imperfect Tender. Customer hereby grants ALINE the right to cure any imperfect tender of the Products within thirty (30) days from the date Customer delivers written notice of such imperfect tender to ALINE.

This right to cure shall be in addition to any other right to cure available to ALINE in law or equity.

G. Force Majeure. ALINE shall not be liable for any delay or non-delivery of any of the Products or other nonperformance caused in whole or part by any contingency or event beyond ALINE's reasonable control, including, without limitation, any act of God; acts of any government or any agency or subdivision thereof; fire; strikes; war; machinery breakage; failure of a communications or internet provider; transportation delays; shortage of or inability to secure labor, fuel, energy, materials or supplies at reasonable prices or from regular sources; riots or acts of a public enemy; terrorist acts; and any existing or future laws or regulations with which ALINE, in its judgment and discretion, deems it advisable to comply as its legal duty. In the event of the occurrence of any of the foregoing, ALINE may distribute its available Products among its customers on such a basis as it deems reasonable, without liability to Customer.

#### 5. CUSTOMER SUPPLIED RAW OR SEMI-FINISHED MATERIALS.

If ALINE is to perform work on raw or semi-finished materials supplied by Customer, then Customer shall supply adequate excess to allow for processing losses. If ALINE scraps any such materials, it shall not be liable to Customer for such scrapped materials. Customer warrants that any raw or semi-finished materials shall be suitable for the operations intended to be performed by ALINE, free of defects in workmanship and material. If found defective during processing, Customer shall promptly deliver suitable replacements at no charge to ALINE. Customer shall pay ALINE for all work performed on the defective materials at the time when the defect is discovered. Customer agrees to indemnify, defend, and hold ALINE, its officers, directors, employees, representatives, agents and the like, harmless for any loss, liability, damage, debt, cost or expense (including legal and accounting fees and disbursements) arising out of, or as a result of or relating to any such materials supplied by Customer, whether arising out of tort, contract or otherwise. All indemnification obligations of Customer hereunder shall survive delivery of the Products, payment of the Purchase Price therefore and termination of this Agreement.

#### 6. CUSTOMER WARRANTIES.

If Customer has furnished the design and/or specifications for the Products, Customer represents and warrants that (i) it has all intellectual property rights necessary or appropriate for the contemplated use of all designs, materials, parts and components that Customer supplies to ALINE, and (ii) that it has conducted such testing as it has felt necessary and prudent to ensure that the Products to be produced from the design, plans and specifications will fulfill their intended purposes.

Customer agrees to indemnify, defend, and hold ALINE, its officers, directors, employees, representatives, agents and the like, harmless for (a) any alleged or actual infringement of any third party's intellectual property rights and for any loss, liability, damage, debt, cost or expense (including legal and accounting fees and disbursements) arising out of, or as a result of or relating to any infringement claim, and (b) misuse of any design, materials, part, component or Product (collectively, the "Components") or the Components failure to perform as intended, including any Components that do not meet the specification therefore, either by notification from ALINE or from any other source, and the Customer decides to use them as is.

Except for ALINE's liability under this Agreement for matters covered under ALINE's warranty in Section 7.A., the Customer shall be fully and solely responsible for the Product, its plans and specifications, and its design, and the consequences of any implementation, sale, or use by the Customer or others of the Product, its plans and Specifications, and its design, including without limitation, compliance with applicable laws and regulations and claims of third parties arising from such implementation, sale or use.

All indemnification obligations of Customer hereunder shall survive delivery of the Products, payment of the Purchase Price therefore and termination of

this Agreement for all costs incurred as a result of Customer's default, including reasonable attorneys' fees and other legal expenses.

#### 7. ALINE LIMITED WARRANTY, DISCLAIMER OF WARRANTY AND LIMITATION OF DAMAGES FOR BREACH OF WARRANTY.

A. Limited Warranty to Customer. ALINE warrants to the Customer that each Product shall comply as of the date of manufacture with plans and specifications agreed to by ALINE and the Customer ("Specifications"), provided that this warranty shall not apply in instances where the failure of Products to meet Specifications is not due to the acts or omissions of ALINE. By way of examples but without limitation, the warranty shall not apply to problems caused in whole or in part by: (i) use, handling, shipment, operation, alteration, maintenance, assembly, or storage by any party other than ALINE; (ii) negligence by any party other than ALINE; (iii) repair or modifications performed by anyone other than ALINE or a party authorized in writing by ALINE; (iv) use in any manner or procedure other than that for which the Product is labeled; (v) use by any person other than qualified, trained professionals; and (vi) sterilization services performed on the Product by a third party. (vii) faulty design specification or procedure from the Customer that leads to poor Product performance.

An alleged breach of this limited warranty must be promptly reported to ALINE consistent with the requirements of Section 4 or shall be forever waived.

#### B. Customer's Limited Warranty Remedy.

If ALINE determines, in its sole discretion, that any Product does not conform to the warranty stated in Section 7.A. above, pursuant to ALINE's Return Policy set forth in Section 11.A.4, Customer's sole and exclusive remedy shall be to ship such defective Products to ALINE, at ALINE's cost, and ALINE shall, at ALINE's option, repair or replace such Product at ALINE's own expense, and ship such repaired or replacement Product back to either the Customer or the applicable customer of the Customer at ALINE's own expense, or to credit the Customer the purchase price or the Product. Customer shall be responsible for all costs associated with de-installment and reinstalment of Products. Customer shall return such Product pursuant to ALINE's Return Policy and shall not return any Product prior to obtaining return authorization from ALINE.

C. DISCLAIMER OF WARRANTIES. OTHER THAN AS EXPRESSLY SET FORTH IN SECTION 8.A ABOVE, ALINE MAKES AND GIVES NO OTHER REPRESENTATIONS OR WARRANTIES WHATSOEVER, AND EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WARRANTIES OF NONINFRINGEMENT AND WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE.

#### 8. DEFAULT.

Customer will be in default of these terms and conditions if Customer (i) fails to pay any amount when due or ALINE becomes aware of any fact or event which gives ALINE reasonable grounds to doubt Customer's financial ability to satisfy its obligations hereunder, (ii) fails to observe any of its obligations hereunder, or (iii) institutes voluntary proceedings or if any proceedings are instituted against Customer under any bankruptcy, insolvency or receivership laws. Upon any default by Customer, ALINE may exercise any of the following remedies, in addition to other rights and remedies provided hereunder or by law or equity: (a) suspend or stop in transit any shipments, whether or not pursuant to this agreement; (b) exercise all rights of a secured party; or (c) declare all amounts owed by Customer to be due and payable immediately. If ALINE elects to repossess the Products, Customer shall permit ALINE to enter all premises where the Products are located with or without legal process to remove and take possession of the same, including documents, and intellectual work product, the Program Developed IP, defined under section 10. Ten (10) days advance notice of any intended disposition of repossessed Products

shall be deemed reasonable.

All remedies of ALINE hereunder are cumulative and nonexclusive. In addition, Customer shall reimburse ALINE for all costs incurred as a result of Customer's default, including reasonable attorneys' fees and other legal expenses.

#### 9. LIMITATION OF REMEDIES.

IN NO EVENT SHALL ALINE BE LIABLE TO ANY PERSON FOR PUNITIVE, INCIDENTAL, CONSEQUENTIAL OR OTHER SPECIAL DAMAGES OF ANY DESCRIPTION INCLUDING BUT NOT LIMITED TO, PERSONAL INJURY AND PROPERTY DAMAGE, EQUIPMENT DAMAGE, LOSS OF PROFITS OR REVENUES OR BUSINESS, COST OF CAPITAL, COST OF PURCHASE, COST OF RECALL, OR COST OF REPLACEMENT GOODS, WHETHER ARISING OUT OF WARRANTY OR OTHER CONTRACT, NEGLIGENCE OR OTHER TORT, OR OTHERWISE. FURTHER, IN NO EVENT SHALL ALINE BE LIABLE FOR ANY AMOUNT IN EXCESS OF THE PRICE OF PARTICULAR PRODUCT SPECIFIED ON AN ORDER THAT IS THE SUBJECT MATTER OF A DISPUTE. CUSTOMER EXPRESSLY WAIVES ANY SECURITY INTEREST IN OR OTHER LIEN ON REJECTED PRODUCTS.

#### 10. INTELLECTUAL PROPERTY.

Customer acknowledges that ALINE Intellectual Property (as defined below) shall be the sole and exclusive property of ALINE and all right, title and interest in and to the ALINE Intellectual Property shall vest solely with ALINE. Notwithstanding anything contained in these terms and conditions to the contrary, Customer acknowledges and agrees that ALINE is in the business of designing, developing, manufacturing, prototyping and assembling metal and plastic components for specialized life science, medical and diagnostic devices, and that ALINE may develop products, devices, instruments or other items for other persons which are identical or similar in functionality to the Products. ALINE retains the right and Customer agrees that ALINE, its employees and agents shall be free to use and employ their general skills, know-how, and expertise, and to use, disclose, and employ any generalized ideas, concepts, know-how, methods, techniques, processes or skills gained or learned during the course of performing the services for the Customer. Customer understands and agrees that ALINE may perform similar services for third parties using the same personnel that ALINE may utilize for rendering services for Customer hereunder.

For the purposes of these terms and conditions, the term "ALINE Intellectual Property" includes know-how, technical information, pending patent applications, registrations, divisions and continuations thereof, registered and unregistered copyrights, and all associated goodwill, designs, drawings, specifications, vendor lists, manufacturing methods and processes used in the course of this Order and includes ALINE's 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 "Fluid Circuit Technology". In the course of the development program, ALINE may make improvements to its Fluid Circuit Technology to solve a functional performance need for a component or combination of components in the Customer program. Improvements may include, but are not limited to, changes in materials, geometries, and actuation strategies. ALINE retains ownership of any improvements both to individual components and combinations of components and actuation subroutines which are part of ALINE's Fluid Circuit Technology.

The work-product resulting from engagement with ALINE, the Program Developed IP, may include any or all of the following: consulting, reports, concepts, designs, components, breadboard instrument or instrument components, fixtures, mechanical drawings, assay protocol performed in a device, actuation routine that manages the assay workflow in the device, and any customer developed IP together, the Product. The Product may contain both ALINE existing IP and ALINE developed IP (together ALINE's Fluid Circuit Technology).

The customer owns the Program Developed IP, upon full payment, according to section 8, and receives a paid up, royalty-free, non-transferrable license to practice the *Fluid Circuit Technology* embedded in the Product as long as ALINE or one of its designated partners, manufactures the *Fluid Circuit Technology*.

Product not containing ALINE's *Fluid Circuit 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 *Fluid Circuit 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 *Fluid Circuit 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.

#### 11. GENERAL PROVISIONS.

**A.1. Inherent Risk of Development.** The Customer understand that there are inherent risks associated with development. ALINE shall have no liability and Customer will pay ALINE for Services performed in accordance with the Statement of Work even if services fail to meet the program objectives unless such failure is solely attributable to ALINE's failure to follow agreed upon procedures, or protocols.

**A.2. Manner of Performance.** ALINE performs all proposed work documented in the Statement of Work, on a best-effort basis in a professional and workman like manner. 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 proposed work documented in the Statement of Work.

**A.3. Non-Solicitation.** During the term of this Agreement and for a period of one (1) year thereafter, neither party will directly or indirectly (a) solicit, encourage, or cause others to solicit or encourage any employees of the other party to terminate their employment with that party; (b) interfere with the relationship between the other and any employee of that party; or (c) interfere or attempt to interfere with any transaction involving the other party. However, this Section 12 A.3., shall not prohibit either party from hiring any individual who is hired as a result of the use of an independent employment agency (so long as the agency was not directed to solicit a particular individual), or as a result of the use of a general solicitation (such as a newspaper advertisement or on radio or television), not specifically directed to employees of the other party.

**A.4. Return Policy.** Within 30 days of receiving the Products, if any of the Products do not meet the limited warranty specified in Section 7A of these Terms and Conditions of Sale, Customer may return the Products to ALINE for, at ALINE's option, repair, replacement or a full refund of the Purchase Price. In addition, subject to the conditions specified herein, ALINE will provide free shipping for the return of the Products to ALINE To qualify for the refund, the return or repair of the Products, all Products which do not meet the limited warranty in Section 7A must be (1) returned in their original condition, (2) within 30 days of receipt of the Products from ALINE, and (3) include an RMA number. To initiate a return, Customer should contact their Customer Solutions Representative to obtain an RMA number to authorize the return.

By way of clarification, this return policy is not intended to vary any of the terms of the warranty specified Section 7A and all limited remedies specified in Section 7B shall apply.

**B. Records.** ALINE will maintain its records with respect to the manufacture of the Products for three (3) years after the date of manufacture of the last Product under this Order, after which ALINE will notify Customer and

Customer shall have an opportunity to ask for the return of such records, at Customer's expense. If Customer fails to respond within ten (10) days of ALINE's notice to Customer, such records may be destroyed by ALINE.

C. CONFORMANCE TO FARs. While ALINE endeavors to adhere to and comply with all federal regulations, ALINE does not maintain current copies of the FARs. Therefore, no certification of conformance is made by ALINE.

D. Modification and Waiver. No addition to or modification of any provision of this document shall be binding upon ALINE unless set forth in a written document signed by all parties (in the case of amendments or modifications) or by the party to be charged thereby (in the case of waivers), any waiver shall be limited to the circumstance or event specifically referenced in the written waiver document and shall not be deemed a waiver of any other term of this document or of the same circumstance or event upon any

recurrence thereof. ALINE shall not be deemed to have waived any provision hereof or any remedy available to it, except pursuant to a written document signed by a duly authorized officer of ALINE.

E. Governing Law and Forum. The validity, performance and construction of this agreement shall be governed by the laws of the State of California, and no other jurisdiction. If any dispute, controversy or claim arises out of or relates to this agreement or the breach, termination or validity thereof, each party agrees to personal jurisdiction in the State of California and to bring suit or initiate other dispute resolution proceedings only in the County of Los Angeles, State of California.

F. Severability. If any provision hereof is held to be unenforceable by final order of any court of competent jurisdiction, such provision shall be severed here from and shall not affect the interpretation or enforceability of the remaining provisions hereof.