



CHARLES RIVER - PRODUCT ONLY TERMS AND CONDITIONS

Piedmont Research Center *

Customer acknowledges and agrees that these terms and conditions (the "**Conditions**") shall govern the purchase of any and all products ("**Products**") of Charles River Laboratories, Inc. and its affiliates ("**Charles River**") by Customer. In the event of any conflict, a written contract signed by both Charles River and Customer takes precedence over these Conditions.

1. Provision of the Products.

1.1 Charles River will provide the Products in accordance with the purchase order, invoice, product description, or statement of work ("SOW"), which may be amended from time to time upon the mutual agreement of Charles River and the Customer. Charles River will adhere to all government laws, rules and regulations applicable to the provision of the Products ("Applicable Law").

1.2 Any Products purchased from Charles River shall be used by Customer in a safe manner, and in accordance with all applicable governmental rules and regulations and any instructions provided for storage and handling.

1.3 **Live Research Models Only:** Customer, including its employees, agrees that all animals purchased from Charles River, descendants of those animals derived by inbreeding or crossbreeding, including unmodified derivatives of those animals or their descendants ("Animals") shall not be: (i) used for any purpose other than the internal research of the Customer, (ii) bred for sale or otherwise provided to any third party for any use, or (iii) provided to any agent or other third party to provide breeding or other services with respect to such Animals, unless Charles River provides Customer with prior written authorization for deviation from these Conditions. Customers should not, without the prior consent of Charles River, return animals or shipping containers to Charles River. Acceptance of delivery of Products shall be deemed agreement to these Conditions. No other document attempting to negate or otherwise modify the Conditions hereof, including any purchase order or request for proposal, shall be binding upon Charles River, and instead these Conditions shall exclusively govern the sale of Products by Charles River.

1.4 The purchase of any Products conveys to the Customer the non-transferable right to use the Product and the components of the Products only in research conducted by the Customer and specifically in accordance with the SOW and any instructions for storage and handling provided with the Products. The Customer cannot sell or otherwise transfer to a third party the Products or its components for Commercial Purposes. "Commercial Purposes" means any activity for cash or other consideration, including but not limited to (1) use of the Products or its components or materials made using the Products or its components in manufacturing, or to provide a service, information or data, or for clinical, therapeutic, diagnostic or prophylactic purposes or (2) resale of the Products or its components or materials made using the product or its components, except by licensed distributors, whether or not resold for use in research. The foregoing limitations are required by Charles River given the nature of the products sold, and to the extent that Charles River owns or controls (with the right to sublicense) patent rights or other intellectual property rights applicable to the Products or its intended use, those rights are licensed to Customer on a non-exclusive basis only for the uses expressly permitted above for the Products purchased. Diagnostic products and services provided by Charles River are not for use in human or clinical diagnostics, and have not been so approved by regulatory agencies. Customer may not resell Product or any derivative thereof or reverse engineer any of Company's products. If Customer fails to comply with the foregoing limitations, in addition to any other remedies available to Charles River, the warranty provided for Products will be automatically voided.

2. **Compensation** Prices will be as per the SOW or price list (if applicable, price of Products is based on highest weight range) on the day of delivery, and they do not include applicable Value Added Tax, packaging or shipment expenses. The prices may be adjusted by Charles River from time to time. The Customer will pay Charles River as set forth in the SOW. All invoices are due and payable thirty (30) days from the date of the invoice and the Customer agrees to pay all invoices submitted. All amounts not paid by the Customer when due may, at the option of Charles River, accrue interest from the applicable due date until paid, at a rate that is the higher of (i) the highest rate permitted under Applicable Law and (ii) 1.5 times the legal rate of interest in the applicable jurisdiction. In addition, Charles River may elect to withhold deliverables if the Customer does not make payments when due and payable. If in the judgment of Charles River, Customer's financial condition is precarious or there has been a materially adverse change in Customer's financial condition, Charles River shall have the right to demand payment or other assurances which it deems adequate before providing any additional Products.

3. **Confidentiality** In the course of providing the Products, Charles River and Customer may exchange proprietary and confidential information. The parties will identify, in writing, such information as confidential and/or proprietary. If a party intends to disclose confidential information to the other party orally, the disclosing party shall (i) alert the other party of the confidential nature of the disclosure prior to the disclosure and (ii) provide written notice to the other party of the confidential nature and contents of such disclosure within ten (10) days of the original disclosure. Each party will use its commercially reasonable efforts to maintain such information in confidence and will employ reasonable and appropriate procedures to prevent its unauthorized publication or disclosure unless required by Applicable Law to disclose such information. Neither party shall use the other party's proprietary or confidential information for any purpose other than in performance of these Conditions. The obligations of confidentiality set forth in this Section

will survive termination or expiration of these Conditions for a period of five (5) years. The confidentiality provisions of this Section shall not apply to any part of such information, which (i) is known to the receiving party at the time it was obtained from the disclosing party; (ii) is acquired by receiving party from a third party, and such third party did not obtain such information directly or indirectly from the disclosing party under obligation not to disclose; (iii) is or becomes published or otherwise in the public domain other than by violation of these Conditions by the receiving party; (iv) is independently developed by the receiving party without reference to or reliance upon the information provided by the disclosing party; or (v) is required to be disclosed by the receiving party to comply with applicable laws or governmental regulations; provided that the receiving party provides prompt written notice of such disclosure to the disclosing party and cooperates with the disclosing party's reasonable and lawful actions to avoid and/or minimize the extent of such disclosure.

4. Warranties Charles River warrants that to its knowledge the Products shall conform to the specifications contained in the SOW and Applicable Law. THE WARRANTY BY CHARLES RIVER SET FORTH HEREIN IS IN LIEU OF ANY AND ALL OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED OR STATUTORY INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR FOR NON-INFRINGEMENT OF A PATENT, TRADEMARK OR OTHER INTELLECTUAL PROPERTY RIGHT. Any claim for breach of this warranty must be made in writing to Charles River within ten (10) business days after the Products are delivered, after which time the Products shall be deemed finally accepted. Risk of loss and title to the Products shall pass to Customer once the Products leave Charles River's facility or are delivered to a common carrier, as applicable.

5. Limitation of Liability Charles River will not be liable for penalties or liquidated damages or for special, indirect, consequential punitive, exemplary or incidental damages of any type or kind (including, without limitation, lost profits) regardless of whether any such losses or damages are characterised as arising from breach of contract, breach of warranty, tort, strict liability or otherwise, even if Charles River is advised of the possibility of such losses or damages, or if such losses or damages are foreseeable. Charles River's liability, regardless of the form of action, shall be limited to actual damages and shall not exceed the total price paid for the Products pursuant to which such liability arises. Subject to the limitations set forth in this Section, in the event that Charles River commits a breach of the warranty set forth in the Section above, Charles River's sole liability, and the Customer's sole remedy shall be for Charles River to replace the Products or issue a credit therefore.

6. Indemnities

6.1 Subject to the limitations of liability contained in the Section above, Charles River will defend, indemnify, save and hold harmless the Customer and its parent, subsidiaries and affiliates and their respective directors, officers, employees and agents from and against any claims, demands, suits, actions, causes of action, losses, damages, fines and liabilities, including reasonable professional fees ("Claims") arising out of or in connection with or attributable to Charles River's gross negligence or wilful misconduct in provision of the Products, and will pay any costs and damages which, by final judgement, after exhaustion of all reasonable appeals, may be assessed against them, provided that Charles River is given written notice of the Claims promptly after notice to the Customer and is given information, reasonable assistance, and sole authority to defend and/or settle the claim.

6.2 The Customer will defend, indemnify, save and hold harmless Charles River and its parent, subsidiaries and affiliates and their respective directors, officers, employees and agents from and against any Claims arising out of or in connection with or attributable to (a) the research, development, manufacture, distribution, use, sales or other disposition by the Customer, or any distributor, collaborator, customer, sublicense, representative or agent of the Customer, for which the Products were used, or (b) any infringement of any third party's patent rights or unauthorised use or misappropriation of its know-how, or (c) the Customer's gross negligence or wilful misconduct, or (d) personal injury related to contact with the Products during visits to Charles River's facilities or after delivery of the Products to Customer, and will pay any costs and damages which, by final judgement, after exhaustion of all reasonable appeals, may be assessed against them, provided that the Customer is given written notice of the Claims within five (5) days of the date of notice to Charles River and is given information, reasonable assistance and sole authority to defend and/or settle the claim.

7. Ownership Any inventions and/or techniques for providing the Products or which relate to the conduct of Charles River's business are and shall remain Charles River's exclusive property, including but not limited to; present and future documentation, scientific and technical data, test procedures and other information that is owned or licensed by Charles River and that is not developed hereunder. Charles River shall have the right to use concurrent control data as part of its general historical database. Any data, discoveries or inventions developed or generated which directly relate to any information or materials provided by the Customer hereunder, including without limitation new data, uses, processes or compositions directly relating to the information or materials provided hereunder shall be the exclusive property of the Customer. Charles River agrees to assist the Customer in securing for the Customer any patents, copyrights or other proprietary rights in such data, discoveries or inventions, and to perform all acts that may be reasonably required to vest in the Customer all right, title and interest in such data, discoveries or inventions, and Charles River shall be compensated at its standard rates for such assistance. All costs and expenses associated with establishing the Customer's rights therein shall be the Customer's responsibility.

8. Force Majeure Except with respect to the payment of any amount due hereunder, neither party shall be considered in default of the performance of any obligation hereunder to the extent that the performance of such obligation is prevented or delayed by fire, flood, earthquake, explosion, strike, acts of terrorism, war, insurrection, embargo, government requirement, civil or military authority, animal activism, act of God, or any other event, occurrence or condition which is not caused, in whole or in part, by that party, and which is beyond the reasonable control of that party.

9. Termination

- 9.1 Unless otherwise specified in the SOW, the Customer shall have the right to terminate the SOW at any time without cause upon thirty (30) days prior written notice to Charles River. In the event of such termination, Charles River shall be paid for all Products provided through the effective date of termination, together with any irrevocably committed costs and any cancellation or termination fee set forth in the SOW.
- 9.2 Either party may terminate these Conditions or SOW, as applicable, at any time upon thirty (30) days prior written notice to the other party, for material breach of the Conditions by the other party if such breach is not remedied to the non-breaching party's reasonable satisfaction within the thirty (30) day notice period.
- 9.3 Upon termination, neither party will have any further obligations, except that (i) the liabilities accrued through the date of termination and (ii) the obligations which by their terms survive termination, including the applicable confidentiality, record keeping, regulatory compliance, intellectual property and indemnification provisions of these Conditions, shall survive termination.

10. Dispute Resolution The parties shall attempt, in good faith, to resolve through negotiations any controversy, claim, or dispute arising out of these Conditions. In the event that negotiations are not successful, the controversy, claim, or dispute shall be submitted to third party mediation upon terms reasonably acceptable to the parties. If such claim, controversy or dispute is not resolved through mediation, upon written demand of either party, the claim, controversy or dispute shall be submitted to arbitration. Such arbitration shall take place in the jurisdiction from which the Products are provided, shall be conducted in English, and shall proceed in accordance with the laws of such jurisdiction and the United Nations Commission on International Trade Law Arbitration Rules (UNCITRAL) as at present in force. A record and transcript of the proceedings shall be maintained. Any award shall be made in writing and in reasonable detail, setting forth the findings of fact and conclusion of law supporting the award. The determination of a majority of the panel of arbitrators shall be the decision of the arbitrators, which shall be binding regardless of whether one of the parties fails or refuses to participate in the arbitration. All costs of such arbitration, except expert fees and attorneys' fees, shall be shared equally by the parties.

11. Miscellaneous All notices from one party to the other will be in writing. Notices shall be sent by overnight courier, certified mail, return receipt requested, or by other means of delivery requiring a written acknowledged receipt. All notices shall be effective upon receipt. The business relationship of the Charles River to the Customer is that of an independent contractor and not of a partner, joint venturer, employer, employee or any other kind of relationship. These Conditions, and the rights and obligations hereunder, may not be assigned or transferred by either party without the prior written consent of the other party, except that either party may assign these Conditions to an affiliated company or in connection with the merger, consolidation or sale of substantially all assets related to the Products. These Conditions sets forth the entire Conditions and understanding between the parties, superseding any and all previous statements, negotiations, documents, terms and conditions and understandings, whether oral or written, as to the subject matter of these Conditions (including and subsequent or conflicting terms and conditions of Customer). No modification or waiver of the provisions of these Conditions shall be valid or binding on either party unless in writing and signed by both parties. In the event that any one or more of the provisions contained in these Conditions for any reason is held to be invalid, illegal or unenforceable in any respect, that invalidity, illegality or unenforceability will not affect any other provisions of these Conditions, and all other provisions will remain in full force and effect. These Conditions will in all events and for all purposes be governed by, and construed in accordance with, the laws of the jurisdiction from which the Products are provided (specifically excluding the United Nations Convention on the International Sale of Goods), without regard to any choice of law principle that would dictate the application of the law of another jurisdiction.

12. Acknowledgement. Customer acknowledges that it has read and agrees to be bound by these Conditions. Questions about these Conditions should be directed to Charles River Legal Dept : 781 222 6000.

*** (Piedmont Research Center is part of Charles River Laboratories, Inc.'s Discovery and Imaging Services Division and is owned by a Charles River company)**