

GENERAL TERMS AND CONDITIONS OF SALE

1. CUSTOMER-Supplied Information and Assumptions:

To accomplish the tasks and provide the deliverables specified in the Proposal, SEQENS assumes that Customer will provide SEQENS with the information it requests or that is specified in the description of the Project. Inability to or delays in providing requested information, direction, or decisions may result in slippage of the promised deliveries and associated costs.

To complete the tasks and provide the Deliverables discussed in this Proposal, SEQENS understands that Customer will:

- Provide timely access to key Project personnel to respond to requests for information and make decisions;
- Provide timely review and acceptance, as applicable, of Proposal deliverables; and
- Maintain overall responsibility for management decisions concerning the Project.

These assumptions are in addition to those listed in the section entitled "Assumptions", above, in this Proposal.

2. Engagement of SEQENS.

2.1 SEQENS has been engaged by the Customer for the performance of Services specifically described in one or more Work Orders.

2.2 No Work Order shall be effective unless and until it has been agreed to and signed by authorized representatives of both Parties. Each Work Order shall be appended to this Agreement and shall set forth the material terms for the project, and may include, the scope of work, specified Services, Specifications, deliverables, timelines, milestones (if any), quantity, budget, payment schedule and such other details and special arrangements as are agreed to by the Parties with respect to the activities to be performed under each Work Order. Documents relating to the relevant project, including without limitation Specifications, proposals, quotations, and any other relevant documentation, shall be attachments to the applicable Work Order and incorporated in the Work Order by reference. Each fully signed Work Order shall be subject to the terms of this Agreement and shall be incorporated herein and form part of this Agreement.

2.3 This Agreement does not limit SEQENS's right to provide the same or similar Services to any Person, or entering into any agreement with any other Person related to the development, manufacture, or sale of, other goods or products that are similar to or competitive with the Product.

3. Development and Manufacture of Product.

3.1 SEQENS shall perform the Services in

accordance with the terms and conditions of this Agreement and the applicable Work Order(s), as amended by any effective Change Orders.

3.2 If the scope of work of a Work Order changes, then the applicable Work Order may be amended as provided in this Section. In the event a required modification to a Work Order is identified by Customer, or by SEQENS, the identifying Party shall notify the other Party as soon as is reasonably possible.

3.3 Any change or modification to the Manufacturing Process or Specifications for any Product must be approved by both parties.

3.4 SEQENS shall keep complete and accurate records (including without limitation reports, accounts, notes, data, and records of all information and results obtained from performance of Services of all work done by it under this Agreement, in form and substance as specified in the applicable Work Order and this Agreement (collectively, the "Records").

4. Product and Process Failure.

4.1 The Product to be manufactured hereunder shall be manufactured in accordance with cGMP, unless otherwise stated in the Work Order.

4.2 If the batch of Product does not conform to the Specifications, and this non-conformity is not the result of SEQENS' failure to comply with cGMP or the Manufacturing Process, then Customer shall pay the fees and expenses due and owing to SEQENS for such batch. SEQENS shall, at Customer's request, cost, and expense, either produce a new batch of Product as soon as reasonably possible, or investigate and rework the batch.

4.3 The ultimate disposition of non-conforming Product that has not been reworked shall be the responsibility of SEQENS' quality assurance department.

5. Project Performance.

5.1 Each Party shall appoint a representative having primary responsibility for day-to-day interactions with the other Party for the Services (each, a "Representative"). Customer's Representative shall be the person identified as the Customer Contact on the applicable Work Order or his/her successor or designee identified to SEQENS in writing. SEQENS's Representative shall be the person identified as the SEQENS Contact on the applicable Work Order or his/her successor or designee identified to Customer in writing.

5.2 The Parties will hold Project team meetings via teleconference or in person, on a periodic basis as agreed upon by Representatives.

5.3 SEQENS shall use its best efforts to provide facilities, equipment, supplies, and staff necessary to perform the Services in accordance with the timetable(s) set forth in the applicable Work Order and in accordance with the terms of this Agreement, as it may be modified as provided herein.

5.4 In the event that SEQENS, at any time

during the term of this Agreement, has reason to believe that it will be unable to perform or complete the Services, SEQENS shall notify Customer thereof.

6. **Materials.**

6.1 In the event that Customer provides any Customer Materials or requires SEQENS to source any raw materials from a specific supplier, then it shall be responsible for the timely delivery of such Customer Materials or specific raw materials and their conformity to the specifications required for SEQENS to perform its manufacturing obligations under a relevant Work Order. Any delay in sourcing such Customer Materials or specific raw materials shall release SEQENS from any agreed upon time for delivery.

6.2 In the event of a defect to any such Customer Materials of specific raw materials that affects the conformity of the Product, then SEQENS shall invoice and Customer shall pay the full amounts owed under the Work Order.

6.3 In the event that during the performance of Services under this Agreement and a relevant Work Order it becomes apparent that capital investment is required to perform, further develop or of interest in the overall Project then the Parties shall discuss in good faith a commercially reasonable agreement in order to achieve the required capital expenditure.

7. **Shipment and Delivery.**

7.1. SEQENS shall ensure that each batch shall be delivered to Customer, or Customer's designee, (a) on the delivery date and to the destination designated by Customer in writing and (b) in accordance with the instructions for shipping and packaging specified by Customer in writing in the applicable Work Order or as otherwise agreed to by the Parties in writing. Delivery terms shall be FOB Origin (shipping point).

8. **Price and Payments.**

8.1. The price of Product and/or the fees for the performance of Services shall be set forth in the applicable Work Order. SEQENS may, by giving notice to Customer at any time before delivery, increase the price of the Products to reflect any increase in the cost of the Product that is due to (i) any factor beyond SEQENS' control (including without limitation foreign exchange fluctuations, increases in taxes and duties, and increases in labour, transports, materials and other manufacturing costs); or (ii) any act or omission of Customer (including without limitation change of the date of delivery, means of transportation or quantities).

8.2. SEQENS will invoice Customer according to the payment schedule in the applicable Work Order. Payment of invoices shall be due thirty (30) days from date of invoice by the Customer Contact identified in the applicable Work Order.

8.3. Customer will make all payments pursuant to this Agreement by wire transfer, check or ACH to

the bank account specified by Customer which may only be changed by written amendment. All payments hereunder will be made in United States Dollars (USD).

8.4 Except for invoiced payments that Customer has successfully disputed, Customer shall pay interest on all late payments (whether during the Term or after the expiration or earlier termination of the Term), calculated monthly at the lesser of the rate of 1.5% per month or the highest rate permissible under applicable Law. Customer shall also reimburse SEQENS for all attorneys' fees and court costs incurred by SEQENS in collecting any late payments. In addition to all other remedies available under this Agreement or at Law (which SEQENS does not waive by the exercise of any rights under this Agreement), if Customer fails to pay any undisputed amounts when due under this Agreement, SEQENS may (a) suspend the Services under the Work Order for which payment is past due or (b) terminate this Agreement pursuant to the terms of Section 11 below.

8.5

Customer shall notify SEQENS in writing of any dispute with any invoice (along with substantiating documentation and a reasonably detailed description of the dispute) within thirty (30) days from the date of such invoice. Customer will be deemed to have accepted all invoices for which SEQENS does not receive timely notification of dispute, and shall pay all undisputed amounts due under such invoices within the period set forth in Section 8.2. The Parties shall seek to resolve any such disputes expeditiously and in good faith. Notwithstanding anything to the contrary, Customer shall continue performing its obligations under this Agreement during any such dispute, including Customer's obligation to pay all due and undisputed invoice amounts in accordance with the terms of this Agreement.

9. **Confidentiality.**

9.1 As used in this Agreement, "Confidential Information" means any scientific, technical, trade or business information which is given by one Party to the other and which is treated by the disclosing Party as confidential or proprietary or is developed by one Party for the other under the terms of this Agreement. Confidential Information does not include information that (a) is in possession of the receiving Party at the time of disclosure, as reasonably demonstrated by written records and without obligation of confidentiality, (b) is or later becomes part of the public domain through no fault of the receiving Party, (c) is received by the receiving Party from a third party without obligation of confidentiality, or (d) is developed independently by the receiving Party without use of, reference to, or reliance upon the disclosing Party's Confidential Information by individuals who did not have access to Confidential Information. The disclosing Party shall, to the extent practical, use reasonable efforts

to label or identify as confidential, at the time of disclosure all such Confidential Information that is disclosed in writing or other tangible form. Confidential Information of Manufacturer includes, but is not limited to, Manufacturer Technology, whether or not labeled confidential. Confidential Information of CUSTOMER includes, but is not limited to, CUSTOMER Technology, whether or not labeled confidential.

9.2 Protection of Confidential Information. The Receiving Party shall:

- (a) protect and safeguard the confidentiality of the Disclosing Party's Confidential Information with at least the same degree of care as the Receiving Party would protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care;
- (b) not use the Disclosing Party's Confidential Information, or permit it to be accessed or used, for any purpose other than to exercise its rights or perform its obligations under this Agreement; and
- (c) not disclose any such Confidential Information to any Person, except to the Receiving Party's Representatives who need to know the Confidential Information to assist the Receiving Party, or act on its behalf, to exercise its rights or perform its obligations under this Agreement.

The Receiving Party shall be responsible for any breach of this Section caused by any of its Representatives.

9.3 Except to the extent required by Applicable Law, neither Party shall make any public statements or releases concerning this Agreement or the transactions contemplated by this Agreement without obtaining the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed.

10. Intellectual Property Rights.

10.1 Customer Intellectual Property. All rights to the Customer Intellectual Property shall remain fully vested in Customer. For the avoidance of doubt this includes all proprietary information communicated to SEQENS during the performance of this Agreement or any Work Order, the Product, its composition, its chemical properties, and route of synthesis. Customer hereby grants to SEQENS license to use any of its Intellectual Property that it may have communicated to SEQENS, for use in performance by SEQENS of any Work Order agreed hereunder and limited thereto.

10.2 SEQENS Intellectual Property. All rights to SEQENS Intellectual Property shall remain vested in SEQENS.

10.3 Ownership of Intellectual Property in improvements. Without prejudice to SEQENS Intellectual Property and SEQENS Background IP, it is understood that any and all improvements relating

to the Product, its composition, its chemical properties, route of synthesis, its development, scale-up or any result or improvement to the Product resulting from SEQENS's performance of a Work Order shall be assigned to Customer. When such improvement relies upon SEQENS Intellectual Property or SEQENS Background IP, then SEQENS shall grant a non-exclusive, worldwide, free of charge and perpetual license to Customer for use of such SEQENS Intellectual Property or SEQENS Background IP in the Manufacture of the Product.

10.4 Background IP. Each Party shall retain without restriction the rights to its Background IP and nothing in this Agreement shall constitute a transfer of Background IP to one Party to the other. Any use of its Background IP for the performance of any Services hereunder shall be solely construed as a limited license for use in the performance of such unless otherwise agreed between the Parties.

11. Termination.

11.1. Either Party shall have the right to terminate this Agreement or any signed Work Orders that are pending by written notice to the other Party, upon the occurrence of any of the following: the other Party files a petition in bankruptcy, or enters into an agreement with its creditors, or applies for or consents to the appointment of a receiver or trustee, or makes an assignment for the benefit of creditors, or becomes subject to involuntary proceedings under any bankruptcy or insolvency law (which proceedings remain undismissed for sixty (60) days); the other Party commits a material breach of this Agreement and fails to cure such breach within thirty (30) days after receiving written notice of such breach from the other Party of such breach, or within thirty (30) days after notice of a breach that is not capable of being cured;

a force majeure event that will, or continues to, prevent performance (in whole or substantial part) of this Agreement or any pending Work Order for a period of sixty (60) days. (In the case of a force majeure event relating to a pending Work Order, the right to terminate shall be limited to such Work Order.)

11.2. Expiration. This Agreement shall expire upon conclusion of Services under all outstanding Work Orders.

11.3. Post-termination or expiration obligations. Upon the expiration or termination of this Agreement, each Party shall promptly return all Confidential Information of the other Party that it has received pursuant to this Agreement, except that one (1) copy may be retained by the receiving party for archival purposes. Expiration or termination of this Agreement for any reason shall not relieve either Party of any obligation accruing prior to such expiration or termination or of any rights and obligations of the Parties that by their terms survive termination or expiration of this Agreement or of any Work Order, including, without

limitation, the warranties (Section 12), the applicable confidentiality (Section 9), and Intellectual Property (Section 10). No party will be relieved of any existing financial obligations, including any previously completed obligation or obligations that are in-process and have been performed.

12. Warranty.

SEQENS warrants that the Services shall be performed with requisite care, skill, and diligence, in accordance with Applicable Laws and industry standards, and by individuals who are appropriately trained and qualified. THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, PCI SHALL NOT, UNDER ANY CIRCUMSTANCES, BE LIABLE TO CLIENT FOR LOSS OF PROFIT, REVENUE, OR LOSS OF BUSINESS OR ANTICIPATORY PROFITS NOR FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES ARISING OUT OF OR RELATED TO ANY MALFUNCTIONS, DELAYS, LOSS OF DATA, EVEN IF PCI HAS BEEN APPRISED OF THE LIKELIHOOD OF SUCH DAMAGES OCCURRING. PCI HAS NO LIABILITY OR RESPONSIBILITY FOR ANYTHING ARISING OUT OF THE SERVICES PROVIDED BY CUSTOMER AND MAKES NO WARRANTIES WITH RESPECT TO THE CUSTOMER'S PRODUCTS OR SERVICES.

13. Force Majeure.

Except as otherwise expressly set forth in this Agreement, neither Party shall have breached this Agreement for failure or delay in fulfilling or performing any term of this Agreement when such failure or delay is caused by or results from causes beyond the reasonable control of the affected Party, including, without limitation, fire, floods, embargoes, shortages, epidemics, quarantines, war, acts of war (whether war be declared or not), insurrections, riots, civil commotion, strikes, machine breakage, industrial accidents, acts of God or acts, omissions, or delays in acting, by any governmental authority ("force majeure").

14. Compliance.

SEQENS agrees to comply with all Applicable Law in performing Services. In the event that SEQENS identifies a conflict in Applicable Law, SEQENS shall promptly notify Customer in writing of such conflict and Customer shall designate in writing to SEQENS which such conflicting Applicable Law shall be followed in the performance of Services. Customer represents that it shall use any Product provided by SEQENS under this Agreement or any relevant Work Order in full compliance with all Applicable Law and specifically any protocols or restrictions placed upon it by any relevant Authority.

15. Indemnification.

Each Party (as "Indemnifying Party") shall indemnify, defend and hold harmless the other Party and its officers, directors, employees, sublicensees, customers and agents from any and all claims, losses, liabilities, damages, expenses and costs (including attorneys' fees and court costs) ("Losses") brought by a third party based upon the Indemnified Party's use under this Agreement of any Intellectual Property provided or licensed to it by the Indemnifying Party and used in its performance of its obligations under this Agreement.

In the event that a Party (the "Indemnified Party") receives a Claim or demand in respect of a matter which is the subject of the above indemnity it shall give the Party obliged to indemnify it (the "Indemnifying Party") notice thereof as soon as reasonably practicable specifying the nature of the Claim and an opportunity to participate in the defense of the Claim at its own expense.

The Indemnified Party shall cooperate fully, at the Indemnifying Parties expense, with all instructions for the defense or settlement of any such Claim and the Indemnifying Party shall take full control of any such Claim at its own risk and expense. Both Parties shall promptly communicate to the other Party any document it may receive relating to such Claim.

16. LIMITATION OF LIABILITY.

NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL LOSS OR DAMAGE, LOSS OF DATA OR EQUIPMENT OR PROPERTY, ECONOMIC LOSS OR DAMAGE; INCURRING OF LIABILITY FOR LOSS OR DAMAGE OF ANY NATURE WHATSOEVER SUFFERED BY THIRD PARTIES (INCLUDING IN EACH CASE INCIDENTAL AND PUNITIVE DAMAGES); OR ANY LOSS OF ACTUAL OR ANTICIPATED PROFIT, INTEREST, REVENUE, ANTICIPATED SAVINGS OR BUSINESS OR DAMAGE TO GOODWILL, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY. THIS LIMITATION SHALL APPLY EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. EXCEPT IN CASES OF GROSS NEGLIGENCE AND WILFUL MISCONDUCT CAUSING PERSONAL INJURY OR DEATH, SUPPLIER'S TOTAL LIABILITY IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE IN RELATION TO THIS AGREEMENT WILL BE LIMITED TO THE TOTAL AMOUNT PAID BY CUSTOMER UNDER THE RELEVANT WORK ORDER THAT GAVE RISE TO THE CLAIM.

HOWEVER, THESE LIMITATIONS SHALL NOT APPLY TO DAMAGES RESULTING FROM BREACHES BY A PARTY OF ITS DUTY OF CONFIDENTIALITY AND NON-USE IMPOSED UNDER SECTION 9 AND THE PARTIES' INDEMNIFICATION OBLIGATIONS UNDER SECTION 15.

17. Other Contingencies.

It is understood that there exists a degree of scientific uncertainty both with the result of the

Services and the actual Specifications which may evolve as the Development and Manufacture Services progress and in accordance with eventual input from CUSTOMER resulting from its own studies, tests, and trials. Therefore, it is understood that while SEQENS shall carry out all Services agreed to in a Work Order in a diligent and professional manner, it cannot guarantee the satisfactory scientific outcome resulting from the performance of those Services (yield issues and impurities etc.).

18. Estimates, Price and Price Contingencies.

SEQENS attempts to identify assumptions and important aspects of any project that impact the time and money that it will take to accomplish the Project. This assessment, and any estimate, is based on the professional experience of SEQENS personnel. It is the responsibility of the Customer to promptly apprise SEQENS of any changes, contingencies or other factors that may impact the completion of any task. Delivery of the deliverables to the Customer is conditioned on timely payment of all outstanding billed fees

19. Order of precedence.

To the extent that any terms of Customer's Purchase Order conflicts with the terms of this Proposal or any Master Services Agreement entered into between the parties, the terms of this Proposal and the Master Services Agreement shall take precedence over the terms of the Customer's Purchase Order.

20. Choice of Law; Waiver of Jury Trial.

This Agreement shall in all events and for all purposes be governed by, and construed in accordance with, the laws of the Commonwealth of Massachusetts excluding the Vienna Convention on Contracts for the International Sale of Deliverables (CISG) without regard to any choice of law principle that would dictate the application of the law of another jurisdiction. Waiver of Jury Trial. Each Party acknowledges and agrees that any controversy that may arise under this Agreement, including any exhibits, schedules, attachments and appendices attached to this Agreement, is likely to involve complicated and difficult issues and, therefore, each such Party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement, including any exhibits, schedules, attachments and appendices attached to this Agreement, or the transactions contemplated hereby.

21. Entire Agreement; Amendment.

This Agreement, the attached Appendices and any fully-signed Work Orders, which are incorporated herein, constitute the entire agreement between the Parties with respect to the specific subject matter hereof and all prior agreements with respect thereto are superseded. Each Party hereto confirms that it is not relying on any representations or warranties of the other Party except as specifically set forth herein. The Parties intend for the express

terms and conditions contained in this Agreement (including any Work Orders, Schedules and Exhibits hereto) to exclusively govern and control each of the Parties' respective rights and obligations regarding the subject matter of this Agreement, and this Agreement is expressly limited to such terms and conditions. Without limitation of the foregoing, this Agreement shall govern and supersede any additional, contrary, or different terms contained in any purchase order or other request or communication by Customer to PCI with respect to the requisition of Services under this Agreement. No amendment or modifications of this Agreement, and no Work Orders shall be binding upon the Parties unless in writing and duly executed by authorized representatives of both Parties.

22. Definitions.

"Background IP" means any Intellectual Property that (i) is owed by or licensed to a Party at the date of execution of an applicable Work Order or (ii) developed or acquired by a Party or licensed to a Party independently of this Agreement and of any Work Order

"Customer" means any person placing an order for the Services

"Deliverables" means the results obtained by SEQENS when carrying out the Services. Without this list being exhaustive, the results may take the form of technical data, diagrams, plans, solutions, results of measurements, analyses, simulations, modelling, mock-ups, data bases, software packages including the documented source codes, drawings, models, samples, excipients, intermediates, experimental batches of active substances or finished products, medical devices, enzymes, production strains, microbiological analysis kits, chemicals, cofactors, compounds, production processes, analytical methods, equipment as well as all of the documentation associated with it and other materials, accessories or services.

"Intellectual Property" means all industrial and other intellectual property rights comprising or relating to: (a) patents; (b) trademarks; (c) works of authorship, expressions, designs and design registrations, whether or not copyrightable, including copyrights and copyrightable works, software and firmware, application programming interfaces, architecture, files, records, schematics, data, data files, and databases and other specifications and documentation; (d) trade secrets; and (e) all industrial and other intellectual property rights, and all rights, interests and protections that are associated with, equivalent or similar to, or required for the exercise of, any of the foregoing, however arising, in each case whether registered or unregistered and including all registrations and applications for, and renewals or extensions of, such rights or forms of protection pursuant to the laws of any jurisdiction throughout in any part of the world.

"Manufacturing Process" means any and all



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processes (or any step in any process) used or planned to be used by SEQENS to manufacture Product, as evidenced in the batch records or master batch records.

"Materials" means the substances, materials, equipment and/or data supplied by the Customer or its representative to SEQENS in connection with the performance of the Service, and that are described in the Proposal.

"Proposal" means any technical and/or commercial offer made by SEQENS and valid for the period specified in the aforementioned proposal.

"Services" means any services provided by SEQENS in accordance with the Agreement and described in the Work Order. These Services may be in particular (i) basic research, (ii) applied and experimental development research, (iii) development of production processes and/or analytical methods, (iv) technology transfer and/or implementation of identical production processes and (v) toll manufacturing.

"Project" has the meaning detailed in the attached Proposal

"SEQENS" means POLYCARBON INDUSTRIES, INC.

"Specifications" means the description of properties or attributes, list of tests, references to any analytical procedures and appropriate acceptance criteria or other criteria for which Product or Deliverables at any stage of manufacture should conform to be considered acceptable for its intended use that are provided by Customer.

"Work Order" means is an offer by Customer to purchase products offered by SEQENS.