

TERMS AND CONDITIONS OF SALE

Company registered in England and Wales No. 8446337

Registered office is c/o Shepherd and Wedderburn LLP, Condor House, 10 St. Paul's Churchyard, London, EC4M 8AL

THESE GENERAL TERMS AND CONDITIONS OF SALE CONTAIN LIMITATIONS OR EXCLUSIONS OF LIABILITY.

1. GENERAL

- 1.1 These terms and conditions of sale apply to all contracts between COLLAGEN SOLUTIONS PLC and all affiliated legal entities within the Collagen Solutions Group ("Seller"), and the person or entity ("Buyer") that receives a quote from, or places a written or verbal order with, Seller for the sale of consumable products ("Goods") on the express condition that Buyer agrees to accept and be bound by the terms and conditions set forth herein.
- 1.2 Any differing conditions or terms of Buyer are herewith objected to and shall not apply. Any agreement affecting the execution of this contract shall be laid down in a special written agreement between Seller and Buyer.
- 1.3 All orders are not binding until accepted by Seller in writing ("Confirmation"). Buyer's receipt of Goods provided hereunder will constitute Buyer's acceptance of these Terms.
- 1.4 Samples and catalogues are to be considered non-binding material for illustration and/or test purposes, giving only an approximation of properties and specification, and in no way imply any conditions or warranties of any kind. The weight, volume or gage of Goods measured upon shipment is valid.

2. CUSTOM GOODS

- 2.1 If Buyer desires to purchase customized goods ("Custom Goods") from Seller (specialized labelling, unique raw materials, development services, special manufacturing processes or otherwise) and if Seller, in its sole discretion, is willing to consider the same, then Seller will prepare a written proposal for the price indicated, either as part of a price quotation, part of a bid submission or otherwise ("Proposal") for such Custom Goods.
- 2.2 Any change to specifications requires a new Proposal. Seller will not accept an order for Custom Goods unless Seller has issued a Proposal for those Custom Goods.
- 2.3 If Buyer decides to purchase Custom Goods, these terms and conditions will be replaced with a detailed development agreement and/or supply contract.

3. PRICE

- 3.1 Prices and currencies of Seller's Goods are as set out in Seller's Confirmation.
- 3.2 All prices published by Seller may be changed at any time without notice. All prices quoted by Seller are valid for thirty (30) days, unless otherwise stated in writing. All prices are subject to adjustment due to specifications, quantities, raw materials, cost of production, shipment arrangements or other terms or conditions which are not part of Seller's original price quotation.
- 3.3 All prices published by Seller are ex works (published as EXW, Ex Works - Factory, Incoterms 2010) unless stated otherwise and exclude all sales, value added and other taxes and duties imposed with respect to the sale, delivery, or use of any Goods covered hereby, all of which taxes and duties must be paid by Buyer. If Seller grants a discount, this discount only relates to the delivery specifically mentioned in Seller's Confirmation. If Buyer claims any exemption, Buyer must provide a valid, signed certificate or letter of exemption for each respective jurisdiction.

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4. TERMS OF DELIVERY

- 4.1 Unless expressly stated otherwise in Seller's Confirmation, any times or dates for delivery by Seller are estimates and Seller will not be liable for any loss or damage resulting from any delay in delivery or failure to deliver.
- 4.2 In no event shall Seller be liable for any delay in delivery. Delay in delivery of any Goods shall not relieve Buyer of its obligation to accept delivery thereof. Deviations in quantity of Goods delivered from that stated in Seller's Confirmation shall not give Buyer the right not to accept the Goods. Buyer shall be obligated to pay the rate specified in Seller's Confirmation for the quantity of Goods delivered. Seller reserves the right to postpone delivery in the case of force majeure for the duration of the obstruction plus a reasonable period of recuperation.
- 4.3 Unless expressly stated otherwise in Seller's Confirmation, all deliveries of Goods shall be Ex Works Seller's production facility. Goods travel at cost and danger of Buyer, unless agreed otherwise. Buyer shall accept the Goods upon delivery.
- 4.4 Seller reserves the right to stop delivery of Goods in transit and to withhold shipments in whole or in part if Buyer fails to make any payment to Seller when due or otherwise fails to perform its obligations hereunder.

5. TERMS OF PAYMENT

- 5.1 Unless expressly stated otherwise in Seller's Confirmation, Buyer shall submit payment in advance.
- 5.2 If Buyer is of approved credit standing as determined by Seller, Seller's Confirmation will state that payment can be made on the basis of net cash, to be received by Seller within thirty (30) days following the date of Seller's invoice for the Goods by means of transfer into the bank account mentioned on the invoice. All payments shall be made without any deduction on account of any Taxes and free of set-off or other counterclaims. Should Buyer fail to comply within 30 days, Buyer will automatically be in default of payment. Payment is considered made when it is at Seller's disposal. Detention of payments or balancing of payments against claims of Buyer against Seller is not allowed, unless these claims are undisputed or legally established.
- 5.3 Seller may, without prejudice to any other rights of Seller, charge interest on any overdue payment at the higher rate of either eight percent (8%) per annum or one and a half times the prevailing rate under applicable law per annum, but not to exceed the maximum interest rate permitted under applicable law, from the due date computed on a daily basis until all amounts outstanding are paid in full. All costs and expenses incurred by Seller with respect to collection of overdue payments (including, without limitation, reasonable attorney's fees, expert fees, court costs and other expenses of litigation) shall be for Buyer's account.
- 5.4 Any complaint with respect to the invoice must be notified to Seller within eight (8) days after the date of invoice. Thereafter, Buyer shall be deemed to have approved the invoice.
- 5.5 Should there be reasons to doubt the solvency or credit standing of Buyer, or in the instance where this is the first transaction with the Buyer, Seller reserves the right to demand securities or prepayment for any outstanding delivery or declare immediate maturity of all outstanding claims.

6. CANCELLATION

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- 6.1 Buyer's wrongful non-acceptance or rejection of Goods or cancellation or repudiation of Seller's Confirmation shall entitle Seller to recover from Buyer, in addition to any other damages caused by such action:
- (i) in the case of Goods which reasonably cannot be resold by Seller to a third party, the price of such Goods; or
 - (ii) in the case of Goods which can be resold by Seller or where an action for the price is not otherwise permitted by law, damages equal to fifty percent (50%) of the price for the Goods as liquidated damages.
- 6.2 Orders in process may be cancelled only with Seller's written consent and upon payment of Seller's cancellation charges. Credit will not be allowed for Goods returned without the prior written consent of Seller.
7. TITLE AND RISK OF LOSS
- 7.1 Title to the Goods shall remain vested in the Seller and shall not pass to the Buyer until the purchase price for the goods has been paid in full and received by the Seller.
- 7.2 Notwithstanding the trade terms indicated above and subject to Seller's right to stop delivery of Goods in transit, risk of loss of the Goods will pass to Buyer upon delivery of possession of the Goods by Seller to the carrier.
- 7.3 Goods for which delivery is suspended pending payment by Buyer, as well as Goods of which delivery is wrongfully rejected or not accepted by Buyer, shall be held and stored by Seller at the risk and expense of Buyer.
8. WARRANTY
- 8.1 Goods are warranted to perform in substantial conformity with published specifications in effect at the time of sale, as set forth in the product documentation, specifications and/or accompanying package inserts ("Documentation") and to be free from defects in material and workmanship.
- 8.2 The warranty provided herein is valid only when used by properly trained individuals. Unless otherwise stated in the Documentation, this warranty is limited to forty-five (45) days from date of shipment when subjected to normal, proper and intended usage. Seller shall have no obligation to repair, replace or refund Goods as the result of (i) accident, disaster or event of force majeure, (ii) misuse, fault or negligence of or by Buyer, (iii) use of the Goods in a manner for which they were not designed, or (iv) improper storage and handling of the Goods.
- 8.3 This warranty does not extend to anyone other than Buyer. No other warranties express or implied, are granted, including without limitation, implied warranties of merchantability, fitness for any particular purpose, or non-infringement.
- 8.4 Shipment to Buyer of repaired or replacement Goods shall be made in accordance with the Terms of Delivery provisions of Seller's Terms and Conditions of Sale.
9. LIMITATION OF LIABILITY
- 9.1 THE LIABILITY OF SELLER FOR ANY AND ALL CLAIMS FOR DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE GOODS AND THE USE THEREOF SHALL UNDER NO CIRCUMSTANCES EXCEED

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THE SUM OF BUYER'S PAYMENTS FOR THE GOODS THAT ARE THE SUBJECT OF THE CLAIM. UNDER NO CIRCUMSTANCES SHALL SELLER BE LIABLE TO BUYER OR ANY OTHER PERSON FOR ANY KIND OF SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGE OR LOSS, COST OR EXPENSE, INCLUDING WITHOUT LIMITATION, DAMAGE BASED UPON LOST GOODWILL, LOST SALES OR PROFITS, WORK STOPPAGE, PRODUCTION FAILURE, IMPAIRMENT OF OTHER GOODS OR OTHERWISE, AND WHETHER ARISING OUT OF OR IN CONNECTION WITH BREACH OF WARRANTY, BREACH OF CONTRACT, MISREPRESENTATION, NEGLIGENCE OR OTHERWISE.

10. CONFIDENTIALITY

10. Buyer agrees that all pricing, discounts and technical information that Seller provides to Buyer are the confidential and proprietary information of Seller. Buyer agrees to (i) keep such information confidential and not disclose such information to any third party, and (ii) use such information solely for Buyer's internal purposes and in connection with the Goods supplied hereunder. Nothing herein will restrict the use of information available to the general public.

11. MISCELLANEOUS

11.1 The rights and obligations of the parties hereunder will be governed by and construed in accordance with the laws of the governing bodies affiliated with the appropriate legal entity of Collagen Solutions Plc:

(i) Collagen Solutions (UK) Ltd, company registered in England and Wales

(ii) Collagen Solutions (US) Inc., company registered in United States

(iii) Southern Lights Ventures 2002 Ltd, trading as Southern Lights Biomaterials, company registered in New Zealand

11.2 Any action arising under these Terms and Conditions of Sale must be brought within one (1) year from the date that the cause of action arose.

11.3 Seller's technical advices are given according to Seller's best knowledge and experience. Buyer is obliged to apply due diligence in verifying applicability of Seller's advice to Buyer's special conditions of production or application. Concerning Seller's technical advices which are given free of charge, Seller will only be liable for damages caused by gross negligence or deliberate acts from Seller's part or by Seller's lawful representatives or auxiliary persons. Unless intentional violation of contract has been proven, Seller will only be liable for damages that occur foreseeable and typically.

11.4 Should one of the clauses above or part of one of the clauses above be legally invalid, validity of the other clauses of these Terms and Conditions of Sale remains unaffected.