

General Terms and Conditions of Sale

1. Acceptance. Chondrex, Inc.'s ("Chondrex") offer to sell product(s) to Buyer (the "Products"), and/or Buyer's Purchase Order, when accepted by Chondrex, is expressly subject to the following General Terms and Conditions of Sale ("Terms and Conditions"). No variation of these Terms and Conditions will be binding upon Chondrex unless agreed to in writing and signed by an officer or other authorized representative of Chondrex. These Terms and Conditions shall supersede any conflicting terms or conditions contained on Buyer's purchase order, or any document or instrument submitted by Buyer, or any terms or conditions that Buyer seeks to impose. The failure of Chondrex to object to provisions contained in any purchase order or other form or document from Buyer shall not be construed as a waiver of these Terms and Conditions nor an acceptance of any such provision.

2. Prices, Quotations, and Payment Terms. All prices are firm unless otherwise agreed to in writing. Chondrex reserves the right not to grant credit to any buyer for any reason whatsoever, and/or to change the prices and specifications of its Products at any time without notice, unless otherwise explicitly specified in a written customer product quote. Unless otherwise agreed in writing, if the document to which these Terms of Sale are attached is a price quotation, such quotation is valid for thirty (30) days. All prices shall be exclusive of shipping, insurance, taxes, license fees, customs duties and other charges related thereto, and Buyer shall promptly pay all such charges; provided that, if Chondrex, in its sole discretion, chooses to pay any such charges, Buyer shall promptly reimburse Chondrex therefore in full upon demand. Payment terms shall be net 30 days of date of invoice, in U.S. Dollars, with no discount allowed for earlier payment and no right of set-off for amounts due or allegedly due from Chondrex to Buyer. Any volume-based discounts shall be rescinded if Buyer fails to pay the applicable invoice within 30 days of date of invoice. Amounts past due shall be subject to an interest charge at a rate of one and a half percent (1½ %) per month or at the maximum legal interest rate, whichever amount is less, computed from date of invoice, without any notice of delinquency being required, and without prejudice to any other or further rights Chondrex may have. Failure of Buyer to make any payment when due shall entitle Chondrex, in its sole discretion, to declare all obligations of Buyer immediately due and payable.

Each shipment shall be considered a separate and independent transaction and Buyer shall promptly pay all amounts due and owing therefore to Chondrex without set-off. Chondrex shall have the right to determine, in its sole discretion, how to apply payments, and which invoices to pay with payments received on account, despite any advice to the contrary. If payment is not received within the periods specified herein, Chondrex may bring a separate suit to recover the contract price of each such shipment. All payments, including deposits, shall be non-refundable.

Chondrex may, at any time in its sole discretion, obtain Buyer's credit record. With respect to any Buyer whose account is overdue for a period of more than 60 days, or who, in Chondrex's sole and exclusive discretion, has an unsatisfactory credit or payment record, Chondrex reserves the right to change the terms of payment to payment in full or in part in advance of shipment of the entire undelivered balance of said Products, or to require C.O.D. payment. Chondrex may also, in its sole and exclusive discretion and without prejudice to any other right Chondrex may have, refuse to sell to any such Buyer until overdue accounts are paid in full, delay or postpone

the delivery of the Products, cancel this Agreement and/or any other order of Buyer's, withhold further deliveries, declare all unpaid amounts for Products previously delivered immediately due and payable, and/or sell any undelivered Products on hand for the account of Buyer and apply such proceeds as a credit, without set-off or deduction of any kind, against amounts owing by Buyer. If Buyer provides a purchase order that proves to be erroneous or invalid, Buyer agrees to pay the invoice(s) upon receipt of a "proof of delivery (POD)" or a "proof of shipment" bill of lading/airbill from Chondrex. Buyer agrees to pay all costs incurred by Chondrex, including, but not limited to, reasonable attorney and accounting fees and other expenses of collection resulting from any default by Buyer in any of the terms hereof.

If Chondrex is unable for any reason to supply the total demands for Products specified in Buyer's order, Chondrex may allocate its available supply among any or all buyers on such basis as Chondrex may deem fair and practical, without liability for any failure of performance which may result therefrom.

3. Taxes and other charges. Any use tax, sales tax, excise tax, duty, custom, inspection or testing fee, or any other tax, fee or charge of any nature whatsoever imposed by any governmental authority, on or measured by the transaction between Chondrex and Buyer shall be paid by Buyer in addition to the prices quoted or invoiced. In the event Chondrex is required to pay any such tax, fee or charge, Buyer shall reimburse Chondrex therefore, or provide Chondrex at the time the order is submitted an exemption certificate or other document acceptable to the authority imposing the tax, fee or charge.

4. Changes. Orders arising hereunder may be changed or amended only by written agreement signed by both Buyer and Chondrex, setting forth the particular changes to be made and the effect, if any, of such changes on the price and time of delivery. Buyer may not cancel this order without the prior written consent of Chondrex, which consent may be granted or withheld in Chondrex's sole discretion. In the event of such cancellation, Buyer shall be liable for Chondrex's anticipated profit and for all costs incurred prior to cancellation. In such event, Chondrex will advise Buyer of the total charge for such cancellation, and Buyer agrees to pay such charges, including, but not limited to, storage and shipment costs, costs of producing non-standard materials, costs of purchasing non-returnable materials, cancellation costs imposed on Chondrex by its suppliers, and any other cost resulting from cancellation of this order by Buyer which is permitted by Chondrex. Certification of such costs by Chondrex's independent public accountants shall be conclusive on the parties hereto.

5. Delivery and Shipment. Delivery dates are approximate. Chondrex will make reasonable effort to ship the Products in accordance with the estimated delivery date, provided that Chondrex accepts no liability for any losses or for damages arising out of delays in delivery. Unless otherwise agreed in writing, shipment of all Products shall be FCA Redmond, Washington. Title to the Products and risk of loss shall pass to Buyer when they leave Chondrex's point of distribution. The carrier shall not be deemed an agent of Chondrex. All shipment costs shall be paid by Buyer and if prepaid by Chondrex, the amount thereof shall be reimbursed to Chondrex. Chondrex reserves the right to make delivery in installments, all such installments to be separately invoiced and paid for when due per invoice. Buyer shall cooperate in the delivery of the Products and take receipt of same.

If Shipping and Handling Charges are quoted or invoiced, they will include charges in addition to actual freight costs. Delivery of the Products to the carrier at Chondrex's shipping point shall constitute delivery to Buyer and Buyer shall bear all risk of loss or damage in transit. Chondrex reserves the right, in its discretion, to determine the exact method of shipment. Delay in delivery of any installment shall not relieve Buyer of Buyer's obligations to accept remaining deliveries. If Chondrex insures shipment, Buyer shall pay insurance costs as invoiced by Chondrex.

Immediately upon Buyer's receipt of any Products shipped hereunder, Buyer shall inspect the same and shall notify Chondrex in writing of any claims for shortages, defects or damages and shall hold the Products for Chondrex's written instructions concerning disposition. If Buyer fails to give Chondrex written notice of rejection fully specifying and documenting the reasons thereof within five (5) days following shipment to Buyer, the Products shall conclusively be deemed to conform to the Terms and Conditions hereof and to have been irrevocably accepted by Buyer. Buyer may only reject Products for failure to meet the Products' specifications. No claims for errors in shipment will be considered unless made within ten (10) days after receipt of materials nor unless accompanied by necessary papers or documents to substantiate the claim. Claims for loss or damage in transit must be promptly prosecuted by Buyer.

In the event Buyer requests changes in specifications after these Terms and Conditions have become binding, such changes shall become part of the purchase order only upon acceptance by Chondrex in its sole discretion, whereupon delivery dates will be reasonably extended, Chondrex shall be compensated for all costs incurred in connection with such change, and the price shall be adjusted accordingly by Chondrex.

6. Authorized Use. Buyer understands, acknowledges and agrees that Chondrex Products are not for repackaging and/or resale in any form except as expressly set forth herein. Buyer shall not resell, or attempt to resell, any such Products obtained from Chondrex in any country, protectorate, commonwealth or destination other than the country designated by Chondrex in its original shipment destination to Buyer. The purchase of Chondrex Products conveys to Buyer a non-transferable right to use the purchased Products in compliance with the intended use statement listed on Chondrex's published Product data or Product information. Each Product may also be accompanied by limited use information or limited use label licenses. Buyer shall have no right to repackage the Products, or any portion thereof, or to integrate any of the Chondrex Products obtained hereunder into any of Buyer's products. Unless expressly set forth herein, Buyer shall have no right to resell the Products, or any portion thereof, except in the original Chondrex packaging and with the original Chondrex labeling.

Unless otherwise expressly indicated in writing by Chondrex, the Products are intended for research use only and are not to be used for any other purposes including, but not limited to, unauthorized commercial purposes, *in vitro* diagnostic purposes, *ex vivo* or *in vivo* therapeutic purposes, investigational use, in foods, drugs, devices or cosmetics of any kind, or for consumption by or use in connection with or administration or application to humans or animals. Buyer acknowledges that Chondrex Products have not been tested for safety or efficacy in food, drug, medical device, cosmetic, commercial or any other use, unless otherwise stated in Chondrex's published Product data and information.

Buyer has the responsibility to verify the hazards and to conduct any further research necessary to learn the hazards involved in using Products purchased from Chondrex. Buyer also has the duty to warn Buyer's employees and any auxiliary personnel (such as freight handlers, etc.) of any risks involved in using or handling the Products. Buyer agrees to comply with instructions, if any, furnished by Chondrex relating to the use of the Products, and Buyer shall not misuse the Products in any manner. Buyer shall not repackage or relabel Products purchased from Chondrex. No Products purchased from Chondrex shall be considered to be foods, drugs, medical devices or cosmetics.

Buyer shall be completely responsible for compliance with any and all applicable regulatory requirements, and conducting all necessary testing, and for obtaining any required intellectual property rights. Buyer acknowledges that Products received from Chondrex are subject to U.S. export control laws and regulations. Buyer represents and warrants that, except as expressly authorized and provided herein, it will not, directly or indirectly: (i) sell, export, re-export, transfer, divert, or otherwise dispose of any Products received from Chondrex to any third party, or (ii) use the Products for any use prohibited by the laws or regulations of the United States and/or Buyer's local jurisdiction, without obtaining prior authorization from the competent government authorities as required by those laws and regulations.

7. WARRANTY AND DISCLAIMERS. Chondrex warrants that its Products will conform to their applicable published specifications at the time of delivery, or until the specified expiration date, whichever first occurs, when used and stored in accordance with applicable instructions. **THIS WARRANTY IS EXCLUSIVE. CHONDREX MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.** The warranty provided herein and the data, specifications and descriptions of Chondrex Products appearing in Chondrex's published Product literature may not be altered except by express written agreement signed by an officer of Chondrex. The provisions of these Terms and Conditions shall supersede any and all inconsistent representations, oral or written.

In the event of a breach of the foregoing warranty, Chondrex's sole obligation shall be to replace the applicable Product, provided Buyer notifies Chondrex promptly of any such breach. If after exercising reasonable efforts, Chondrex is unable to replace the Product, then Chondrex shall refund to Buyer all monies paid for such Product. Chondrex's sole and exclusive liability and Buyer's exclusive remedy with respect to Products proved to Chondrex's satisfaction to be defective or nonconforming shall be replacement of such Products without charge or refund of the purchase price, in Chondrex's sole discretion, upon the return of such non-conforming Products to Chondrex in accordance with Chondrex's instructions. All warranty claims must be brought within six (6) months of shipment, regardless of their nature.

This warranty shall not be effective if the Products are altered, mishandled, or misused, or if Buyer fails to use or store them in accordance with instructions furnished by Chondrex. Buyer's sole and exclusive remedy with respect to Products proved (applying analytical methods reasonably selected by us) to Chondrex's satisfaction to be defective or nonconforming shall be the replacement of such Products, upon the return of the non-conforming Products in accordance

with Chondrex's instructions. In Chondrex's sole and exclusive discretion, Chondrex may provide a credit or refund to Buyer in lieu of replacing the non-conforming Products. If Chondrex manufactures custom Products for Buyer based on Buyer's instructions, specifications, or other directions, Chondrex shall not be liable for the lack of sufficiency, fitness for purpose or quality of the Products to the extent attributable to such instructions, specifications, or other directions.

At Buyer's request, Chondrex will, under mutually acceptable terms and conditions on a case-by-case basis, furnish technical assistance and/or support with respect to its Products directly to Buyer, but reserves the right not to provide such technical assistance and/or support to distributors. **CHONDREX MAKES NO WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, WITH RESPECT TO TECHNICAL ASSISTANCE OR INFORMATION PROVIDED BY CHONDREX OR CHONDREX'S PERSONNEL. ANY SUGGESTIONS BY CHONDREX REGARDING USE, SELECTION, APPLICATION OR SUITABILITY OF THE PRODUCTS SHALL NOT BE CONSTRUED AS AN EXPRESS WARRANTY UNLESS SPECIFICALLY DESIGNATED AS SUCH IN A WRITING SIGNED BY AN OFFICER OR OTHER AUTHORIZED REPRESENTATIVE OF CHONDREX.**

The foregoing warranty does not extend to conditions over which Chondrex has no control, including, without limitation, contamination, incorrect power supply, pressures in excess of recommended maximum, Products damaged or subjected to voltage, humidity, or temperature outside of specified range, accident, abuse or misuse after shipment by anyone other than Chondrex. Whenever possible, each provision of the foregoing warranty shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this warranty shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this warranty. Chondrex does not warrant that the use or sale of the Products delivered under will not infringe the claims of any United States or other patents covering the Product itself or the use thereof in combination with other Products or in the operation of any process.

No agent, employee or other representative of Chondrex has the right to modify or expand Chondrex's warranty applicable to the Products or to make any representations as to the Products other than those set forth in Chondrex's Product literature, and any such affirmation, representation or warranty, if made, shall not form a part of this Agreement.

8. LIMITATION OF LIABILITY. To the extent not prohibited by applicable law, the parties agree that Chondrex's aggregate liability to Buyer for claims relating to the Products, whether for infringement, breach or in tort, including negligence, shall not in any event exceed the amounts Buyer paid to Chondrex for the Products that give rise to the claim.

CHONDREX SHALL NOT IN ANY EVENT BE LIABLE FOR ANY INDIRECT, EXEMPLARY, PUNITIVE, INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES OF ANY KIND RESULTING FROM ANY USE OR FAILURE OF THE

PRODUCTS, EVEN IF CHONDREX HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE INCLUDING, WITHOUT LIMITATION, LIABILITY FOR LOSS OF USE, LOSS OF BUSINESS, REVENUE, PROFIT OR GOODWILL, LOSS OF WORK IN PROGRESS, DOWNTIME COSTS, DAMAGE TO ASSOCIATED EQUIPMENT, FAILURE TO REALIZE SAVINGS, LOSS OF PRODUCTS OF BUYER OR OTHER USE OR ANY LIABILITY OF BUYER TO A THIRD PARTY, COST OF SUBSTITUTE GOODS, FACILITIES OR SERVICES, OR FOR ANY LABOR OR OTHER COMMERCIAL OR ECONOMIC DAMAGES OR COSTS, THAT MAY ARISE OUT OF, IN CONJUNCTION WITH OR RELATE TO, THE FAILURE OF ANY PRODUCTS SOLD BY CHONDREX TO BUYER UNDER ANY LEGAL THEORY OR CAUSE OF ACTION, INCLUDING, WITHOUT LIMITATION, TORT, CONTRACT, WARRANTY, STRICT LIABILITY OR FEDERAL, STATE OR LOCAL STATUTE, ORDINANCE OR REGULATION.

The parties acknowledge that if Chondrex provides the Products to Buyer, it does so in reliance upon the limitations of liability and the disclaimers of warranties and damages set forth in these Terms and Conditions, and that the same form an essential basis of the bargain between the parties. Liability for damages will be limited and excluded as set forth in this paragraph, even if any exclusive remedy provided for in these Terms of Sale fails of its essential purpose.

9. Returned Products. Products may not be returned for credit except with Chondrex's permission, and then only in strict compliance with Chondrex's return shipment instructions. Chondrex will not accept the return of Products for credit except in the event of a justified warranty claim. Unauthorized returns will be refused. Certain items may not be returned for credit. These items include: reagents, refrigerated or frozen products; reagents and standards that have passed their expiration dates; custom products or special orders; and/or products missing labels. The Products shall be returned in their original containers with the original Chondrex label affixed and unaltered in form and content. Where applicable, Buyer agrees to provide Chondrex with interim Product temperature and other appropriate storage documentation and to package Products with proper refrigerant to maintain required temperatures during transit. No returns will be authorized after 30 days following shipment to Buyer. Chondrex reserves the right to refuse the return of any Product that has been used with infectious, microbiological, or radioactive substances or other materials that may be deemed hazardous to the employees of Chondrex. No credit on returns shall be issued if a past due balance is outstanding on any of Buyer's accounts with Chondrex.

10. Force Majeure. Chondrex shall not be liable for any loss, damage or penalty as a result of any delay in or failure to manufacture, deliver or otherwise perform hereunder due to any cause beyond Chondrex's reasonable control, including, without limitation, unsuccessful reactions, act of Buyer, embargo or other governmental act or public enemy, regulation or request affecting the conduct of Chondrex's business, fire, explosion, accident, theft, vandalism, riot, civil disturbance, boycotts, acts of war, strikes or other labor difficulties, lightning, flood, windstorm or other acts of God, delay in transportation, or inability to obtain necessary labor, fuel, materials, components or service, supplies or power at current prices, epidemic, power failure, or any other cause beyond Chondrex's control. In the event of such delay or failure, Buyer's order shall not terminate, but the date of delivery or performance shall be extended for a period equal to the time

lost by reason of the delay.

11. Compliance with laws, regulations.

A. Fair Labor Standards Act/OSHA. Chondrex certifies that to the best of its knowledge its Products are produced in compliance with applicable requirements of the Fair Labor Standards Act, as amended, and the Occupational Safety and Health Standards Act of 1970 and regulations, rules and orders issued pursuant thereto. Chondrex does not discriminate against any employee or prospective employee because of race, color, creed, religion, national origin, sex, age or handicap.

B. Foreign Corrupt Practices Act. Buyer also acknowledges that Chondrex is a United States corporation and, as such, is subject to the provisions of the Foreign Corrupt Practices Act of 1977 of the United States of America, 91 Statutes at Large, Sections 1495 *et seq.*, which prohibits the making of corrupt payments (the "FCPA"). Under the FCPA, it is unlawful to pay or to offer to pay anything of value to foreign government officials, or employees, or political parties or candidates, or to persons or entities who will offer or give such payments to any of the foregoing in order to obtain or retain business or to secure an improper commercial advantage. Buyer further acknowledges that it is familiar with the provisions of the FCPA and hereby agrees that it shall take or permit no action that will either constitute a violation under, or cause Chondrex to be in violation of, the provisions of the FCPA.

C. Federal Contract Requirements.

(1) If the Products are purchased under a government contract or sub-contract, Buyer shall promptly notify Chondrex of the provisions of any government procurement laws and regulations which are required to be included in the Agreement covering the Products ordered. If compliance with such provisions increases Chondrex's costs or liability, Chondrex shall be entitled, at its option, to adjust the prices accordingly, request separate payment of the additional costs, or terminate this agreement with Buyer being responsible for all costs incurred by Chondrex.

(2) Subject to the provisions of subsection (1) above, Chondrex represents that its performance hereunder is in compliance with all applicable provisions as may be amended from time to time (and same are incorporated herein by reference) including, but not necessarily limited to: (a) The Fair Labor Standards Act, (b) Executive Order 11246, including section 202, (c) The Vietnam Era Veterans Readjustment Assistance Act of 1974, (d) Worker's Compensation, and (e) The Rehabilitation Act of 1973.

12. BUYER'S REPRESENTATIONS, RELEASE AND INDEMNIFICATION. Buyer represents and warrants that it shall use all Products ordered herein in accordance with Paragraph 6 ("Authorized Use"), and that any such use of Products will not violate any law or regulation. Buyer agrees to indemnify and hold harmless Chondrex, its employees, agents, successors, officers, and assigns, from and against any suits, losses, claims, demands, liabilities, costs and expenses (including attorney and accounting fees) that Chondrex may sustain or incur as a result of any claim against Chondrex based upon negligence, breach of warranty, strict liability in tort, contract, infringement of intellectual property rights, or any other theory of law brought by Buyer, its officers, agents, employees, successors or assigns, by Buyer's customers and/or end users, by auxiliary personnel (such as freight handlers), or by other third parties, arising out of, directly or indirectly, the use of Chondrex's Products, or by reason of Buyer's failure to perform its obligations contained herein. Buyer shall notify Chondrex in writing within fifteen (15) days

of Buyer's receipt of knowledge of any accident, or incident involving Chondrex's Products which results in personal injury or damage to property, and Buyer shall fully cooperate with Chondrex in the investigation and determination of the cause of such accident and shall make available to Chondrex all statements, reports and tests made by Buyer or made available to Buyer by others. The furnishing of such information to Chondrex and any investigation by Chondrex of such information or incident report shall not in any way constitute any assumption of any liability for such accident or incident by Chondrex.

13. Remedies on Default of Buyer. In addition to any and all other remedies Chondrex may have at law or in equity, Chondrex may cancel Buyer's order without liability effective upon written notice to Buyer, upon occurrence of any of the following Events of Default: (a) Buyer's failure to make timely payment of any sum owing to Chondrex for orders accepted and shipped by Chondrex or otherwise; (b) Buyer's failure to conduct its operation in the normal course of business (including the inability to meet obligations as they accrue); (c) Institution of any proceedings by or against Buyer under any bankruptcy, insolvency or similar law; (d) Appointment or application for a receiver for Buyer; (e) An assignment by Buyer for the benefit of creditors; or (f) Failure of Buyer to furnish Chondrex with a written representation reaffirming Buyer's solvency (it being understood that Buyer's order hereunder constitute a representation by Buyer that it is solvent).

Upon cancellation: (a) Buyer shall pay for all Products delivered and for all Products completed or in process pursuant to purchase orders accepted by Chondrex; (b) With respect to all Products for which Chondrex has not received full payment, Chondrex may stop delivery, retake (or retain) possession of the Products wherever located (all without notice, demand or legal process) and retain, lease or resell (at public or private auction or otherwise) without accounting to Buyer, and any payments received by Chondrex from Buyer or otherwise may be retained as liquidated damages; and (c) Chondrex may declare any outstanding balance immediately due and owing and collect same from Buyer without further notice or demand, together with interest at the maximum rate permitted by law.

The rights of cancellation and remedies provided in this Section are cumulative and are in addition to any other rights and remedies of Chondrex in law or equity.

14. Intellectual Property Rights.

A. Ownership of Intellectual Property. Any Intellectual Property Rights on a worldwide basis, including, without limitation, patentable inventions (whether or not applied for), patents, patent rights, copyrights, work of authorship, moral rights, trademarks, service marks, trade names, trade dress trade secrets and all applications and registrations of all of the foregoing resulting from the performance of these Terms of Sale that is conceived, developed, discovered or reduced to practice by Chondrex, shall be the exclusive property of Chondrex. Specifically, Chondrex shall exclusively own all rights, title and interest (including, without limitation, all Intellectual Property Rights throughout the world) in and to the Products and any and all inventions, works of authorship, layouts, know-how, ideas or information discovered, developed, made, conceived or reduced to practice, by Chondrex, in the course of the performance of these Terms of Sale. Nothing in these Terms of Sale or the sale of the Products shall imply any license or other rights with respect to any intellectual property rights of

Chondrex or its suppliers, and Chondrex reserves all such rights. Any and all information concerning the Products or the transaction covered hereunder which Chondrex discloses to Buyer, or which Buyer otherwise obtains knowledge of hereunder, remains the exclusive property of Chondrex and shall not be made available to third parties without Chondrex's express written consent. Buyer shall have no right whatsoever to such information other than to use it for evaluation for the purpose of the transaction covered hereunder. Any information, suggestions or ideas transmitted by Buyer to Chondrex in connection with performance hereunder are not to be regarded as proprietary or confidential unless expressly provided in a writing signed by Chondrex.

B. Trademarks and Copyrights. The only trademarks and/or copyrights under which Buyer may display, advertise, market and/or sell the Products shall be Chondrex's trademarks and/or copyrights (hereinafter called the "trademarks" and/or the "copyrights"). Buyer shall not market, advertise, or sell the Products in any manner or form without fully, properly, and prominently displaying the following Chondrex Trademark and Copyright notices:

"Arthrophen-CIA® is a registered Trademark of Chondrex, Inc. in the United States and/or other countries."

"Copyright © 2008 by Chondrex, Inc.

All Rights Reserved

No part of the contents of this package may be reproduced or transmitted in any form or by any means without the advance written permission of Chondrex, Inc. All prepared materials contained in this package, including without limitation text, graphics, images, and documentation are the property of Chondrex, Inc. and are protected by United States and international copyright laws. You may not reproduce, modify, distribute or republish materials contained herein in any way without our prior written permission. You may not alter or remove any trademark, copyright or other notice from copies of content."

No trademarks of the Products or copyrights as to Product information shall be undertaken by Buyer or any person on Buyer's behalf without Chondrex's prior written consent nor will Buyer alter, obliterate, add to, or otherwise interfere with said trademarks and/or copyrights. Under no circumstances shall Buyer post Chondrex information on any internet or other web site or distribute such information to any customer or third party, except information published by Chondrex and included in the packaging of the Products. Buyer may post on an internet web site links to web pages owned, managed, maintained and controlled by Chondrex.

15. Miscellaneous.

A. No Assignment. Buyer shall not assign Buyer's order or rights hereunder without the prior written consent of Chondrex, which consent may be granted or withheld in the sole discretion of Chondrex and any unauthorized assignment by Buyer shall be void. Chondrex may assign its rights and/or obligations under this Agreement to any person in whole or in part. Nothing in this document shall create any rights in third parties against Chondrex.

B. Modification. These Terms and Conditions may not be amended, modified or supplemented at any time except by a written document signed by the parties. Stenographical, clerical or computer errors on the face of any Chondrex invoice shall be subject to correction by Chondrex.

C. Waiver. Chondrex's failure to strictly enforce any term or condition of this order or to exercise any right arising hereunder shall not constitute a waiver of Chondrex's right to strictly enforce such terms or conditions or exercise such right thereafter. All rights and remedies under this order are cumulative and are in addition to any other rights and remedies Chondrex may have at law or in equity. Any waiver of a default by Buyer hereunder shall be in writing and shall not operate as a waiver of any other default or of the same default thereafter.

D. Severability. These Terms and Conditions shall be deemed severable. If any provision of these Terms and Conditions is held illegal, invalid, inapplicable or unenforceable, such provision shall be deemed severed from these Terms and Conditions, the remainder of which shall remain in full force and effect, and the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby.

E. Notice. All notices in connection with Buyer's order and/or purchase shall be in writing and shall be given by Federal Express or other reputable next day courier service or U.S. mail, postage prepaid, certified or registered, return receipt requested. Each notice shall be addressed to the party at the address set forth on the face of this Agreement or at such other address as a party shall provide by notice to the other party. Notice shall be deemed effective upon delivery.

F. Binding Effect. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties hereto, and their respective heirs, personal representatives, successors and assigns.

G. Entire Agreement. These Terms and Conditions of Sale shall constitute the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the sale of Chondrex Products and supersedes all prior and contemporaneous writings, conversations, understandings or agreements of the parties.

H. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington, without giving effect to the principles of conflicts of laws, and exclusive venue and jurisdiction shall be in King County, Washington. The United Nations Convention of the International Sale of Products shall not apply.