RheoSense
Simply Precise™

General Terms and Conditions of Sales

1. GOVERNANCE OF TERMS. The Terms and Conditions of Sale contained herein ("Terms") shall govern all orders for and purchases of the products and/or services set forth on the Quotation (jointly and severally the "Products") by the buyer identified on the face hereof ("Buyer") from RheoSense, Inc (RHEOSENSE). Any changes to the Terms shall have no effect unless they (a) are set forth in a writing dated after the date of the Quotation and (b) are signed by an authorized representative of RHEOSENSE.

2. PRICE AND TERM OF QUOTATION. The price for any PRODUCT shall be the price stated on the Quotation. Prices stated are exclusive of all taxes, fees, licenses, duties, or levies ("Taxes") and, unless otherwise stated on the Quotation, transportation charges, freight and insurance are also not included in the price for the Product. All Taxes related to Product shall be paid by Buyer (other than taxes assigned against RHEOSENSE's net income) or in lieu thereof, Buyer shall provide a tax exemption certificate acceptable to the relevant taxing authorities. Taxes and other charges payable by Buyer may be billed as separate items on RHEOSENSE's invoice. The Quotation is valid only for thirty (30) days from the date of transmittal of the Quotation to Buyer unless otherwise stated or agreed on a written document.

3. PAYMENT TERMS; COLLECTION COSTS; SECURITY TERMS. Payment terms are net 30 days from the later in time of (a) the date of RHEOSENSE's invoice to Buyer, or (b) receipt by Buyer of the Products referenced on such invoice. There are no allowances or deductions permitted from the invoiced price for early payment and none shall be taken. RHEOSENSE reserves the right to require alternative payment terms, including without limitation sight draft, letter of credit, or payment in advance. Payment for partial shipments shall be based on unit or prorated prices, and payment for partial installations shall be based on percentage of installation completed.

If payment is not received by the due date, RHEOSENSE may assess and Buyer agrees to pay a late payment charge at the rate of 1% per month (12% per year) or the maximum legal rate of the amount due. Buyer also agrees to and will pay, all costs of collection incurred by RHEOSENSE including, without limitation, reasonable attorney fees and expenses. Buyer hereby grants to RHEOSENSE and RHEOSENSE reserves a purchase money security interest in each Product purchased hereunder, and in any proceeds thereof, for all amounts owing to RHEOSENSE for or related to such Product. Buyer agrees to cooperate with RHEOSENSE in perfecting and maintaining RHEOSENSE's security interest, including the preparation, signing and filing of UCC financing statements or documents of a similar legal nature. Buyer agrees that RHEOSENSE is authorized, at its option, to file financing statements or amendments thereto (or documents of a similar legal nature) without the signature of Buyer with respect to any or all of the Products and, if a signature is required by law, Buyer appoints RHEOSENSE as Buyer's attorney-in-fact to sign any such documents. RHEOSENSE may assign or reassign its security interest without notice to Buyer; provided that RHEOSENSE's obligations hereunder shall remain in full force and effect. Buyer shall recognize each such assignment and shall not assert against the assignee any defense, off-set or counterclaim Buyer may have against RHEOSENSE under this Agreement or any other agreement between the parties. Payment in full of amounts owed for and related to such Product shall release the security interest on the Product.

4. CREDIT TERMS. RHEOSENSE may, at any time and at its sole discretion by written notice to Buyer limit or cancel the credit of Buyer as to time and amount, suspend shipments, demand payment in cash before delivery of Product, and demand assurances of Buyer's performance. If within 30 days of such notice Buyer fails to agree and comply with the terms of

payment demanded by RHEOSENSE in such notice, or fails to give adequate assurances of performance, RHEOSENSE may, without prejudice to any other right or remedy RHEOSENSE may have: (1) by notice to Buyer, treat such failure or refusal as a repudiation by Buyer of that portion of Buyer's order not then fully performed, whereupon RHEOSENSE may cancel all further deliveries, and any amounts unpaid for non-cancelled Product shall immediately become due and payable; or (2) make shipments under reservation of a security interest and demand payment against tender of title documents.

5. DELIVERY; TITLE AND RISK OF LOSS. RHEOSENSE will use reasonable commercial efforts to ship Product within a reasonable time after the Buyer's order has been received by RHEOSENSE, or, if a proposed shipment date is indicated in the Quotation on or before such date. RHEOSENSE may make delivery in installments, and each installment shall be deemed to be a separate sale. RHEOSENSE may render a separate invoice for each installment, which invoice shall be paid in accordance with these Terms without regard to prior or subsequent installments. All Products are sold Ex Works, RHEOSENSE'S loading dock and, title to and risk of loss with respect to all Products shall pass from RHEOSENSE to Buyer upon delivery to the common carrier selected by Buyer (or selected by RHEOSENSE if one has not been notified to RHEOSENSE by Buyer prior to the date of shipment).

6. CANCELLATION AND DEFERRAL. A BUYER PURCHASE ORDER IS NOT SUBJECT TO CANCELLATION BY BUYER. However, unless otherwise stated in the Quotation, Buyer may defer the shipment date one time for up to 60 days for instrument and other hardware Products, and 30 days for reagent and, consumables Products, by giving written notice to RHEOSENSE at least 30 days before the scheduled shipment date for instruments and other hardware, and at least 10 days before the scheduled shipment for reagents and consumables.

7. CLAIMS FOR DEFECTIVE PRODUCTS; RETURN GOODS AUTHORIZATION. Any claims for missing or defective Product must be reported to RHEOSENSE in writing by Buyer within 15 days from the date of the receipt of the Product. No Products shall be returned to RHEOSENSE without a return authorization number obtained from RHEOSENSE. RHEOSENSE may condition any return of a defective Product on a restocking charge. All returned Products shall be shipped, freight prepaid by Buyer. RHEOSENSE may refuse any Product not timely rejected or sought to be returned without a return authorization number.

8. LIMITED WARRANTY. For instruments and hardware Products manufactured by RHEOSENSE – RHEOSENSE warrants the Product against defects in materials and workmanship for a period of twelve (12) months from the date of shipment by RHEOSENSE. RHEOSENSE's sole obligation and Buyer's exclusive remedy under the foregoing warranty is, at the option of RHEOSENSE, to repair or replace any Product not in conformance therewith or to refund the purchase price paid therefore. For instrument and hardware Products manufactured by third parties - RHEOSENSE agrees to the extent permitted to transfer to Buyer the warranty received by RHEOSENSE from such third party manufacturer and to use reasonable commercial efforts to cooperate with Buyer in making and perfecting any claims Buyer may have under such warranty. For reagent and consumable Products – RHEOSENSE warrants that the Product conforms to the quantity and content set forth on the labeling therefore for the shorter of (a) the period set forth on such labeling, or (b) twelve (12) months. RHEOSENSE's sole obligation and Buyer's exclusive remedy under the foregoing warranty is, at the option of RHEOSENSE, to replace any Product not in conformance therewith or to refund the purchase price paid therefore. Notwithstanding the foregoing, RHEOSENSE SHALL NOT BE OBLIGATED UNDER THIS WARRANTY IF THE NEED FOR REPLACEMENTS DIRECTLY OR INDIRECTLY RESULTS FROM THE FAILURE OF Buyer to use or store the Product in the manner specified in the labeling therefore. OTHER THAN THE WARRANTY OF TITLE, THERE ARE NO OTHER WARRANTIES UNDER THIS AGREEMENT RELATIVE TO THE PRODUCTS, EITHER EXPRESS OR IMPLIED, AND NONE SHALL BE CREATED, WHETHER UNDER THE UNIFORM COMMERCIAL CODE (OR LAWS OF SIMILAR IMPORT IN JURISDICTIONS OUTSIDE THE UNITED STATES) OR THE COURSE OF DEALINGS BETWEEN THE PARTIES OR CUSTOM OR USEAGE IN THE INDUSTRY. ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED (EVEN IF RHEOSENSE HAS BEEN EXPRESSLY INFORMED OF SUCH PARTICULAR PURPOSE). IN NO

EVENT SHALL RHEOSENSE BE LIABLE TO BUYER OR ANYONE CLAIMING THROUGH BUYER, WHETHER IN CONTRACT, TORT, WARRANTY, OR UNDER ANY STATUTE OR ON ANY OTHER BASIS FOR SPECIAL, INCIDENTAL, INDIRECT, PUNATIVE, MULTIPLE, OR CONSEQUENTIAL DAMAGES SUSTAINED BY BUYER OR ANY OTHER PERSON OR ENTITY ARISING OUT OF RHEOSENSE'S PERFORMANCE OR FAILURE TO PERFORM ITS OBLIGATIONS RELATING TO THE PURCHASE OF PRODUCTS OR PERFORMANCE OF SERVICES OR THE POSSESION OR USE OF ANY PRODUCT, WHETHER OR NOT FORESEEABLE AND WHETHER OR NOT RHEOSENSE IS ADVISED OF THE POSSIBILTY OF SUCH DAMAGES, INCLUDING WITHOUT LIMITATION DAMGES ARISING FROM OR RELATED TO LOSS OF USE, LOSS OF DATA, DOWNTIME, OR FOR LOSS OF REVENUE, PROFITS, GOODWILL, OR BUSINESS OR OTHER FINANCIAL LOSS. Any description of Product recited in the Quotation or in any RHEOSENSE literature or publications is for the sole purpose of identifying Product, and any such description is not part of any contract between RHEOSENSE and Buyer and does not constitute a warranty that Product shall conform to that description. Any sample or model used in connection with the Quotation is for illustrative purposes only, and is not part of any contract between RHEOSENSE and Buyer, and does not constitute a warranty that Product will conform to the sample or model. No affirmation of fact or promise made by RHEOSENSE or its agents or representatives, whether or not in the Quotation shall constitute a warranty that Product will conform to such affirmation or promise. All recommendations, statements and technical data regarding Products are based on tests which RHEOSENSE believes to be reliable and correct. However, the accuracy and completeness of such tests and the results thereof are not guaranteed and are not to be construed as a warranty, either express or implied. RHEOSENSE assumes no obligation or liability for the advice given or the results obtained, all such advice being given and accepted at Buyer's sole risk.

9. PATENT INDEMNIFICATION. RHEOSENSE agrees to and shall defend, indemnify and hold Buyer harmless (including reasonable attorney's fees and expenses and any damages, penalties and interest awarded by a court or agreed to by RHEOSENSE in settlement of such claim) against any claim, liability or suit brought by a third party and alleging that the Product or the use thereof, per se and in strict accordance with the labeling or Operators Manual therefore, infringes a claim in a patent owned by such third party. Notwithstanding the foregoing, if Buyer furnished specifications for the Product to RHEOSENSE, Buyer agrees to defend, indemnify and hold RHEOSENSE harmless (including reasonable attorney's fees and expenses and any damages, penalties and interest awarded by a court or agreed to by Buyer in settlement of such claim) against any claim liability or suit brought by a third party and alleging that such Product or the use thereof as specified by Buyer infringes a claim in a patent owned by such third party.

10. FORCE MAJEURE. RHEOSENSE shall not be liable for any delay or failure of performance, in whole or in part, including without limitation failure to deliver or failure to install, where such delay or failure arises out of or results from any cause beyond RHEOSENSE's reasonable control, including, by way of example only and not limitation, flood, fire, explosion, weather, earthquake or other act of God, strike, riot, sabotage, terrorism, boycott, or other labor disputes, embargo, governmental law, rule or regulation, whether valid or invalid, national defense requirement, or an inability or delay in obtaining raw materials, labor or transportation under usual and customary terms or any similar or different contingency which would make performance commercially impractical. In the event of any such delay or failure of performance, RHEOSENSE shall have such additional time within which to perform its obligations hereunder as may be reasonably necessary under the circumstances; and RHEOSENSE shall also have the right, to the extent necessary in RHEOSENSE's reasonable judgment, to apportion Product then available for delivery fairly among its various customers, including those not then under contract, in such manner as RHEOSENSE may consider equitable.

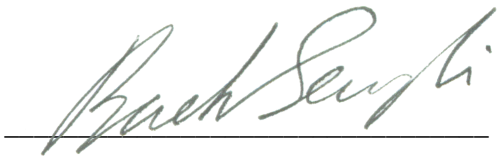
11. ENTIRE AGREEMENT. The Terms in the Quotation and herein constitute the complete, exclusive and entire agreement between RHEOSENSE and Buyer with respect to purchases of Product, and RHEOSENSE's offer to sell the Product is expressly limited to such Terms. Any representation, warranty, promise or condition which does not form part of the Terms shall not be binding on either party. The Terms supersede and replace all prior or contemporaneous understandings or agreements, written or oral, and any of Buyer's additional or different terms or conditions, are hereby rejected and shall be void. Buyer's

submission of a purchase order or other instrument regarding the purchase of Product in response to the Quotation or any other RHEOSENSE document that includes or incorporates these Terms shall be deemed acceptance of these Terms to the exclusion of any other terms and conditions appearing in or referenced in such purchase order or other instrument. Any terms in a Buyer purchase order which differ from or modify the Terms are hereby deemed to be material alterations and notice of objection is hereby given, notwithstanding anything contained to the contrary in such purchase order or other instrument or elsewhere.

12. CHOICE OF LAW. Any contract between RHEOSENSE and buyer relating to Product, including these Terms, and any disputes relating thereto, shall be governed by and construed in accordance with the laws of the Commonwealth of California, excluding both its choice of the law provisions and the UN convention on Contracts for the International Sale of Goods.

13. EXPORT CONTROLS. Buyer agrees that it will not export or transfer Product for re-export in violation of any United States laws or regulations, or to any denied of prohibited person, entity, or embargoed country in violation of such laws or regulations.

14. MISCELLANEOUS. No subsequent waiver, alteration, modification or amendment of the Quotation or these Terms shall be binding unless in writing and signed by a duly authorized representative of both RHEOSENSE and Buyer. RHEOSENSE's failure to exercise any rights hereunder shall not constitute or be deemed a waiver or forfeiture of such rights or a waiver or forfeiture of such rights in the future. Headings are included herein for convenience of reference only and shall not constitute a part of these Terms. If any provision of these Terms shall be held invalid or unenforceable by a court of competent jurisdiction for any reason, such effected provision shall (a) be deemed severable and not affect any other provision of the Terms and (b) be promptly renegotiated by the parties with the intent of determining valid and enforceable language which most closely resembles that rejected by such court to thereby preserve the intent of the parties. The rights and duties of Buyer under this Agreement are not assignable or transferable without the express written permission of RHEOSENSE.



Dr. Seonggi Baek
President & CEO
RheoSense, Inc.