



MARTEK PURCHASE TERMS AND CONDITIONS

1. **PRICE**-No price changes from those shown on the face of this order will be accepted unless authorized in writing by Martek prior to shipment. If during the term of this Purchase Order, Martek is able to purchase products of the quality and in the quantities herein specified and upon like terms and conditions at a price lower than the price stated herein, Seller upon receipt of satisfactory written notice of same shall, at its option, meet such lower price or permit Martek to purchase the undelivered portion hereunder at such lower price. The quantity so purchased by Martek from others shall be deducted from the quantity covered by this Purchase Order.

2. **SHIPPING DOCUMENTS AND INVOICES**-All shipping containers, bills of lading, packing slips, invoices as well as any correspondence or documents pertaining to this order must reference Martek's Purchase Order number.

3. **INSPECTION**-All materials or goods received are subject to a final inspection and count by Martek for a reasonable period of time, not less than thirty days from date of receipt. Any articles which do not comply with this order or which contain defective material or workmanship may be rejected. Martek shall have no liability for them, and Seller agrees to accept them back for full credit, including transportation and handling charges. Neither payment nor acceptance of the goods shall constitute a waiver of the right to reject after such inspection.

4. **WARRANTIES**-Seller makes all warranties contained in the Uniform Commercial Code. Seller warrants that the articles to be supplied under this contract are fit and sufficient for the purpose intended; that they are merchantable, of good quality and free from defects, whether patent or latent, in material and workmanship, and that they conform to all required specifications provided for herein. Seller further warrants that it has good title to the article (s) supplied and that they are free and clear from all liens and encumbrances.

5. **CONFIDENTIALITY**-Seller agrees to hold in confidence all methods, processes, techniques, shop practices, formulas, compounds, compositions, organisms, equipment, designs, drawings, blueprints, specifications, research data, marketing and sales information, customer lists, plans and information provided or know-how and trade secrets owned by Martek or in Martek's possession and disclosed to Seller as a result of this order. Until such information has been published or disclosed to general public, Seller agrees not to use such information for itself or others or to disclose such information to others, unless Seller obtains Martek's prior written consent. Seller shall not disclose any information concerning this order to any third party except as herein specified.

6. INDEMNIFICATION AND INSURANCE-This order is placed upon the condition that the Seller shall protect, hold harmless, and indemnify Martek from and against any and all claims, demands, losses, costs, damages, liens, suits, judgments, penalties, expenses and liabilities of every kind, including attorney's fees, arising directly or indirectly out of, or in connection with Seller's operation conducted under this order, any defects or alleged defects in design, material or workmanship in connection with the items ordered hereby, and any failure of such items to conform to, or failure of Seller to comply with applicable laws and regulations. Except as Martek otherwise agrees in writing, Seller shall carry General Liability Insurance naming Martek Biosciences Corporation as additional insured using the ISO Forms CG2037-10-01 & CG2010-10-01. Such General Liability policy is to apply on a Primary / Non-Contributory basis and include a Waiver of Subrogation. The General Liability coverage shall carry the following limits: \$1,000,000 Occurrence, \$2,000,000 General Aggregate, \$1,000,000 Personal & Advertising Injury and \$2,000,000 Products & Completed Operations Aggregate. Automobile: Bodily Injury and Property damage limits should be \$1,000,000 for Bodily Injury & Property Damage. Workers Compensation: Employers Liability limits should be \$500,000/\$500,000/\$500,000 Excess / Umbrella: The limits of liability should be \$5,000,000 Each Occurrence and \$5,000,000 General Aggregate.

7. CANCELLATION-All or any part of this Purchase Order may be cancelled by Martek if shipment or delivery is not made by the date specified on the face hereof. Further, all or any portion of this Purchase Order may be cancelled or suspended by Martek without liability, if such cancellation or suspension is caused by compliance with any law, order, regulation, request, or imminent action of any governmental entity. Seller shall promptly notify Martek if Seller decides or is forced to cease its operations or to discontinue the manufacturer or supply of the materials ordered hereunder. In such event, Martek may, to the extent possible, purchase additional materials from Seller under this Purchase Order in order to meet Martek's needs for such materials

8. COMPLIANCE WITH STATUTES AND REGULATIONS-Seller warrants and certifies that in the performance of this contract it will comply with all applicable statutes, rules, regulations, standards and orders of the U.S. Government, state governments and local governments. Seller also warrants that all materials furnished under this Purchase Order, when used by Martek in the ordinary manner for which they are intended, shall not violate the applicable provisions of the Occupational Safety and Health Act of 1970, as amended, or any standards or regulations issued thereunder. Seller guarantees that no article delivered hereunder is adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Acts, as amended, or within the meaning of any applicable state or municipal law in which the definitions of adulteration and misbranding are substantially the same as those contained in the Federal Food, Drug and Cosmetic Act, as said Act and such laws are constituted and effective at the time of such shipment or delivery, or is an article which may not, under the provisions of said Act, be introduced into interstate commerce. Seller also guarantees that no article

delivered hereunder is misbranded hazardous substance or a banned hazardous substance within the meaning of the Federal Hazardous Substances Act.

9. MODIFICATIONS-This Purchase Order shall constitute the entire agreement between the Seller and Martek. It may not be modified or amended orally without prior written acceptance from an authorized agent of Martek. If any or all of the terms and conditions contained herein are not acceptable, Seller shall advise Martek in writing upon receipt of this Purchase Order.

10. RISK OF LOSS-The risk that the ordered goods may be lost, damaged or delayed in transit shall be borne by Seller until actual receipt of them by Martek in conformity with the terms of this order, unless Martek specifies a mode of transportation and carrier on the face hereof and Seller complies with such specification, in which case the risk of loss, damage or delay will pass to Martek upon Seller's timely delivery of the goods, properly packaged and with suitable shipping documents to an appropriate carrier for delivery to Martek.

11. ACCEPTANCE AND GOVERNING PROVISIONS-Seller's acceptance of all terms and conditions contained in this Purchase Order shall be deemed to occur when Seller provides any service or ships any goods ordered hereunder, or when Seller accepts any payment from Martek under this order. Martek agrees to purchase the goods described on the face of this document only upon Seller's complete acceptance of all the terms and conditions of this order.