

GENERAL SALES CONDITIONS ALGATECH LTD

Our sales are subject to the present general sales conditions, which apply to all purchasing situations, unless formally and expressly indicated by Algatechnologies Ltd.

Products supplied by Algatechnologies Ltd. (the "Supplier") to Buyer (the "Buyer", collectively the "Parties") shall meet the specifications as in attached Specification Sheet, (the "Specifications"). Specifications may be modified by Supplier, from time to time according to supplier's sole discretion. The Supplier will provide a prior notice to the Buyer of any change.

1. Buyer shall have a period of thirty (30) days from delivery to test the Product delivered (the "Product") for failure to conform to Specifications and to notify Supplier in writing of any Product defects. The product concentration will be analyzed in accordance to the method of analysis as mentioned in the product specifications.

Buyer recognizes however, that laboratory discrepancies of Astaxanthin and Fucoxanthin detection of up to 2%, may occur between different laboratories and in such case the Supplier's certificate of analysis (COA) shall be accepted. In case of a discrepancy greater than 2% Buyer shall notify Supplier in writing and send a sample of the tested Product to an objective certified third-party laboratory (to be provided by the Supplier).

If the third party laboratory found discrepancy of more than 2%, Buyer shall have the right to request a Product replacement by Supplier.

If Buyer does not notify the Supplier within such period of any defect or failure to conform to Specifications, Product will be deemed accepted by Buyer and Supplier will have no obligation to replace the Product. In case of softgels, capsules and tablets, the Product will be deemed accepted once re-packaged by Buyer.

Supplier shall not be responsible for leakage and/or other damage of the Product after it was re-packaged by Buyer.

2. If any Product fails to meet the Specifications, Supplier's sole obligation is to replace said defective Product with a qualifying Product, at no cost to the Buyer.

Supplier's obligation to replace shall apply only if (1) Supplier received a written notice in the time period detailed above; (2) the Product was kept in its original and sealed packaging at all times prior to testing; and (3) Product was stored in accordance with Supplier's instructions. For the avoidance of doubt, Supplier will not be responsible for replacing a Product which has already been used to produce any end products (the "End Products").

Other than the foregoing warranty, no other warranties are set forth herein, whether express or implied by operation of law or otherwise, including, but not limited to, any implied warranties of merchantability.

3. Supplier's liability (if any) whether in tort or otherwise in respect of any defects in the Product, or for any duty owed to Buyer in connection herewith or failure to deliver the Product, shall be limited to the value of the defective Product in question.
4. It is solely the responsibility of Buyer to determine the suitability of the Product to Buyer's intended End Products uses and compliance with all applicable laws, regulations and/or third party rights, including, but not limited to, health claims, marketing information, trademark and intellectual property rights.

Under no circumstances shall the Supplier be liable for any damages, including but not limited to consequential, indirect, special, punitive or incidental damages, and/or lost profits, whether foreseeable or unforeseeable, based on health claims, marketing information, trademark infringement or intellectual property infringement by Buyer or Buyer's customers (including, but not limited to, claims for loss of goodwill, profits, use of money or use of the products, interruption or stoppage of work or impairment of assets).

Furthermore, Supplier shall not be liable for damages arising from breach or mistaken express or implied warranty, misrepresentation and/or, negligence or strict liability causes of action in tort or otherwise.

5. The Buyer recognizes that the Product is a biological product produced through a sensitive and complex growth process of algae and thus accepts that Supplier shall fulfill the orders in accordance with the schedule stated on purchase orders, on a best efforts basis. Supplier shall be excused from responsibility and/or liability in the event of failure to perform due to a force majeure event (the " Force Majeure Event") for as long as the Force Majeure Event or effects thereof prevent the performance of obligations.

A Force Majeure Event shall include but is not limited to an act of war (whether declared or not), strikes and other forms of civil disturbance, adverse weather conditions, earthquakes and any other natural disasters and/or other exceptional circumstances and events beyond the reasonable control of the Supplier that which, despite the exercise of diligent efforts, Supplier was unable to prevent and cannot be avoided even by using Suppliers best efforts.

6. Governing Law: The validity, interpretation and performance of this order confirmation shall be governed and construed in accordance with the laws of England, without regard to conflicts of laws provisions thereof and without regard to the United Nations Convention on Contracts for the International Sale of Goods.