

EASTGEN
GENERAL TERMS AND CONDITIONS OF SALE

1. Applicability.

(a) These terms and conditions of sale, including Appendix A where applicable (the "**Terms**") are the only terms which govern the sale of the goods ("**Goods**") and services ("**Services**") by EastGen ("**EastGen**") to the individual or entity named on any receipt or invoice issued by EastGen ("**Owner**"). Any invoices issued to the Owner (collectively, the "**Sales Confirmation**") and these Terms (collectively, this "**Agreement**"), comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms may be amended or modified from time to time by EastGen, without notice to the Owner, by EastGen publishing the amended Terms to its website at eastgen.ca.

(b) If a written contract signed by both parties is in existence covering the sale of the Goods and Services, these Terms shall prevail to the extent they are inconsistent with the terms and conditions of such written contract. The terms and conditions in Appendix A hereto shall specifically apply to the storage and transport of semen and embryos, and to the extent such are inconsistent with these Terms, EastGen reserves the right to elect which terms and conditions shall govern.

2. Delivery of Goods and Performance of Services.

(a) EastGen shall not be liable for any delays, loss or damage in transit in respect of any Goods or Services ordered by the Owner.

(b) Unless otherwise agreed in writing by the parties, EastGen shall either deliver the Goods to the Owner, or to an EastGen storage facility (in the case of semen or embryos where EastGen has agreed to store for the Owner), or such other delivery point determined in advance by EastGen (the "**Delivery Point**"), using EastGen's standard methods for packaging and shipping such Goods. EastGen shall make delivery of Goods and Services in accordance with its delivery policies in effect from time to time.

(c) EastGen may, in its sole discretion, without liability or penalty, make partial shipments of Goods to Owner. Each shipment will constitute a separate sale, and Owner shall pay for the units shipped whether such shipment is in whole or partial fulfilment of Owner's purchase order.

(d) If EastGen is unable to deliver the Goods at the Delivery Point because Owner has not provided appropriate delivery instructions or is otherwise unprepared to accept delivery: (i) risk of loss to the Goods shall pass to Owner; (ii) the Goods shall be deemed to have been delivered; and (iii) EastGen, at its option, may store the Goods until Owner picks them up, and Owner shall be liable for all related costs and expenses (including, without limitation, storage and insurance).

(e) EastGen shall use reasonable efforts to render any Services requested by Owner.

(f) With respect to the Services, Owner shall (i) cooperate with EastGen in all matters relating to the Services and provide such access to Owner's premises, and such facilities as may reasonably be requested by EastGen, for the purposes of performing the Services; (ii) respond promptly to any EastGen request to provide direction, information, approvals, authorizations or decisions that are reasonably necessary for EastGen to perform Services in accordance with the requirements of this Agreement; (iii) provide such customer materials or information as EastGen may request to carry out the Services in a timely manner and ensure that such customer materials or information are complete and accurate in all material respects; and (iv) obtain and maintain all necessary licenses and consents and comply with all applicable laws in relation to the Services before the date on which the Services are to start. Notwithstanding any other provision of this Agreement, EastGen retains the right to refuse to deliver any Services if any agent or employee of EastGen is of the view that the facilities of the

Owner do not provide for a safe environment in which to deliver such Services, and EastGen shall have no liability whatsoever in respect of such refusal to deliver Services.

3. Non-Delivery.

(a) The quantity of any instalment of Goods or Services as recorded by EastGen on any invoice issued by EastGen is conclusive evidence of the quantity received by Owner on delivery unless Owner can provide conclusive evidence proving the contrary.

(b) EastGen shall not be liable for any non-delivery of Goods or Services (even if caused by EastGen's negligence) unless Owner gives written notice to EastGen of the non-delivery within ten (10) days of the date when the Goods or Services would in the ordinary course of events have been received.

(c) Any liability of EastGen for non-delivery of the Goods or Services shall be limited to replacing the Goods or Services within a reasonable time or adjusting the invoice respecting such Goods or Services to reflect the actual quantity delivered.

(d) Owner acknowledges and agrees that the remedies set forth in Section 3(c) are Owner's exclusive remedies for non-delivery of Goods.

4. Title and Risk of Loss. Title and risk of loss passes to Owner upon delivery of the Goods and Services at the Delivery Point. As collateral security for the payment of the purchase price of the Goods and Services, Owner hereby grants to EastGen a lien on and security interest in and to all of the right, title and interest of Owner in, to and under the Goods, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the *Personal Property Security Act* (Ontario). The Owner hereby grants to EastGen the right to enter upon the Owner's premises during business hours to repossess any Goods for which EastGen has not received payment.

5. Owner's Acts or Omissions. If EastGen's performance of its obligations under this Agreement is prevented or delayed by any act or omission of Owner or its agents, subcontractors, consultants or employees, EastGen shall not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges or losses sustained or incurred by Owner, in each case, to the extent arising directly or indirectly from such prevention or delay.

6. Inspection and Rejection of Non-Conforming Goods.

(a) Owner shall inspect the Goods upon receipt ("**Inspection Period**"). Owner will be deemed to have accepted the Goods unless it notifies EastGen in writing of any Non-Conforming Goods during the Inspection Period and furnishes such written evidence or other documentation as required by EastGen. "**Non-Conforming Goods**" means only the following: (i) product shipped is different than identified in Owner's purchase order or receipt issued by EastGen; or (ii) product's label or packaging incorrectly identifies its contents. For avoidance of doubt, in no event will semen, embryos or other biological material be considered to be Non-Conforming Goods on the basis that such semen, embryos or other biological material has different genetic lineage, genetic properties, biological properties or phenotypic properties than described or implied in materials published or supplied by EastGen or any other party, and Owner hereby acknowledges and agrees that they shall have no right of return or replacement of any semen, embryos or other biological material supplied by EastGen hereunder.

(b) If Owner notifies EastGen of any Non-Conforming Goods within 10 days of delivery, EastGen shall, in its sole discretion, (i) replace such Non-Conforming Goods with conforming Goods, or (ii) credit or refund the Price for such Non-Conforming Goods, together with any reasonable shipping and handling expenses incurred by Owner in connection therewith. If EastGen exercises its option to replace Non-Conforming Goods, EastGen shall, after receiving

Owner's shipment of Non-Conforming Goods, ship the replacement Goods to the Delivery Point.

(c) Owner acknowledges and agrees that the remedies set forth in Section 6(b) are Owner's exclusive remedies for the delivery of Non-Conforming Goods. Except as provided under Section 6(b), all sales of Goods to Owner are made on a one-way basis and Owner has no right to return Goods purchased under this Agreement to EastGen. If EastGen does from time to time accept the return of Goods from Owner, such action shall not constitute a waiver of this Section 6(c).

7. Price.

(a) Owner shall purchase the Goods and Services from EastGen at the prices (the "**Prices**") set forth in EastGen's published price list in force as of the date that EastGen accepts Owner's purchase order. If Goods are on backorder at the time the Owner places the purchase order, and if the Prices should be increased by EastGen before the backordered Goods arrive, then these Terms shall be construed as if the increased prices were originally inserted herein, and Owner shall be billed by EastGen on the basis of such increased prices.

(b) All Prices are exclusive of all harmonized sales tax, goods and services tax, sales tax, value added tax, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any Governmental Authority on any amounts payable by Owner. Owner shall be responsible for all such charges, costs and taxes; *provided that*, Owner shall not be responsible for any taxes imposed on, or with respect to, EastGen's income, revenues, gross receipts, personnel or real or personal property or other assets.

8. Payment Terms.

(a) Owner shall pay all invoiced amounts due to EastGen within thirty days from the date of EastGen's invoice. Owner shall make all payments hereunder by cheque or bank transfer and in Canadian dollars.

(b) Owner shall pay interest on all late payments at the lesser of the rate of 18 per cent per annum or the highest rate permissible under applicable law, calculated daily and compounded monthly. Owner shall reimburse EastGen for all costs incurred in collecting any late payments, including, without limitation, legal fees on a full indemnity/substantial indemnity/solicitor-client basis. In addition to all other remedies available under these Terms or at law (which EastGen does not waive by the exercise of any rights hereunder), EastGen shall be entitled to suspend the delivery of any Goods or performance of any Services if Owner fails to pay any amounts when due hereunder and such failure continues for 15 days following written notice thereof.

(c) Owner shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with EastGen, whether relating to EastGen's breach, bankruptcy or otherwise.

9. No Warranty.

(a) EastGen makes no condition or warranty whatsoever with respect to the Goods or Services, including any (a) condition or warranty of merchantability; (b) condition or warranty of fitness for a particular purpose; (c) condition or warranty of title; or (d) warranty against infringement of intellectual property rights of a third party; whether express or implied by law, course of dealing, course of performance, usage of trade or otherwise.

(b) Products manufactured by a third party ("**Third Party Product**") may constitute, contain, be contained in, incorporated into, attached to or packaged together with, the Goods. For the avoidance of doubt, EastGen makes no representations, conditions or warranties with respect to any Third Party Product.

10. Limitation of Liability.

(a) In no event shall EastGen be liable for any consequential, indirect, incidental, special, exemplary, or punitive damage, lost profits or revenues or diminution in value, arising out of or relating to any breach of these terms, whether or not the possibility of such damages has been disclosed in advance by Owner or could have been reasonably foreseen by Owner, regardless of the legal or equitable theory (contract, tort or otherwise) upon which the claim is based, and notwithstanding the failure of any agreed or other remedy of its essential purpose. In no event shall EastGen's aggregate liability arising out of or related to this Agreement, howsoever arising, exceed the total of amounts paid to EastGen for the Goods or Services to which such liability relates, or \$1,000, whichever is less.

(b) Notwithstanding any other provision herein, EastGen will have no liability in respect of losses sustained by an Owner as a result of any semen or embryos that are sold to the Owner (or the animals resulting from such semen or embryos) being ultimately determined to have a different genetic lineage, genetic properties, biological properties or phenotypic properties than described or implied in materials published or supplied by EastGen or any other party.

11. Insurance. During the term of this Agreement, Owner shall, at its own expense, maintain and carry insurance in full force and effect which includes, but is not limited to, commercial general liability (including product liability) in a sum no less than \$2,000,000 with financially sound and reputable insurers.

12. Compliance with Law. Owner shall comply with all applicable laws, regulations and ordinances. Owner shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this Agreement.

13. Termination. In addition to any remedies that may be provided under these Terms, EastGen may terminate this Agreement with immediate effect upon written notice to Owner, if Owner: (a) fails to pay any amount when due under this Agreement; (b) has not otherwise performed or complied with any of these Terms, in whole or in part; or (c) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, liquidation, reorganization or assignment for the benefit of creditors.

14. Waiver. No waiver by EastGen of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by EastGen. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

15. Force Majeure. No party shall be liable or responsible to the other party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations to make payments to the other party hereunder), when and to the extent such party's ("Impacted Party") failure or delay is caused by or results from the following force majeure events ("Force Majeure Event(s)": (a) acts of God; (b) flood, tsunami, fire, earthquake, explosion; (c) epidemics, pandemics; (d) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest; (e) government order, law or actions; (f) embargoes or blockades in effect on or after the date of this Agreement; (g) national or regional emergency; (h) strikes, lockouts, labour stoppages or slowdowns, labour disputes, or other industrial disturbances; (i) shortage of adequate power or telecommunications or transportation facilities; (j) failure of any governmental or public authority to grant a necessary licence or consent; or (k) other events beyond the control of the Impacted Party. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause.

16. Assignment. Owner shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of EastGen. Any purported assignment or delegation

in violation of this Section is null and void. No assignment or delegation relieves Owner of any of its obligations under this Agreement.

17. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

18. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms.

19. Governing Law. All matters arising out of or relating to this Agreement are governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without giving effect to any choice or conflict of law provision or rule (whether of the Province of Ontario or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the Province of Ontario. The United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement.

20. Choice of Forum. Any legal suit, action, litigation or proceeding of any kind whatsoever in any way arising out of, from or relating to this Agreement, including all exhibits, schedules, attachments, and appendices attached to this Agreement, and all contemplated transactions, shall be instituted in the courts of the Province of Ontario located in Wellington County, and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, litigation or proceeding. Service of process, summons, notice, or other document by mail to such Party's address set forth herein shall be effective service of process for any suit, action, litigation or other proceeding brought in any such court. Each Party agrees that a final judgment in any such suit, action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The Parties irrevocably and unconditionally waive any objection to the venue of any action or proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

21. Notices. Each Party shall deliver all notices, requests, consents, claims, demands, waivers and other communications under this Agreement (other than routine communications having no legal effect) (each, a "**Notice**") in writing and addressed to the parties at the addresses set forth on the face of the Invoice (or to such other address that may be designated by the receiving party from time to time in accordance with this Section). Notices sent in accordance with this Section will be conclusively deemed validly and effectively given: (a) on the date of receipt, if delivered by personal delivery, or by a nationally recognized same day or overnight courier (with all fees prepaid); (b) upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "read receipt" function, as available, return email or other form of written acknowledgment), if delivered by email; (c) when sent, if sent by facsimile (with confirmation of transmission) on the date of transmission if a Business Day or if not a Business Day or after 5:00 p.m. on the date of transmission, on the next following Business Day; or (d) on the third day after the date mailed by certified or registered mail by the Canada Post Corporation, return receipt requested, postage prepaid.

22. Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

23. Survival. Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Order including, but not limited to, the following provisions: Limitation of Liability, Compliance with Laws, Governing Law, Choice of Forum and Survival.

APPENDIX A STORAGE TERMS AND CONDITIONS

In addition to any other terms and conditions that may apply to the sale of products and services by EastGen, the terms and conditions of this Appendix A shall apply in respect of any products stored or warehoused by EastGen for the Owner:

NON-NEGOTIABLE RECEIPT - Any receipt issued is a non-negotiable receipt given pursuant to the Warehouse Receipts Act R.S.O. 1990 and becomes a Contract within the meaning of Section 2(5) of the said Act.

LIEN - EastGen claims a lien under the provision of the Warehouse Receipts Act for all charges for storage, interest, transportation, labour, and other charges and expenses in relation to the Owner's account. EastGen may refuse delivery of any goods until all charges are paid including any other accounts owing to EastGen by Owner.

STORAGE - Unless otherwise provided for in writing, all goods are stored on a month to month basis, and billed monthly, and reservation is made of the right to require the removal of any lot or item upon 30 days written notice.

STORAGE RATES - The rates of storage are per month. All charges are assessable monthly based on the volume of goods in storage on the last day of the previous month. STORAGE RATES DO NOT INCLUDE INSURANCE OF ANY KIND.

EXTRA SERVICES - Where EastGen at the request of the Owner provides common, skilled or clerical labour, a charge will be made to the Owner at EastGen's rates then in effect and shall be included in addition to any other charges.

LIABILITY

(A) EastGen shall not be held responsible for loss of goods by leakage or equipment damage or malfunction, or through failure to detect same, or for concealed leakage. All storage and handling charges must be paid on goods lost or damaged by any of the above causes.

(B) Owners assume all risk of loss or damage caused by fire, wind, water, frost, the elements, dust, dampness, rust, sprinkler leakage, decay, rats, mice, moth, or vermin, inevitable accident, depreciation by time, inherent qualities, defects or injury to fragile or other articles insufficiently protected or arising from the nature of the goods and improper packing or through inaccuracies, obliteration of, or absence of marks, numbers, address or description, wastage, breakage or concealed damage; heating and corruption, wear and tear, the enemies of the Government or mobs, or from any cause beyond the control of EastGen. Perishable goods, or others susceptible to damage or decay through changes of temperature shall be accepted only at the Owner's risk.

(C) EastGen's liability on any one vial, straw, ampule, unit or dose is limited to \$1.00, unless the Owner has declared in writing to EastGen a valuation in excess of \$1.00 and purchased insurance to reflect such valuation, in which case EastGen's liability on any one vial, straw, ampule, unit or dose is limited to the insurance proceeds receivable for such vial, straw, ampule, unit or dose.

TRANSPORTATION - If EastGen is instructed by Owner to ship or transport any goods from one EastGen storage warehouse to another, or from EastGen's storage warehouse to any other facility, or to transfer any goods from one storage container to another, the Owners assume all risk of loss or damage to the goods during transport or transfer, as the case may be, and EastGen shall in no event be liable for any loss howsoever caused.

STORAGE FEES

All storage fees and charges are subject to change without notice. It is the Owner's sole responsibility to inquire from EastGen the current fees and charges in effect. The Owner agrees that the Owner's failure to inquire as to the current fees and charges in effect shall be deemed to be an acceptance of such current fees and charges.

The fees in effect as of March 31, 2023 are as follows:

Semen Storage Fees

1 - 99 Units	\$0.10 per unit per month
100 -199 Units	\$0.095 per unit per month
200 -999 Units	\$0.09 per unit per month
1000 -2499 Units	\$0.085 per unit per month
2500 - 4999 Units	\$0.07 per unit per month
5000 Units and over	\$0.04 per unit per month

A minimum storage charge of \$10.00 per month shall be applied.

Embryo Storage Fees

\$0.80 per Embryo per month if stored at EastGen's main facility.
\$0.15 per Embryo per month if stored at a facility of EastGen's choosing.

A minimum storage charge of \$10.00 per month shall be applied.

Storage fees will be based on the number of units in storage at the beginning of the month, provided that EastGen may, at its discretion, use the weighted daily average of units in storage through the course a month to determine storage fees.

TRANSFER AND HANDLING FEES

EastGen reserves the right to assess a transfer fee if EastGen is not receiving a sales commission on any items being transferred or stored by EastGen:

- (A) For items coming into EastGen from outside our service area or semen transferred from one owner to another within our service area, a transfer fee will be charged in an amount determined by EastGen.
- (B) For items leaving EastGen service area, a handling fee will be charged to the person issuing the release in an amount determined by EastGen.

INSURANCE

If insurance coverage is purchased from EastGen by the Owner, such coverage becomes effective under the policy maintained by EastGen from time to time for such purposes (the "**EastGen Insurance Policy**"). If goods are not insured under the EastGen Insurance Policy while in storage or in transit, the Owner assumes all risk of damage or injury to the goods while in storage or during transportation, without exception.

If the Owner purchases insurance coverage under the EastGen Insurance Policy, such coverage becomes effective upon receipt of written instructions (including stated value) from the Owner to insure. Such insurance coverage may not be invoiced to the Owner until the beginning of the month following receipt of such instructions.

MEMORANDUM OF INSURANCE UNDER THE EASTGEN INSURANCE POLICY (if purchased by Owner)

Insured: EastGen and/or as they direct

Address: R.R. #5, 5653 Hwy. 6 North, Guelph, Ontario N1H 6J2

Loss Payable: As directed by insured.

Coverage: All risk insurance on items in storage owned by others, or for which EastGen has undertaken to insure.

Effective: From the date that EastGen receives written instructions from Owner for obtaining such coverage, for a period of one month.

(Copies of EastGen Insurance Policy will be available for perusal at the offices of EastGen).