



StemExpress Update - Draft Supply Agreement

Kevin Cooksy <kcooksy@stemexpress.com>

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To: "susan@biomaxps.com" <susan@biomaxps.com>, "bob@biomaxps.com" <bob@biomaxps.com>

Cc: Cate Dyer <cdyer@stemexpress.com>, Megan Barr <mbarr@stemexpress.com>

cc: Cate and Megan

Dear Susan and Robert:

Per our dinner conversation here in El Dorado Hills, attached is a draft supply agreement that we hope can establish a relationship between StemExpress and BioMax. While our initial focus is on procuring fetal liver tissue, the agreement is drafted in a manner that enables procurement of other tissues as future client opportunities arise.

I call your attention to sections 2.2 and 2.4 because while the language is straight forward, often I find they nevertheless require some helpful explanation.

Section 2.2 is intended to ensure that we receive only viable specimens from the clinics. As we discussed at dinner, in the past StemExpress has received tubes from certain clinics containing specimens that range from unusable tissue (unusable for a host of reasons) to blood clots that were mistaken for liver tissue. The common theme in these cases was that the supplier expected payment even though the material was unusable or non-existent. With Section 2.2, we will take the first four months of the relationship to provide feedback to BioMax that, in turn, you can pass on to your clinics as to what is / is not acceptable tissue.

Section 2.4 says that BioMax will sell to StemExpress all fetal livers that meet the criteria, which criteria for the first four months is simply 5cc or greater in displaced volume (plus, of course, application of common sense to not accept livers that are clearly destroyed). Livers that are chemically destroyed or traumatized will do not produce viable cell isolates, so those specimens do not work for us. Again, we intend to work with BioMax to refine an acceptance description during the four months called out in Section 2.2.

Otherwise, the draft is relatively routine and, hopefully, without surprises.

In the meanwhile, we would still like to place an order for several fetal livers at your list price to start an evaluation. Let me know when BioMax will be ready to take that on and Megan will then reach out with guidance on logistics.

Please let me know if you have questions or comments and we will move it ahead.

Kind regards,
Kevin

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