



PURCHASE AGREEMENT

Concluded in accordance with section 409ff of the Act No 513/1991 of the Collection of Laws, Commercial Code, as amended (hereinafter „Commercial Code“)

CONTRACTUAL PARTIES:

PURCHASER:

PALACKÝ UNIVERSITY IN OLMOUC

With the seat in:

Křížkovského 8, 771 47 Olomouc, the Czech Republic

Rector:

prof. Mgr. Jaroslav Miller, M.A., Ph.D.

Person authorized to act

in technical matters:

Ing. Jana Valíková, secretary of the Faculty of Medicine and Dentistry of the Palacký University

in professional matters:

Dr. Petr Džubák

Identification no:

61989592

Tax ID No:

CZ61989592

Banking connection:

Komerční banka, a.s., Olomouc branch

Acc. No: 19-1096330227/0100

(hereinafter „Purchaser“)

SELLER:

eMolecules, Inc.

With the seat in:

2711 Centerville Road, Suite 400

Wilmington DE 19808 USA

Incorporated in the Commercial

Register:

United States of America

Statutory body:

Nikolaus M. Gubernator, Ph.D. (President and CEO)

Person authorized to act in

contractual matters:

Nikolaus M. Gubernator, Ph.D. (President and CEO)

in technical matters:

David James, Ph.D. (Director, Business Development)

Identification No:

3083906

Tax ID No:

33-0887500

Banking connection:

Comerica Bank

Account No: 1894678307

(hereinafter „Seller“)



Uněšovská 5, Olomouc, the Czech Republic

Recitals

1. The contractual parties have expressly agreed that in harmony with the stipulation of section 262 subsection 1 of the Commercial Code, all rights and obligations stipulated by this Contract as well as rights and obligations ensuing herefrom will be solved in accordance with relevant general stipulations of the Commercial Code concerning the business contractual relations.
2. The Seller and the Purchaser conclude this Contract owing to the fact that the Seller's offer for supply of the subject of the Contract execution was selected by the Purchaser in a selection procedure as the most suitable offer.
3. The tender is implemented within the project called **"BIOMEDREG – Biomedicine for Regional Development and Human Resources"** financed via the Operation Programme Research and Development for Innovation (hereinafter OP RDI) priority axis 2.
4. The Contractual Parties declare that the particulars stated in the heading hereof are in accordance with reality as of the date of concluding the Contract. The Contractual Parties oblige to inform the other Party about changes of the particulars without unduly delay. The Contractual Parties declare that persons undersigning the Contract are authorized to do so.
5. "Days" are defined as calendar days unless not stated otherwise herein.

II

Subject of Execution

1. Herewith, the Seller obliges to supply the Purchaser with **101,003** screening compounds with quality stated in the Seller's offer of **22 January 2014** filed by the Seller within the contractual procedure that precedes the signature hereof (hereinafter "Goods").
2. The Seller obliges to supply the Goods, provide the customer service to the Goods under the terms and conditions set out in this Contract below.
3. The Seller further obliges to supply documentation of the Goods to the Purchaser including all relevant certificates.
4. The Seller obliges under this Contract to transfer the ownership right to the Goods to the Purchaser, the Purchaser obliges to pay the purchase price set out in article IV hereof to the Seller after a proper protocolary taking-over of the Goods in accordance with the terms and conditions stated in article V hereof.

III

Time and Place of Delivery

1. The Seller obliges to deliver the Goods to the place of delivery stated in section 2 of this article within 6 weeks from the signature hereof by both Contractual Parties at the latest.
2. The place of delivery shall be the Institute of Molecular and Translational Medicine (hereinafter "IMTM") of the Faculty of Medicine of Palacký University in Olomouc,



Hněvotínská 5, Olomouc, the Czech Republic.

Seller's Responsibility for Defects

IV

Purchase Price

1. The Purchaser obliges to pay a purchase price to the Seller for the supplied Goods under article II hereof amounting to **CZK 19,994,633**.
2. The purchase price comprises all the costs relating to the delivery of the Goods (especially the transport and delivery, customs, etc) and with providing a guarantee-period service to the Purchaser.
3. The purchase price is stipulated as a fixed price, maximum permissible and maximum; it comprises all costs relating to the delivery of Goods.

V

Payment Terms and Conditions

1. The Purchaser shall not pay any advance to the purchase price to the Seller.
1. The Contractual Parties consider the Goods supplied after its taking over at the place of delivery stipulated in art. III hereof. A dated completion certificate signed by the authorized representatives of both Contractual Parties and always also initialed by the Director of UMTM shall serve as a certificate of proper fulfillment of obligations by the Seller as stated in the previous sentence.
2. After the Goods is properly delivered under the terms and conditions stated in the previous paragraphs, the Seller is entitled to issue an invoice (tax document). The invoice issued by the Seller must contain all the invoice requirements under the Act No 235/2004 of the Collection of Laws on the value-added tax as amended and requirements of a mercantile paper under section 13a of the Commercial Code and in the same time the identification of the Contract based on which the execution was made. The Seller shall append stamp and signature of a person authorized to issue the invoice on the invoice. The Seller shall deliver the invoice to the Purchaser by registered mail or personally to the Purchaser's mail room against a written receipt.
3. The purchase price is due within maximum **30 calendar days** from the day of delivery of the invoice to the Seller's banking account stated in the heading hereof.
4. In case any of the invoices shall not contain any requirement or the Seller shall wrongly account the price or VAT, the Purchaser is entitled to return the invoice to the Seller before the end of the maturity period to correct the invoice, while stating reasons of the return. The Seller shall correct the invoice by issuing a new invoice. The original maturity period shall cease to run on the date of sending the wrong invoice to the Seller and a new maturity period shall start running on the date of delivery of the new invoice to the Purchaser.
5. The Contractual Parties agreed that the obligation to pay the purchase price shall be fulfilled on the day of deducting the relevant amount from the Purchaser's account to the credit of the Seller's account stated in the heading of the Contract.



VI

Seller's Responsibility for Defects

1. The purchaser reserves the right to verify a representative sample of delivered screening compounds. This verification should be carried out 1 month after the delivery at the latest. In case the screening compounds do not conform to the bid specifications, the Purchaser is entitled to withdraw from the Contract.
2. The Seller shall provide guarantee for quality of the Goods to the Purchaser within sense of stipulation of section 429ff of the Commercial Code. The Seller shall be held responsible to the Purchaser that within the guarantee period of **12 months**, the Goods specified in article II hereof shall have the negotiated quality and making, is fit for the proper use for the negotiated purpose and that it shall retain the negotiated properties. If the Goods fail to have the above properties, it has got defects. The guarantee period shall start running after delivery of the Goods as documented by the signature of the completion certificate specified in art. V hereof by authorized representatives of both Contractual Parties and initialed by the Director of IMTM).
3. The Purchaser has the right of free of charge compound replacement within one-year period after compounds delivery for compounds that do not conform with the identity and/or purity specification(s). The replacement compound delivery should not exceed 8 weeks, unless the Contractual Parties agree otherwise.
4. In case the Seller fails to rectify the defects announced by the Purchaser within the deadlines set out in this article or within deadlines agreed by the Contractual Parties, the Purchaser is entitled to ensure rectification of the defects by a third party. In such a case, the Seller obliges to compensate the Purchaser all costs relating to removal of the defect by a third party within 15 days from the day of its accounting by the Purchaser. This shall not affect the Seller's obligation to pay a contractual fine to the Purchaser. By rectification of a defect through a third party, the Seller's liability for damage caused in connection with the Goods' defect is not abolished.

VII

Contractual Fines

1. In case of the Seller's delay with the term of delivery of Goods stipulated in art. III hereof, the Seller obliges to pay a contractual fine amounting to **0.5 %** from the purchase price without VAT stated in art. IV hereof for every - even beginning - day of delay after the stipulated deadline of proper delivery of the Goods to the Purchaser.
2. For cases of delay in payment of the purchase price, the Contractual Parties negotiate an interest on late payment in the amount stipulated by the government order No 142/1994 of the Collection of laws which stipulates the interest on late payment and charges on late payment under the Civil Code as amended.
3. In case the Seller fails to rectify the Goods' defect within the deadline stipulated in art. VI hereof, he obliges to pay the Purchaser a contractual fine of CZK 6000 for every - even beginning - day of delay with rectification of the Goods' defect while this stipulation pays for each separate defect of the Goods.
4. Contractual fines are not calculated into the compensation of potentially existing damage that can be claimed separately in full extent apart from the contractual fines.
5. The maturity period of accounted contractual fines and interests on late payment is 15 days from the date of delivery of a written statement to the relevant Contractual Party and the



day of deducting the amount of the contractual fine or interest on late payment from the account of the relevant Contractual Party to the credit of the account that shall be stated in the statement of the contractual fine or interest on late payment shall be considered the day of payment.

6. The Purchaser is entitled to set off the contractual fines against the claim of the Seller for the payment of the purchase price.

VIII

Final Provisions

1. This Contract may be changed or supplemented by the Contractual Parties only in the form of written supplements that shall be numbered in ascending order, shall be expressly declared as supplements hereof and signed by authorized representatives of the Contractual Parties.
2. Rights and obligations of the Contractual Parties in questions not expressly regulated by this Contract shall be governed by relevant stipulations of the Commercial Code or other generally binding legal regulations.
3. The Purchaser is entitled to withdraw from the Contract for its material breach by the Seller while a material breach of the Contract is defined as:
 - Seller's delay in the delivery of the Goods for more than 30 days,
 - Non-compliance with technical specification of the Goods stated in the Seller's offer.
4. The Purchaser is also entitled to withdraw from the Contract in case no grant is provided from OP RDI for the implementation of the project "BIOMEDREG – Biomedicine for Regional Development and Human Resources".
5. The Purchaser is also entitled to withdraw from the Contract in case the costs that should arise to the Purchaser based on this Contract would be designated as ineligible by the managing body of OP RDI or by another control subject.
5. The Seller is entitled to withdraw from the Contract in case of delay of the Purchaser to pay the purchase price for longer than 60 days.
6. Withdrawal from the Contract must be made in writing and it shall become effective on the day of delivery of a written announcement to the other Contractual Party.
7. The Seller acknowledges that he is a person with obligatory participation in financial controllig in harmony with the stipulation of section 2 letter e) of the Act No 320/2001 of the Collection of laws on financial control in public administration as amended.
8. Within the scope of control, the Seller obliges to enable right of access to the managing body of the Operation Programme of Research and Development for Innovations (The Ministry of Education, Youth and Sports of CR) also to such parts of the offers, contracts and relating documents that are subject to protection under special legal regulations (especially as business secret, classified material) on the condition that requirement of the legal regulations shall be fulfilled (specially section 11 letters c) and d), section 12 subsection 2 letter f) of the Act No 552/1991 of the Collection of laws on state control as amended), all this for up to 3 years after completion of OP RDI under art. 90 of the Council Directive (EC) No 1083/2006, ie minimum to year 2021. The Seller obliges to enable control and right of access of the managing body of OP RDI also to potential sub-suppliers of the Seller.
9. The Seller acknowledges that the Purchaser is obliged to comply with requirements for publicity within programmes of structural funds as stipulated in art. 9 of the Council Directive (EC) No 1828/2006 and Rules for Publicity within the OP RDI in all relevant documents relating to the contractual procedure, ie especially in all contracts and other



documents relating to the given tender.

10. The Seller shall produce to the Purchaser the list of subcontractors pursuant to § 147a of Public Tender Act No. 137/2006 Coll., where it shall indicate the subcontractors to which it has reimbursed more than 10 %. The Purchaser shall submit the list of subcontractors not later than within 60 days from the date of performance of the contract.
11. The Seller is not entitled to assign his rights and obligations ensuing herefrom to a third party without the consent of the Purchaser.
12. The Contract becomes effective on the day of its signature by both Contractual Parties.
13. The Contract is made in five counterparts valid as originals undersigned by the authorized representatives of both Contractual Parties while the Purchaser shall obtain three counterparts and the Seller two counterparts.
14. The Contractual Parties agreed that they shall settle all disputes above all by mutual negotiation with the goal to arrive at a peaceful settlement of the dispute.
15. The Contractual Parties declare that they read the Contract properly before its signature, that they approve of the content, the Contract is in accordance with their real and free will, in witness whereof the authorized representatives of the Contractual Parties append their signatures.

19-02-2014

In Olomouc on 2014

In San Diego on 17-3- 2014

Prof. Mgr. Jaroslav Miller, M.A., Ph.D.
Rector

UNIVERZITA PALACKÉHO V OLOMOUCI
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771 47 Olomouc

Nikolaus M. Gubernator, Ph.D. (President and CEO)