UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **October 31, 2013**

HARVARD BIOSCIENCE, INC.

(Exact name of registrant as specified in its charter)

Delaware	**001-33957**	**04-3306140**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

84 October Hill Road, Holliston, MA	**01746**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(508) 893-8999**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On November 1, 2013, the previously announced spin-off of Harvard Apparatus Regenerative Technology, Inc. (“HART”) from Harvard Bioscience, Inc. (“Harvard Bioscience,” the “Company,” “our,” “us” or “we”) was completed. HART became an independent company that operates the regenerative medicine business previously owned by Harvard Bioscience. The spin-off was completed through the distribution to Harvard Bioscience’s stockholders of record of all the shares of common stock of HART (the “Distribution”). In the Distribution, Harvard Bioscience distributed to its stockholders one share of HART common stock for every four shares of Harvard Bioscience common stock outstanding as of the close of business of Harvard Bioscience on October 21, 2013, the record date for the Distribution. Fractional shares of HART common stock were not included in the distribution. Instead, Registrar & Transfer Company will aggregate fractional shares into whole shares, sell the whole shares in the open market and distribute the aggregate net cash proceeds of the sales pro rata to each holder who otherwise would have been entitled to receive a fractional share in the Distribution.

In connection with the spin-off, on October 31, 2013, Harvard Bioscience entered into several definitive agreements with HART that, among other things, effect the spin-off and provide a framework for its relationship with HART after the spin-off, including the following agreements:

- a Separation and Distribution Agreement;
- an Intellectual Property Matters Agreement;
- a Product Distribution Agreement;
- a Tax Sharing Agreement; and
- a Transition Services Agreement

The principal agreements described below are filed as exhibits to this Form 8-K (Exhibits 2.1, 10.1, 10.2, 10.3, 10.4 and 10.5, respectively), and the summaries of each of these agreements below set forth the terms of the agreements that we believe are material. These summaries are qualified in their entireties by reference to the full text of the applicable agreements, which are incorporated by reference into this Form 8-K.

Separation and Distribution Agreement
The separation and distribution agreement sets forth the agreements between us and HART regarding the principal corporate transactions required to effect the separation of HART from Harvard Bioscience (the “Separation”) and the Distribution, and other agreements governing the relationship between HART and us.

The Separation

The separation and distribution agreement identifies the assets transferred, liabilities assumed and contracts assigned to each of us and HART as part of the separation of Harvard Bioscience into two companies, and provides for when and how these transfers, assumptions and assignments have and will occur. In particular, the separation and distribution agreement provides, among other things, that, subject to the terms and conditions contained therein:

- certain assets related to the businesses and operations of Harvard Bioscience’s regenerative medicine business, which we refer to as the HART Assets, have and will be transferred to HART or one of its subsidiaries;
- certain liabilities (including whether accrued, contingent or otherwise) arising out of or resulting from the HART Assets, and other liabilities related to the businesses and operations of Harvard Bioscience’s regenerative medicine business, which we refer to as the HART Liabilities, have been and will be retained by or transferred to HART or one of its subsidiaries;

- all of the assets and liabilities (including whether accrued, contingent or otherwise) other than the HART Assets and HART Liabilities (such assets and liabilities, other than the HART Assets and the HART Liabilities, are referred to as the Excluded Assets and Excluded Liabilities, respectively) will be retained by or transferred to us or one of our subsidiaries; and

- certain shared contracts will be assigned, in part to HART or its applicable subsidiaries or be appropriately amended.

Except as may expressly be set forth in the separation and distribution agreement or any other transaction agreements, all assets will be transferred on an "as is," "where is" basis and the respective transferees will bear the economic and legal risks that (1) any conveyance will prove to be insufficient to vest in the transferee good title, free and clear of any security interest, and (2) any necessary consents or governmental approvals are not obtained or that any requirements of laws or judgments are not complied with.

Certain of the liabilities and obligations to be assumed by one party or for which one party will have an indemnification obligation under the separation and distribution agreement and the other transaction agreements relating to the Separation are, and following the Separation may continue to be, the legal or contractual liabilities or obligations of the other party. Each party that continues to be subject to such legal or contractual liability or obligation will rely on the applicable party that assumed the liability or obligation or the applicable party that undertook an indemnification obligation with respect to the liability or obligation, as applicable, under the separation and distribution agreement to satisfy the performance and payment obligations or indemnification obligations with respect to such legal or contractual liability or obligation.

Claims

In general, each party to the separation and distribution agreement will assume liability for all pending, threatened and unasserted legal matters related to its own business or its assumed or retained liabilities and will indemnify the other party for any liability to the extent arising out of or resulting from such assumed or retained legal matters.

Intercompany Accounts

The separation and distribution agreement provides that, subject to any provisions in the separation and distribution agreement or any other transaction agreement to the contrary, at or prior to the Distribution, all intercompany accounts between Harvard Bioscience and its subsidiaries, on the one hand, and HART and its subsidiaries, on the other hand, will be settled.

Further Assurances

To the extent that any transfers contemplated by the separation and distribution agreement have not been consummated on or prior to the date of the Separation, the parties will agree to cooperate to effect such transfers as promptly as practicable following the date of the Separation. In addition, each of the parties will agree to cooperate with the other party and use commercially reasonable efforts to take or to cause to be taken all actions, and to do, or to cause to be done, all things reasonably necessary under applicable law or contractual obligations to consummate and make effective the transactions contemplated by the separation and distribution agreement and the other transaction agreements.

Employee Matters

The separation and distribution agreement also allocates liabilities and responsibilities relating to employee compensation, benefit plans, programs and other related matters in connection with the Separation, including the treatment of outstanding incentive awards and certain retirement and welfare benefit obligations. The separation and distribution agreement provides for certain adjustments with respect to Harvard Bioscience equity compensation awards that will occur in connection with the Distribution. Such adjustment is required under the Harvard Bioscience employee benefit plans and it is anticipated that each outstanding Harvard Bioscience option to purchase Harvard Bioscience common stock shall be converted on the date of the Distribution into both an adjusted Harvard Bioscience option to purchase Harvard Bioscience common stock and an option to purchase HART common stock. It is currently anticipated that Black-Scholes valuation modeling will be used to determine the value that each Harvard Bioscience option has lost at the time of the Distribution and then to ensure the holder maintains such lost value, 80% of such lost value will be provided back to the holder by making appropriate adjustments to the share amount and exercise price of the existing Harvard Bioscience option and 20% of such lost value will be provided back to the holder through the issuance of an option to purchase HART common stock. The share amounts and exercise prices of the adjusted Harvard Bioscience options and HART options would be adjusted in a manner to ensure the intrinsic value held by the holder pertaining to the existing Harvard Bioscience award is maintained immediately following the Distribution and shall be determined such that tax is not triggered under Section 409A of the Internal Revenue Code.

Similar to the adjustment of the existing Harvard Bioscience options, with respect to each unvested Harvard Bioscience restricted stock unit outstanding at the time of the Distribution, such Harvard Bioscience restricted stock unit shall be converted on the date of the Distribution into both an adjusted Harvard Bioscience restricted stock unit and a HART restricted stock unit. Immediately following the Distribution, the market prices of Harvard Bioscience and HART common stock will be used to determine the value that each Harvard Bioscience restricted stock unit lost at the time of the Distribution and then to ensure the holder maintains such lost value, 80% of such lost value will be provided back to the holder by making appropriate increase of the share amount of the existing Harvard Bioscience restricted stock unit and 20% of such lost value will be provided back to the holder through the issuance of a HART restricted stock unit. The share amounts of the adjusted Harvard Bioscience restricted stock unit and HART restricted stock unit would be set in a manner to ensure the intrinsic value held by the holder pertaining to the existing Harvard Bioscience award is maintained immediately following the Distribution and shall be determined such that tax is not triggered under Section 409A of the Internal Revenue Code.

Auditors and Audits; Annual Financial Statements and Accounting

HART has agreed that, for so long as Harvard Bioscience is required to consolidate HART’s results of operations and financial position or account for its investment in HART under the equity method of accounting, HART will:

- not change its independent auditors without Harvard Bioscience’s prior written consent;

- use its best efforts to enable its independent auditors to complete their audit of HART’s financial statements in a timely manner so as to permit timely filing of Harvard Bioscience’s financial statements;

- provide to Harvard Bioscience and its independent auditors all information required for Harvard Bioscience to meet its schedule for the filing and distribution of its financial statements and to make available to Harvard Bioscience and its independent auditors all documents necessary for the annual audit of HART as well as access to the responsible company personnel so that Harvard Bioscience and its independent auditors may conduct their audits relating to HART’s financial statements;

- adhere to certain specified Harvard Bioscience accounting policies and notify and consult with Harvard Bioscience regarding any changes to HART’s accounting principles and estimates used in the preparation of HART’s financial statements, and any deficiencies in, or violations of law in connection with, HART’s internal control over financial reporting; and

- consult with Harvard Bioscience regarding the timing and content of HART’s earnings releases and cooperate fully (and cause HART’s independent auditors to cooperate fully) with Harvard Bioscience in connection with any of its public filings.

Releases

Except as otherwise provided in the separation and distribution agreement or any other transaction agreements, each party will release and forever discharge the other party and its respective subsidiaries and affiliates from all liabilities existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Separation. The releases will not extend to obligations or liabilities under any agreements between the parties that remain in effect following the Separation, which agreements include, but are not limited to, the separation and distribution agreement, the transition services agreement, the tax sharing agreement, and certain commercial agreements and the transfer documents in connection with the Separation.

Indemnification

In addition, the separation and distribution agreement provides for cross-indemnities principally designed to place financial responsibility for the obligations and liabilities of HART's business with HART and financial responsibility for the obligations and liabilities of Harvard Bioscience's business with Harvard Bioscience. Specifically, each party will indemnify, defend and hold harmless the other party, its affiliates and subsidiaries and its officers, directors, employees and agents for any losses arising out of or otherwise in connection with:

- the liabilities that each such party assumed or retained pursuant to the separation and distribution agreement (which, in the case of HART, would include the HART liabilities and, in the case of Harvard Bioscience, would include the excluded liabilities) and the other transaction agreements;
- the operation of such party's business (other than, in the case of Harvard Bioscience, HART's business);
- any guarantee, indemnification obligation, surety bond or other credit support agreement, arrangement, commitment or understanding for the benefit of such party or its subsidiaries by the other party or any of its subsidiaries that survives following the Separation date; and
- any breach by such party of the separation and distribution agreement or the other transaction agreements.

Also, HART will indemnify, defend and hold harmless Harvard Bioscience, its affiliates and subsidiaries and its officers, directors, employees and agents for any losses arising out of or otherwise in connection with any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated in the registration statement on Form 10 and related information statement that was filed by HART in connection with the spin-off or in such information statement or necessary to make the statements in such registration statement or such information statement not misleading. The separation and distribution agreement also specifies procedures with respect to claims subject to indemnification and related matters.

Access to Information

Under the separation and distribution agreement, HART and Harvard Bioscience are obligated to provide each other access to information as follows:

- subject to applicable confidentiality obligations and other restrictions, HART and Harvard Bioscience will give each other any information within each other's possession that the requesting party reasonably needs to comply with requirements imposed on the requesting party by a governmental authority, for use in any proceeding or to satisfy audit, accounting or similar requirements, or to comply with its obligations under the separation and distribution agreement or any ancillary agreement;

- HART will maintain in effect at its own cost and expense adequate systems and controls to the extent necessary to enable Harvard Bioscience and its subsidiaries to satisfy their respective reporting, accounting, audit and other obligations, and HART will provide to Harvard Bioscience in such form as Harvard Bioscience may request, at no charge to Harvard Bioscience, all financial and other data and information as Harvard Bioscience determines necessary or advisable in order to prepare its financial statements and reports or filings with any governmental authorities, including copies of all quarterly and annual financial information and other reports and documents HART intends to file with the SEC prior to such filings (as well as final copies upon filing), and copies of HART's budgets and financial projections;

- subject to certain exceptions HART and Harvard Bioscience will use reasonable efforts to make available to each other, its past, present and future directors, officers, other employees and representatives to the extent reasonably required as witnesses in any legal, administrative or other proceedings in which the other party may become involved;

- the company providing information, consultant or witness services under the separation and distribution agreement will be entitled to reimbursement from the other for reasonable expenses incurred in providing this assistance;

- HART will retain certain information owned by HART or in is possession relating to its business in accordance with Harvard Bioscience's record retention policy and, if HART intends to destroy this information prior to the end of the retention period required by Harvard Bioscience's retention policy, HART must give Harvard Bioscience the opportunity to take possession of the information; and

- HART and Harvard Bioscience will hold in strict confidence all proprietary information concerning or belonging to the other party for a five year period after the Separation, unless legally required to disclose such proprietary information.

Insurance

The separation and distribution agreement provides for the allocation among the parties of rights and obligations under existing insurance policies with respect to occurrences prior to the Separation and will set forth procedures for the administration of insured claims. In addition, the separation and distribution agreement allocates between the parties the right to proceeds and the obligation to incur certain deductibles under certain insurance policies. The separation and distribution agreement also provides that Harvard Bioscience will obtain, subject to the terms of the agreement, certain directors and officers insurance policies to apply against certain pre-separation claims, if any.

Expenses

All third-party fees, costs and expenses paid or incurred in connection with the Separation and the Distribution will be paid by Harvard Bioscience. Except as otherwise set forth above or as provided in the separation and distribution agreement or other transaction agreements, all other costs and expenses will be borne by the party incurring such costs and expenses.

Intellectual Property Matters Agreement

The intellectual property matters agreement governs various arrangements between HART and Harvard Bioscience. The agreement provides for the transfer by Harvard Bioscience of all patents, patent applications and inventions not yet filed as patents, as well as any other trade secrets or know-how, that were originated in HART's business following its establishment as a division of Harvard Bioscience. The agreement also provides for cross-licenses whereby HART will have a worldwide royalty free license to use in its business certain of Harvard Bioscience's currently existing intellectual property, technology and know-how, and Harvard Bioscience will have a worldwide royalty free license to use in certain of its businesses HART's currently existing intellectual property, technology and know-how. The transfer of the intellectual property from Harvard Bioscience to HART that was originated in HART's business and the cross-licenses described above shall remain in effect in perpetuity.

In addition, in accordance with the intellectual property matters agreement, HART will grant Harvard Bioscience an exclusive, worldwide license to use that intellectual property, including any technology or intellectual property developed in the future during the five year period of time following the date of the agreement, for use within the industries and fields in which Harvard Bioscience is currently operating now and in the future, excluding the fields and industries in which HART operates. In addition, Harvard Bioscience will grant to HART an exclusive, worldwide license to all technology or intellectual property developed in certain divisions of its business in the future during the five year period of time following the date of the agreement, for use within the industries and fields in which HART operates. Such licenses are subject to expiration in the event the licensee ceases to actively use the licensed technology or suffers certain insolvency events, as well as upon the expiration of patents that may be included in the licensed technology. Such licenses will be royalty-free for a period of five years following the date of the agreement, provided the parties have agreed that if following such royalty-free five year period, a licensee desires to continue the license, the parties will negotiate in good faith the payment terms and conditions of a continued license.

The intellectual property matters agreement also provides that for a period of ten years following the date of the agreement, each company will be subject to non-competition and non-solicitation provisions which restrict its ability to compete with the other company in such company's respective field as well as soliciting and hiring employees of the other company under certain circumstances.

Product Distribution Agreement

We have also entered into a product distribution agreement with HART pursuant to which each company will become the exclusive distributor for the other party for products such other party develops for sale in the markets served by the other. In addition, Harvard Bioscience has agreed, that except for certain existing activities of its German subsidiary, to the extent that any Harvard Bioscience businesses desire to resell or distribute any bioreactor that is then manufactured by HART, HART will be the exclusive manufacturer of such bioreactors and Harvard Bioscience will purchase such bioreactors from HART. The product distribution agreement has an initial term of ten years, provided that either party may terminate the agreement earlier in the case of material breach by the other party after written notice and a sixty day period to cure and certain other instances pertaining to insolvency events impacting a party. In addition, either party may terminate its obligations as a distributor with respect to a particular product, after written notice and a sixty day period to cure, if such party determines that the other party is unwilling or unable to supply such product.

Tax Sharing Agreement

Allocation of Taxes

The tax sharing agreement governs the parties' respective rights, responsibilities and obligations with respect to tax liabilities and benefits, tax attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings and other matters regarding taxes. In general, under the tax sharing agreement:

- With respect to any periods (or portions thereof) ending at or prior to the Distribution, Harvard Bioscience is responsible for any U.S. federal income taxes (including any interest or penalties thereon and any audit adjustment) and any U.S. state or local income taxes (including any interest or penalties thereon and any audit adjustment) reportable on a consolidated, combined or unitary return.

- After the Distribution, Harvard Bioscience will be responsible for U.S. federal, state or local income taxes reportable on returns that include only Harvard Bioscience and its subsidiaries (excluding HART and its subsidiaries), and HART will be responsible for any U.S. federal, state or local income taxes reportable on returns that include only HART and its subsidiaries.

- Harvard Bioscience is responsible for any non-income taxes reportable on returns that include only Harvard Bioscience and its subsidiaries (excluding HART and its subsidiaries), and after the Distribution, HART is responsible for any non-income taxes filed on returns that include only it and its subsidiaries.

HART is generally not entitled to receive payment from Harvard Bioscience in respect of any of HART's tax attributes or tax benefits or any reduction of taxes of Harvard Bioscience. Moreover, Harvard Bioscience is generally entitled to refunds of income taxes with respect to periods (or portions thereof) ending at or prior to the Distribution. If HART realizes any refund, credit or other reduction in otherwise required tax payments in any period (or portion thereof) beginning after the Distribution as a result of an audit adjustment resulting in taxes for which Harvard Bioscience would otherwise be responsible, then, subject to certain exceptions, Harvard Bioscience will be entitled to such refund, credit or reduction. Further, if any taxes result to Harvard Bioscience as a result of a reduction in HART's tax attributes for a period (or portion thereof) ending at or prior to the Distribution pursuant to an audit adjustment (relative to the amount of such tax attribute reflected on Harvard Bioscience's tax return as originally filed), then, subject to certain exceptions, Harvard Bioscience will be responsible for paying the amount of any such taxes.

The parties obligations under the tax sharing agreement are not limited in amount or subject to any cap. Further, even if HART or Harvard Bioscience is not responsible for tax liabilities of the other party and its subsidiaries under the tax sharing agreement, such party nonetheless could be liable under applicable tax law for such liabilities.

The tax sharing agreement also assigns responsibilities for administrative matters, such as the filing of returns, payment of taxes due, retention of records and conduct of audits, examinations or similar proceedings. In addition, the tax sharing agreement provides for cooperation and information sharing with respect to tax matters. Harvard Bioscience is primarily responsible for preparing and filing any tax return with respect to the Harvard Bioscience affiliated group for U.S. federal income tax purposes and with respect to any consolidated, combined or unitary group for U.S. state or local income tax purposes that includes Harvard Bioscience or any of its subsidiaries. Under the tax sharing agreement, HART generally will be responsible for preparing and filing any tax returns that include only HART and its subsidiaries for tax periods beginning after the Distribution.

Harvard Bioscience generally has exclusive authority to control tax contests related to any tax returns of the Harvard Bioscience affiliated group for U.S. federal income tax purposes and with respect to any consolidated, combined or unitary group for U.S. state or local income tax purposes that includes Harvard Bioscience or any of its subsidiaries. HART generally has exclusive authority to control tax contests with respect to tax returns that include only HART and its subsidiaries for tax periods beginning after the Distribution.

Preservation of the Tax-free Status of the Distribution

Harvard Bioscience and HART intend the contribution and Distribution, taken together, to qualify as a reorganization pursuant to which no gain or loss is recognized by Harvard Bioscience or its stockholders for federal income tax purposes under Sections 355, 368(a)(1)(D) and related provisions of the Internal Revenue Code. HART has agreed to certain restrictions that are intended to preserve the tax-free status of the contribution and the Distribution. HART may take certain actions otherwise prohibited by these covenants if Harvard Bioscience receives a private letter ruling from the IRS or if HART obtains, and provides to Harvard Bioscience, an opinion from a U.S. tax counsel or accountant of recognized national standing, in either case, acceptable to Harvard Bioscience in its sole and absolute discretion to the effect that such action would not jeopardize the tax-free status of the contribution and the Distribution. These covenants include restrictions on HART's:

- issuance or sale of stock or other securities (including securities convertible into HART's stock but excluding certain compensatory arrangements);

- sales of assets outside the ordinary course of business; and

- entering into any other corporate transaction which would cause HART to undergo a 50 percent or greater change in HART's stock ownership.

HART has generally agreed to indemnify Harvard Bioscience and its affiliates against any and all tax-related liabilities incurred by them relating to the contribution or the Distribution to the extent caused by an acquisition of HART stock or assets, or other actions of HART. This indemnification applies even if Harvard Bioscience has permitted HART to take an action that would otherwise have been prohibited under the tax-related covenants as described above.

Transition Services Agreement

Harvard Bioscience and HART have entered into a transition services agreement in connection with the Separation pursuant to which, Harvard Bioscience will provide HART, on a transitional basis, certain administrative, human resources, treasury and support services and other assistance, consistent with the services provided by Harvard Bioscience before the Distribution. Pursuant to the transition services agreement, Harvard Bioscience will provide certain support services to HART, including, among others, accounting, management, payroll, facilities usage, benefits contributions, human resources, information systems and various other corporate services, as well as operations and engineering support. The charges for the transition services generally are intended to allow Harvard Bioscience to fully recover the costs directly associated with providing the services, plus all out-of-pocket costs and expenses, generally without profit. The charges of each of the transition services generally will be based on either a pre-determined flat fee or an allocation of the cost incurred by Harvard Bioscience providing the service, including certain fees and expenses of third-party service providers. HART will be provided with reasonable information that supports the charges for such transition service by Harvard Bioscience.

The services provided under the transition services agreement will terminate at various times specified in the agreement (generally one year after the completion of the Distribution). HART may terminate certain specified services by giving prior written notice to the provider of such services and paying any applicable termination charge.
While at the time of the Distribution, Harvard Bioscience is not expected to require any transition services from HART, Harvard Bioscience will have the right to request certain services if it determines such services are necessary during the term of the agreement.

Subject to certain exceptions, the liabilities of each party under the transition services agreement will generally be limited to the aggregate charges (excluding any third-party costs and expenses included in such charges) actually paid to such party pursuant to the transition services agreement. The transition services agreement also provides that neither party will not be liable to the other of such service for any special, indirect, incidental or consequential damages.

Item 1.02 Termination of a Material Definitive Agreement.

As of the time of the Distribution, the employment agreements we have entered into with David Green, our former President and Secretary, and Thomas McNaughton, our former Chief Financial Officer and Treasurer, were terminated, and Mr. Green and Mr. McNaughton resigned from their positions as officers of the Company and its subsidiaries. Please see the disclosure set forth under Item 5.02, which is incorporated by reference into this Item 1.02.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

As previously announced by Harvard Bioscience, Jeffrey A. Duchemin is the current Chief Executive Officer of the Company, and effective as of the time of the Distribution, he will assume the role of President, and Robert E. Gagnon will assume the role of Chief Financial Officer, Treasurer and Secretary.

Effective as of the Distribution, the employment agreements we have entered into with David Green, our former President and Secretary, and Thomas McNaughton, our former Chief Financial Officer and Treasurer, were terminated, and Mr. Green and Mr. McNaughton have stepped down and resigned from their positions as officers of the Company and its subsidiaries, so that they could respectively become the Chief Executive Officer and Chief Financial Officer of HART. Mr. Green will remain a director of Harvard Bioscience. For a description of these terminated employment agreements, please see the summaries set forth in the Company's definitive Proxy Statement filed with the SEC on April 12, 2013 pursuant to Regulation 14A, in connection with the Annual Meeting of Stockholders held on May 23, 2013, which such summaries are incorporated herein by reference.

In connection with the termination, each of Mr. Green and Mr. McNaughton have entered into a waiver agreement with the Company (each a "Waiver"), whereby each party has agreed that the termination of each executive's employment with the Company shall constitute neither a termination by the Company of executive's employment for cause under the employment agreement, nor a termination by the executive of executive's employment for good reason under the employment agreement. Each Waiver also provides that in connection with the termination, the Company shall, through the date of such termination, pay the executive (i) his accrued and unpaid base salary at the rate in effect at the time of such termination plus (ii) his then accrued and unpaid incentive compensation, if any, plus (iii) whatever applicable law may require in such circumstances, and thereafter, the Company shall have no obligations to Executive under the employment agreement relating to any severance which is expressly released by the executive in the Waiver. The Waiver also confirms that the termination and Waiver shall not adversely affect or alter executive's rights (i) as a stockholder of the Company, (ii) with respect to any indemnification obligation of the Company to the executive, or (iii) under any employee benefit plan of the Company in which executive, at the time of such termination, has an interest or any rights under any awards under the Company's equity-based incentive plans held by executive at the time of such termination. Such Waivers are attached as Exhibits 10.5 and 10.6 to this Form 8-K. The description of the Waivers above does not purport to be complete and is qualified in its entirety by reference to the respective Waiver which is each incorporated herein by reference.

Item 8.01 Other Events.

On November 1, 2013, Harvard Bioscience issued a press release announcing the completion of the spin-off. The full text of the press release is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 8.01.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description of Exhibit
2.1§	Separation and Distribution Agreement between Harvard Bioscience, Inc. and Harvard Apparatus Regenerative Technology, Inc. dated as of October 31, 2013.
10.1	Intellectual Property Matters Agreement between Harvard Bioscience, Inc. and Harvard Apparatus Regenerative Technology, Inc. dated as of October 31, 2013.
10.2	Product Distribution Agreement between Harvard Bioscience, Inc. and Harvard Apparatus Regenerative Technology, Inc. dated as of October 31, 2013.
10.3	Tax Sharing Agreement between Harvard Bioscience, Inc. and Harvard Apparatus Regenerative Technology, Inc. dated as of October 31, 2013.
10.4	Transition Services Agreement between Harvard Bioscience, Inc. and Harvard Apparatus Regenerative Technology, Inc. dated as of October 31, 2013.
10.5	Waiver Relating to the Employment Agreement between Harvard Bioscience, Inc. and David Green dated as of October, 31, 2013 between Harvard Bioscience, Inc. and David Green.
10.6	Waiver Relating to the Employment Agreement between Harvard Bioscience, Inc. and Thomas McNaughton dated as of October, 31, 2013 between Harvard Bioscience, Inc. and Thomas McNaughton.
99.1	Press Release issued by Harvard Bioscience, Inc. on November 1, 2013.

§ The schedules and exhibits to the Separation Agreement have been omitted. A copy of any omitted schedule or exhibit will be furnished to the SEC supplementally upon request.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

	HARVARD BIOSCIENCE, INC.
	(Registrant)
November 6, 2013	**/s/ Robert E. Gagnon**
(Date)	Robert E. Gagnon *Chief Financial Officer*

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EXHIBIT 2.1

SEPARATION AND DISTRIBUTION AGREEMENT

BY AND BETWEEN

HARVARD BIOSCIENCE, INC.

AND

HARVARD APPARATUS REGENERATIVE TECHNOLOGY, INC.

DATED AS OF OCTOBER 31, 2013

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SEPARATION AND DISTRIBUTION AGREEMENT

This SEPARATION AND DISTRIBUTION AGREEMENT, dated as of October 31, 2013 (this "Agreement"), is by and between HARVARD BIOSCIENCE, INC., a Delaware corporation ("HBIO") and HARVARD APPARATUS REGENERATIVE TECHNOLOGY, INC., a Delaware corporation ("HART") (each, a "Party" and, collectively, the "Parties"). Capitalized terms used herein and not otherwise defined shall have the respective meanings assigned to them in Article I hereof.

RECITALS

WHEREAS, HBIO is a global developer, manufacturer and marketer of a broad range of specialized products, primarily apparatus and scientific instruments, used to advance life science research and regenerative medicine;

WHEREAS, the Board of Directors of HBIO (the "HBIO Board") has determined that it is appropriate, desirable and in the best interests of HBIO and its stockholders to separate HBIO into two independent companies, one for each of: (i) the HBIO Business, which shall continue to be owned and conducted, directly or indirectly, in addition to any other line of business it may conduct, by HBIO, and (ii) the HART Business (as defined below), which shall be owned and conducted, directly or indirectly, by HART;

WHEREAS, in furtherance of the foregoing, the HBIO Board and the board of directors of HART (the "HART Board") have determined that it is appropriate and desirable for HBIO and its applicable Subsidiaries to transfer the HART Assets to HART and its applicable Subsidiaries, and for HART and its applicable Subsidiaries to assume the HART Liabilities, in each case, as more fully described in this Agreement and the Ancillary Agreements (the "Separation");

WHEREAS, HART has been incorporated for purpose of the Separation;

WHEREAS, HBIO currently intends that, after the Separation, HBIO shall distribute to holders of shares of HBIO Common Stock, through a spin-off, the outstanding shares of the common stock, par value $0.01 per share, of HART (the "HART Common Stock") then owned directly or indirectly by HBIO, as more fully described in this Agreement and the Ancillary Agreements (the "Distribution");

WHEREAS, for U.S. federal income tax purposes, the Contribution (as defined below) and the Distribution, if effected, taken together, are intended to qualify as a tax-free spin-off under Section 355 and 368(a)(1)(D) of the Code;

WHEREAS, HBIO has received a private letter ruling from the U.S. Internal Revenue Service (the "IRS") substantially to the effect that, among other things, the contribution by HBIO (itself) of the assets of the regenerative medicine device business to HART (itself) (the "Contribution") and the Distribution, if effected, taken together, will qualify as a transaction that is tax-free for U.S. federal income tax purposes under Section 355 and 368(a)(1)(D) of the Code (the "Private Letter Ruling");

WHEREAS, this Agreement is intended to be a "plan of reorganization" within the meaning of Treas. Reg. 1.368-2(g);

WHEREAS, it is appropriate and desirable to set forth the principal corporate transactions required to effect the Contribution, the Separation and the Distribution and certain other agreements that will govern certain matters relating to the Contribution, the Separation and the Distribution and the relationship of HBIO, HART and their respective Subsidiaries following the Contribution and the Distribution.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I
DEFINITIONS

For the purpose of this Agreement, the following terms shall have the following meanings:

"Action" shall mean any demand, action, claim, dispute, suit, countersuit, arbitration, inquiry, subpoena, proceeding or investigation of any nature (whether criminal, civil, legislative, administrative, regulatory, prosecutorial or otherwise) by or before any federal, state, local, foreign or international Governmental Authority or any arbitration or mediation tribunal.

"Affiliate" (including, with a correlative meaning, "affiliated") shall mean, when used with respect to a specified Person, a Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified Person. For the purpose of this definition, "control" (including with correlative meanings, "controlled by" and "under common control with"), when used with respect to any specified Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment, undertaking or otherwise. It is expressly agreed that, from and after the Separation Date and for purposes of this Agreement and the other Ancillary Agreements, (1) no member of the HART Group shall be deemed to be an Affiliate of any member of the HBIO Group, and (2) no member of the HBIO Group shall be deemed to be an Affiliate of any member of the HART Group.

"Agent" means the distribution agent to be appointed by HBIO to distribute to the shareholders of HBIO all of the shares of HART Common Stock held by HBIO pursuant to the Distribution.

"Agreement" shall have the meaning set forth in the Preamble.

"Ancillary Agreements" means collectively, all of the agreements, instruments, understandings, assignments or other arrangements entered into in connection with the transactions contemplated hereby, including, without limitation, this Agreement, the Transition Services Agreement, the Tax Sharing Agreement, Contribution Agreement, Sublease Agreement, Sublicense Agreement, Intellectual Property Matters Agreement, Product Distribution Agreement, and the Transfer Documents, and individually, each such agreement.

"Approvals or Notifications" shall mean any consents, waivers, approvals, permits or authorizations to be obtained from, notices, registrations or reports to be submitted to, or other filings to be made with, any third Person, including any Governmental Authority.

"Assets" means, with respect to any Person, the assets, properties, claims and rights (including goodwill) of such Person, wherever located (including in the possession of vendors or other third Persons or elsewhere), of every kind, character and description, whether real, personal or mixed, tangible, intangible or contingent, in each case whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of such Person, including the following:

(a) all accounting and other books, records and files whether in paper, microfilm, microfiche, computer tape or disc, magnetic tape, electronic or any other form;

(b) all apparatus, computers and other electronic data processing and communications equipment, fixtures, machinery, equipment, furniture, office equipment, automobiles, trucks, vessels, motor vehicles and other transportation equipment and other tangible personal property;

(c) all inventories of materials, parts, raw materials, components, supplies, work-in-process and finished goods and products;

(d) all interests in real property of whatever nature, including easements, whether as owner, mortgagee or holder of a Security Interest in real property, lessor, sublessor, lessee, sublessee or otherwise;

(e) (i) all interests in any capital stock or other equity interests of any Subsidiary or any other Person, (ii) all bonds, notes, debentures or other securities issued by any Subsidiary or any other Person, (iii) all loans, advances or other extensions of credit or capital contributions to any Subsidiary or any other Person and (iv) all other investments in securities of any Person;

(f) all license agreements, leases of personal property, open purchase orders for raw materials, supplies, parts or services and other contracts, agreements or commitments;

(g) all deposits and letters of credit;

(h) all written (including in electronic form) or oral technical information, data, specifications, research and development information, engineering drawings and specifications, operating and maintenance manuals, and materials and analyses prepared by consultants and other third Persons;

(i) all Intellectual Property and Technology;

(j) all Software;

(k) all cost information, sales and pricing data, customer prospect lists, supplier records, customer and supplier lists, customer and vendor data, correspondence and lists, product data and literature, artwork, design, formulations and specifications, quality records and reports and other books, records, studies, surveys, reports, plans and documents;

(l) all prepaid expenses, trade accounts and other accounts and notes receivable;

(m) all rights under contracts or agreements, all claims or rights against any Person arising from the ownership of any Asset, all rights in connection with any bids or offers and all claims, choses in action or similar rights, whether accrued or contingent;

(n) all licenses, permits, approvals and authorizations which have been issued by any Governmental Authority;

(o) all cash or cash equivalents, bank accounts, lock boxes and other deposit arrangements; and

(p) all interest rate, currency, commodity or other swap, collar, cap or other hedging or similar agreements or arrangements.

"Benefit Plan" means, with respect to an entity or any of its Subsidiaries, (a) each "employee welfare benefit plan" (as defined in Section 3(1) of ERISA) and all other employee benefits arrangements, policies or payroll practices (including, without limitation, severance pay, sick leave, vacation pay, salary continuation, disability, retirement, deferred compensation, bonus, stock option or other equity-based compensation, hospitalization, medical insurance or life insurance) sponsored or maintained by such entity or by any of its Subsidiaries (or to which such entity or any of its Subsidiaries contributes or is required to contribute) and (b) all "employee pension benefit plans" (as defined in Section 3(2) of ERISA), occupational pension plan or arrangement or other pension arrangements sponsored, maintained or contributed to by such entity or any of its Subsidiaries (or to which such entity or any of its Subsidiaries contributes or is required to contribute). For the avoidance of doubt, "Benefit Plans" includes Health and Welfare Plans. When immediately preceded by "HBIO," Benefit Plan means any Benefit Plan sponsored, maintained or contributed to by HBIO or a member of the HBIO Group. When immediately preceded by "HART," Benefit Plan means any Benefit Plan sponsored, maintained or contributed to by HART or any member of the HART Group.

"Business Day" means a day other than a Saturday, a Sunday or a day on which banking institutions located in Boston, Massachusetts or New York, New York are authorized or obligated by law or executive order to close.

"COBRA" means the continuation coverage requirements for "group health plans" under Title X of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, and as codified in Code § 4980B and ERISA §§ 601 through 608.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Committee" shall have the meaning set forth in Section 8.8(a).

"Contribution" shall have the meaning set forth in the Recitals.

"Contribution Agreement" means the Contribution Agreement, dated as of the date hereof, between HBIO and HART.

"Covered Subsidiary" means a corporation or other legal entity controlled or owned, directly or indirectly, by HBIO that is covered under an HBIO insurance policy.

"DC Trust" shall have the meaning set forth in Section 8.5(a).

"Disclosure Committee" shall have the meaning set forth in Section 6.1(d).

"Dispute" shall have the meaning set forth in Section 9.2.

"Dispute Notice" shall have the meaning set forth in Section 9.2.

"Distribution" shall have the meaning set forth in the Recitals.

"Distribution Date" shall mean the date determined in accordance with Section 4.3(a) on which the Distribution occurs.

"Distribution Ratio" shall mean a ratio of a certain number of shares of HART Common Stock for every certain number of shares of HBIO Common Stock as determined by the HBIO Board with respect to the Distribution.

"Environmental Law" shall mean any Law relating to pollution, protection or restoration of or prevention of harm to the environment or natural resources, including the use, handling, transportation, treatment, storage, disposal, Release or discharge of Hazardous Materials or the protection of or prevention of harm to human health and safety.

"Environmental Liabilities" shall mean all Liabilities relating to, arising out of or resulting from any Hazardous Materials, Environmental Law or contract or agreement relating to environmental, health or safety matters (including all removal, remediation or cleanup costs, investigatory costs, response costs, natural resources damages, property damages, personal injury damages, costs of compliance with any product take back requirements or with any settlement, judgment or other determination of Liability and indemnity, contribution or similar obligations) and all costs and expenses, interest, fines, penalties or other monetary sanctions in connection therewith.

"Exchange Act" shall mean the U.S. Securities Exchange Act of 1934, as amended, together with the rules and regulations promulgated thereunder.

"Excluded Assets" shall have the meaning set forth in Section 2.2(b).

"Excluded Liabilities" shall have the meaning set forth in Section 2.3(b).

"Existing HBIO Exercise Price" means for each HBIO Option, the per share exercise price of such HBIO Option immediately prior to the Distribution Date.

"Existing HBIO Option Amount" means for each HBIO Option, the number of shares of HBIO Common Stock subject to such HBIO Option immediately prior to the Distribution Date.

"Existing HBIO Restricted Stock Unit Amount" means the number of shares of HBIO Common Stock subject to the respective HBIO Restricted Stock Unit immediately prior to the Distribution Date.

"Force Majeure" means, with respect to a Party, any acts of God, storms, floods, riots, fires, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities or other national or international calamity or one or more acts of terrorism or failure of energy sources or distribution facilities, that are beyond the control of such Party (or any Person acting on its behalf), which by its nature could not have been reasonably foreseen by such Party (or such Person), or, if it could have been reasonably foreseen, was unavoidable.

"Form 10 Registration Statement" shall mean the registration statement on Form 10 to be filed under the Exchange Act, pursuant to which the HART Common Stock will be registered under the Exchange Act, together with all amendments thereto.

"Former HART Employee" means any individual who as of the Separation Date is a former employee of the HART Group or the HBIO Group, and whose last employment with the HART Group or the HBIO Group, was with a member of the HART Group.

"Former HBIO Employee" means any individual who as of the Separation Date is a former employee of the HBIO Group or the HART Group, and whose last employment with the HBIO Group or HART Group, was with a member of the HBIO Group.

"GAAP" shall mean United States generally accepted accounting principles.

"Governmental Approvals" shall mean any notices, reports or other filings to be made, or any consents, registrations, approvals, permits or authorizations to be obtained from, any Governmental Authority.

"Governmental Authority" shall mean any nation or government, any state, municipality or other political subdivision thereof, and any entity, body, agency, commission, department, board, bureau, court, tribunal or other instrumentality, whether federal, state, local, domestic, foreign or multinational, exercising executive, legislative, judicial, regulatory, administrative or other similar functions of, or pertaining to, government and any executive official thereof.

"Group" shall mean either the HART Group or the HBIO Group, as the context requires.

"HART" shall have the meaning set forth in the Preamble.

"HART 401(k) Plan" shall have the meaning set forth in Section 8.5.

"HART's Auditors" shall have the meaning set forth in Section 6.1(i).

"HART Accounts" shall have the meaning set forth in Section 2.6(a).

"HART Assets" shall have the meaning set forth in Section 2.2(a).

"HART Balance Sheet" shall mean the unaudited combined balance sheet of the HART Group, including the notes thereto, as of October 31, 2013.

"HART Benefit Plan" shall mean, any Benefit Plan sponsored or maintained by HART.

"HART Board" shall have the meaning set forth in the Recitals.

"HART Business" means the development, manufacture and sale of products for use in human regenerative medicine. This includes the development, manufacture and sale of pumps for human clinical injections and bioreactors and scaffolds for regenerating human organs and tissues and products for use on humans (or on human cells, tissue or organs) as part of a procedure that involves an injection, implant or transplant into a human. As used in this Agreement, the term "HART Business" includes any of the aforementioned activities plus any natural expansion of such business in the regenerative medicine field for use in humans by comparable companies in the regenerative medicine field for use in humans.

"HART Capital Stock" shall mean all classes or series of capital stock of HART, including the HART Common Stock, and all options, warrants and other rights to acquire such capital stock.

"HART Common Stock" shall have the meaning set forth in the Recitals.

"HART Contracts" shall mean the following contracts and agreements to which HBIO or any of its Affiliates is a party or by which it or any of its Affiliates or any of their respective Assets is bound, whether or not in writing, except for any such contract or agreement that is contemplated to be retained by HBIO or any member of the HBIO Group pursuant to any provision of this Agreement or any other Ancillary Agreement:

(a) any customer, distribution, supply or vendor contracts or agreements entered into after the date hereof and prior to the Separation Date that relate exclusively to the HART Business;

(b) any contract or agreement entered into in the name of, or expressly on behalf of, any division, business unit or member of the HART Group;

(c) any joint venture agreement entered into by entities within the HART Group;

(d) any guarantee, indemnity, representation, warranty or other Liability of any member of the HART Group or the HBIO Group in respect of any other HART Contract, any HART Liability or the HART Business;

(e) any employment, change of control, retention, consulting, indemnification, termination, severance or other similar agreements with any HART Group Employee or consultants of the HART Group that are in effect as of the Separation Date; and

(f) any contract or agreement that is otherwise expressly contemplated pursuant to this Agreement or any of the other Ancillary Agreements to be assigned to HART or any member of the HART Group; or

(g) any contract or agreement listed on Schedule 1.1.

"HART Employee" means (i) any individual who, immediately prior to the Separation, is either actively employed by, or then on an approved leave of absence from, any member of the HART Group and (ii) any Transferred Employee.

"HART Employment" means a HART Employee's employment with any member of the HART Group.

"HART Fair Value Per Option" means for each HART Option, the Black Scholes value per share of such HART Option immediately following the Distribution as determined by the Compensation Committee of the HBIO Board or the HBIO Board in its sole discretion, based on assumptions necessary to preserve the value of the Existing HBIO Option Amounts and Existing HBIO Restricted Stock Unit Amount as adjusted in accordance with the requirements of Article VIII hereof.

"HART Group" shall mean HART, each Subsidiary of HART immediately after the Separation Date and each other Person that is controlled directly or indirectly by HART immediately after the Separation Date.

"HART Indebtedness" means the aggregate principal amount of total liabilities (whether long-term or short-term) for borrowed money (including capitalized leases) of the HART Group collectively, as determined for purposes of its annual and quarterly financial statements prepared in accordance with GAAP.

"HART Indemnitees" shall have the meaning set forth in Section 5.3.

"HART Intellectual Property" means (a) the patents, patent applications, statutory invention registrations, registered trademarks, registered service marks, registered Internet domain names and copyright registrations (collectively, "Registrable IP") set forth on Schedule 1.2(a), (b) all Registrable IP that is owned exclusively by any member of the HART Group at or prior to the Separation Date, excluding any such Registrable IP that has been assigned by any member of the HART Group to any member of the HBIO Group prior to the Separation Date, and (c) all Intellectual Property, other than Registrable IP, that is owned by or licensed to any member of the HBIO Group or HART Group and that is used or held for use primarily in the HART Business as of the Separation Date.

"HART Liabilities" shall have the meaning set forth in Section 2.3(a).

"HART Long-Term Incentive Plan" means the Harvard Apparatus Regenerative Technology Inc. 2013 Equity Incentive Plan.

"HART Participant" shall mean any individual who, immediately following the Separation Date, is a HART Employee, a Former HART Employee, a Transferred Employee or a beneficiary, dependent or alternate payee of any of the foregoing who participates in or is eligible for benefits under a HART Benefit Plan.

"HART Option" means an option which may be exercised to acquire HART common stock and issued by HART in connection with the equitable adjustment of a HBIO Option as part of the Distribution.

"HART Ratio" means the quotient obtained by dividing the HART Stock Value by the HBIO Stock Value, carried out to four decimal places.

"HART Software" means all Software owned by any member of the HBIO Group or HART Group and that is primarily used or held for use in the HART Business as of the Separation Date.

"HART Stock Value" means, unless otherwise determined by the Compensation Committee of the HBIO Board in its sole discretion in order to effect an equitable adjustment of a HBIO Option in connection with the Distribution, the closing per share trading price of HART Common Stock on a when issued basis on the day immediately preceding the Distribution Date or, if none, the opening per share trading price of HART Common Stock on the first date following the Distribution Date on which there is trading).

"HART Technology" means all Technology owned by any member of the HBIO Group or HART Group and that is primarily used or held for use in the HART Business as of the Separation Date.

"HART Transfer Documents" shall have the meaning set forth in Section 2.4(b).

"HART Value Factor" means Twenty Percent (20%).

"HBIO" shall have the meaning set forth in the Preamble.

"HBIO 401(k) Plan" shall mean the Harvard Bioscience Inc. 401(k) Plan.

"HBIO Annual Statements" shall have the meaning set forth in Section 6.4(b).

"HBIO's Auditors" shall have the meaning set forth in Section 6.4(b).

"HBIO Accounts" shall have the meaning set forth in Section 2.6(a).

"HBIO Benefit Plan" shall mean, any Benefit Plan sponsored or maintained by HBIO.

"HBIO Board" shall have the meaning set forth in the Recitals.

"HBIO Business" means the business of HBIO and its various existing and future business units and subsidiaries not including the HART Business.

"HBIO Common Stock" shall mean the common stock, par value $.01 per share, of HBIO.

"HBIO Disclosure Portions" means all (a) information set forth in, incorporated by reference into, or omitted from, the Form 10 Registration Statement to the extent relating exclusively to (i) the HBIO Group, (ii) all business and operations of HBIO that is not included in the HART Business, (iii) HBIO's intentions with respect to the Distribution, or (iv) the terms of the Distribution, including, without limitation, the form, structure and terms of any transaction(s) and/or offering(s) to effect the Distribution and the timing of and conditions to the consummation of the Distribution and (b) information publicly disclosed by HBIO outside of the Form 10 Registration Statement to the extent relating exclusively to (x) the items enumerated in subparagraphs (i)-(iv) above, or (y) HART, in each case to the extent that such information is attributed to HART and/or HART's directors and officers, for liability purposes under the Securities Act or the Exchange. For the avoidance of doubt, information publicly disclosed by HART Employees regarding information related to HART shall not be deemed to be information publicly disclosed by HBIO notwithstanding that such HART Employees may have been employees of HBIO at the time of the public disclosure.

"HBIO Employee" means any individual who, immediately prior to the Separation Date, is either actively employed by, or then on an approved leave of absence from, any member of the HBIO Group, excluding the Transferred Employees.

"HBIO Employment" means an HBIO Employee's employment with any member of the HBIO Group.

"HBIO Group" shall mean HBIO, each Subsidiary of HBIO immediately after the Separation Date and each other Person that is controlled directly or indirectly by HBIO immediately after the Separation Date (in each case other than any member of the HART Group).

"HBIO Indemnitees" shall have the meaning set forth in Section 5.2.

"HBIO Intellectual Property" means (i) the HBIO Name and HBIO Marks and (ii) all other Intellectual Property that is owned by any member of the HBIO Group or the HART Group, other than the HART Intellectual Property.

"HBIO Long-Term Incentive Plan" means collectively, the Harvard Bioscience, Inc. Third Amended and Restated 2000 Stock Option and Incentive Plan, Harvard Apparatus, Inc. 1996 Stock Option and Grant Plan.

"HBIO Name and HBIO Marks" means the names, marks, trade dress, logos, monograms, domain names and other source or business identifiers of HBIO or any of its Affiliates using or containing "HBIO" (in block letters or otherwise), "HBIO" either alone or in combination with other words or elements and all names, marks, trade dress, logos, monograms, domain names and other source or business identifiers confusingly similar to or embodying any of the foregoing either alone or in combination with other words or elements, together with the goodwill associated with any of the foregoing.

"HBIO Nonqualified Plans" shall have the meaning set forth in Section 8.6(a).

"HBIO Option" means each option issued by HBIO and outstanding on the Distribution Date which may be exercised to acquire HBIO common stock.

"HBIO Post-Distribution Fair Value Per Option" means for each HBIO Option, the Black Scholes value per share of such HBIO Option immediately following the Distribution as determined by the Compensation Committee of the HBIO Board or the HBIO Board in its sole discretion, based on assumptions necessary to preserve the value of the Existing HBIO Option Amounts and Existing HBIO Restricted Stock Unit Amount as adjusted in accordance with the requirements of Article VIII hereof.

"HBIO Post-Distribution Stock Value" means, unless otherwise determined by the Compensation Committee of the HBIO Board in its sole discretion in order to effect an equitable adjustment of a HBIO Option in connection with the Distribution, the closing per share trading price of HBIO Common Stock on an ex-distribution basis on the day immediately preceding the Distribution Date or, if none, the closing per share trading price of HBIO Common Stock on the Distribution Date (or, if there is no trading on the Distribution Date, on the first following date on which there is trading).

"HBIO Pre-Distribution Fair Value Per Option" means for each HBIO Option, the Black Scholes value per share of such HBIO Option immediately prior to the Distribution Date as determined by the Compensation Committee of the HBIO Board or the HBIO Board in its sole discretion, based on assumptions necessary to preserve the value of the Existing HBIO Option Amounts and Existing HBIO Restricted Stock Unit Amount as adjusted in accordance with the requirements of Article VIII hereof.

"HBIO Public Filings" shall have meaning set forth in Section 6.1(i).

"HBIO Ratio" means the quotient obtained by dividing the HBIO Post-Distribution Stock Value to the HBIO Stock Value, carried out to four decimal places.

“HBIO Software” means all Software that is owned by any member of the HBIO Group or the HART Group, other than the HART Software.

“HBIO Stock Value” means the closing per share trading price of HBIO Common Stock on the day immediately preceding the Distribution Date.

“HBIO Technology” means all Technology that is owned by any member of the HBIO Group or the HART Group, other than the HART Technology.

“HBIO Transfer Documents” shall have the meaning set forth in Section 2.1(b).

“HBIO Value Factor” means Eighty Percent (80%).

“Hazardous Materials” means any chemical, material, substance, waste, pollutant, emission, discharge, release or contaminant that could result in liability under, or that is prohibited, limited or regulated by or pursuant to, any Environmental Law, and any natural or artificial substance (whether solid, liquid or gas, noise, ion, vapor or electromagnetic) which could cause harm to human health or the environment, including petroleum, petroleum products and byproducts, asbestos and asbestos-containing materials, urea formaldehyde foam insulation, electronic, medical or infectious wastes, polychlorinated biphenyls, radon gas, radioactive substances, chlorofluorocarbons and all other ozone-depleting substances.

“Health and Welfare Plans” means any plan, fund or program which was established or is maintained for the purpose of providing for its participants or their beneficiaries, through the purchase of insurance or otherwise, medical, dental, surgical or hospital care or benefits, or benefits in the event of sickness, accident, disability, death or unemployment, or vacation benefits, apprenticeship or other training programs or day care centers, scholarship funds, or prepaid legal services, including any such plan, fund or program as defined in Section 3(1) of ERISA. When immediately preceded by “HBIO,” Health and Welfare Plans means each Health and Welfare Plan that is a HBIO Benefit Plan. When immediately preceded by “HART,” Health and Welfare Plans means each Health and Welfare Plan that is a HART Benefit Plan.

“HIPAA” means the health insurance portability and accountability requirements for “group health plans” under the Health Insurance Portability and Accountability Act of 1996, as amended.

“Indemnifying Party” shall have the meaning set forth in Section 5.4(a).

“Indemnitee” shall have the meaning set forth in Section 5.4(a).

“Indemnity Payment” shall have the meaning set forth in Section 5.4(a).

“Information” shall mean information, whether or not patentable or copyrightable, in written, oral, electronic or other tangible or intangible forms, stored in any medium, including studies, reports, records, books, contracts, instruments, surveys, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, models, prototypes, samples, flow charts, data, computer data, disks, diskettes, tapes, computer programs or other software, marketing plans, customer names, communications by or to attorneys (including attorney-client privileged communications), memos and other materials prepared by attorneys or under their direction (including attorney work product), and other technical, financial, employee or business information or data.

“Information Statement” shall mean each preliminary, final or supplemental information statement forming a part of the Form 10 Registration Statement.

"Intellectual Property" means all of the following whether arising under the Laws of the United States or of any other foreign or multinational jurisdiction: (i) patents, patent applications (including patents issued thereon) and statutory invention registrations, including reissues, divisions, continuations, continuations in part, substitutions, renewals, extensions and reexaminations of any of the foregoing, and all rights in any of the foregoing provided by international treaties or conventions, (ii) trademarks, service marks, trade names, service names, trade dress, logos and other source or business identifiers, including all goodwill associated with any of the foregoing, and any and all common law rights in and to any of the foregoing, registrations and applications for registration of any of the foregoing, all rights in and to any of the foregoing provided by international treaties or conventions, and all reissues, extensions and renewals of any of the foregoing, (iii) Internet domain names, (iv) copyrightable works, copyrights, moral rights, mask work rights, database rights and design rights, in each case, other than Software, whether or not registered, and all registrations and applications for registration of any of the foregoing, and all rights in and to any of the foregoing provided by international treaties or conventions, (v) confidential and proprietary information, including trade secrets, invention disclosures, processes and know-how, in each case, other than Software, (vi) intellectual property rights arising from or in respect of any Technology, and (vii) Software, other than commercially available "off-the-shelf" software.

"Intellectual Property Matters Agreement" means the Intellectual Property Matters Agreement, dated as of the date hereof, between HBIO and HART.

"IRS" shall have the meaning set forth in the Recitals.

"Insurance Proceeds" shall mean those monies: (a) received by an insured from an insurance carrier; or (b) paid by an insurance carrier on behalf of the insured; in any such case net of any applicable premium adjustments (including reserves and retrospectively rated premium adjustments) and net of any costs or expenses incurred in the collection thereof; provided, however, with respect to a captive insurance arrangement, Insurance Proceeds shall only include amounts received by the captive insurer in respect of any reinsurance arrangement.

"Law" shall mean any applicable national, supranational, federal, state, provincial, local or similar law (including common law), statute, code, order, ordinance, rule, regulation, treaty (including any income tax treaty), license, permit, authorization, approval, consent, decree, injunction, binding judicial or administrative interpretation or other requirement, in each case, enacted, promulgated, issued or entered by a Governmental Authority.

"Liabilities" shall mean any and all debts, guarantees, assurances, commitments, liabilities, responsibilities, Losses, remediation, deficiencies, damages, fines, penalties, settlements, sanctions, costs, expenses, interest and obligations, whether accrued or fixed, absolute or contingent, matured or unmatured, accrued or not accrued, asserted or unasserted, liquidated or unliquidated, foreseen or unforeseen, known or unknown, reserved or unreserved, or determined or determinable, including those arising under any Law, claim (including any Third-Party Claim), demand, Action, or order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority or arbitration tribunal, and those arising under any contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment or undertaking, or any fines, damages or equitable relief that is imposed, in each case, including all costs and expenses relating thereto.

"Losses" shall mean actual losses (including any diminution in value), costs, damages, penalties and expenses (including legal and accounting fees and expenses and costs of investigation and litigation), whether or not involving a Third-Party Claim.

"NASDAQ" shall mean the NASDAQ Capital Market.

"Option" shall mean either HBIO Option, HART Option, or both, as the context requires.

"Participating Company" means (a) HBIO and (b) any other Person (other than an individual) that participates in a plan sponsored by any member of the HBIO Group.

"Person" shall mean an individual, a general or limited partnership, a corporation, a trust, a joint venture, an unincorporated organization, a limited liability entity, any other entity and any Governmental Authority.

"Private Letter Ruling" shall have the meaning set forth in the Recitals.

"Privilege" shall mean, relating to the members of the HBIO Group or HART Group, information and advice that has been previously developed of such entities but is legally protected from disclosure under legal privileges, such as the attorney-client privilege or work product exemption and other concepts of legal privilege.

"Product Distribution Agreement" means the Product Distribution Agreement, dated as of the date hereof, between HBIO and HART.

"Record Date" shall mean, in the case of a Distribution that is a spin-off, the close of business on the date to be determined by the HBIO Board as the record date for determining shareholders of HBIO entitled to receive shares of HART Common Stock in such Distribution.

"Release" means any release, spill, emission, discharge, leaking, pumping, pouring, dumping, injection, deposit, disposal, dispersal, leaching or migration of Hazardous Materials into the environment (including, ambient air, surface water, groundwater and surface or subsurface strata).

"Replacement Fair Value" means the result obtained by subtracting (A) the product obtained by multiplying the Existing HBIO Option Amount by the related HBIO Post-Distribution Fair Value Per Option from (B) the product obtained by multiplying (a) the Existing HBIO Option Amount by (b) the related HBIO Pre-Distribution Fair Value Per Option.

"Replacement RSU Fair Value" means the result obtained by subtracting (A) the product obtained by multiplying the Existing HBIO Restricted Stock Unit Amount by the HBIO Post-Distribution Stock Value from (B) the product obtained by multiplying the Existing HBIO Restricted Stock Unit Amount by the HBIO Stock Value.

"Representatives" means, with respect to any Person, any of such Person's directors, officers, employees, agents, consultants, advisors, accountants, attorneys or other representatives.

"Response" shall have the meaning set forth in Section 9.2.

"Restricted Stock Unit" when immediately preceded by "HBIO," means a deferred stock award of restricted stock units issued under the HBIO Long-Term Incentive Plan and, when immediately preceded by "HART," means a deferred stock award of restricted stock units issued under the HART Long-Term Incentive Plan.

"SEC" shall mean the U.S. Securities and Exchange Commission.

"Securities Act" shall mean the U.S. Securities Act of 1933, as amended, together with the rules and regulations promulgated thereunder.

"Security Interest" shall mean any mortgage, security interest, pledge, lien, charge, claim, option, right to acquire, voting or other restriction, right-of-way, covenant, condition, easement, encroachment, restriction on transfer, or other encumbrance of any nature whatsoever.

"Separation" shall have the meaning set forth in the Recitals.

"Separation Date" shall mean the date first set forth above in this Agreement.

"Software" means any and all (i) computer programs, including any and all software implementation of algorithms, models and methodologies, whether in source code, object code, human readable form or other form, (ii) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise, (iii) descriptions, flow charts and other work products used to design, plan, organize and develop any of the foregoing, screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons, and (iv) documentation, including user manuals and other training documentation, relating to any of the foregoing.

"Subsidiary" or "subsidiary" shall mean, with respect to any Person, any corporation, limited liability company, joint venture or partnership of which such Person (i) beneficially owns, either directly or indirectly, more than fifty percent (50%) of (A) the total combined voting power of all classes of voting securities of such Person, (B) the total combined equity interests or (C) the capital or profit interests, in the case of a partnership, or (ii) otherwise has the power to vote, either directly or indirectly, sufficient securities to elect a majority of the board of directors or similar governing body.

"Tax Sharing Agreement" means the Tax Sharing Agreement, dated as of the date hereof, between HBIO and HART.

"Taxes" shall have the meaning set forth in the Tax Sharing Agreement.

"Technology" means tangible embodiments, whether in electronic, written or other media, of technology, including designs, design and manufacturing documentation (such as bill of materials, build instructions and test reports), schematics, algorithms, routines, software, databases, lab notebooks, development and lab equipment, processes, prototypes and devices. Technology does not include Intellectual Property in any of the foregoing.

"Third-Party Claim" shall have the meaning set forth in Section 5.5(a).

"Transfer Documents" shall have the meaning set forth in Section 2.4(b).

"Transferred Employee" means any individual who in connection with the Separation (at the time of the Separation or thereafter) is transferring his or her primary employment from HBIO or any member of the HBIO Group to HART or any member of the HART Group.

"Transition Services Agreement" shall mean the Transition Services Agreement, dated as of the date hereof, by and between HBIO and HART.

ARTICLE II
THE SEPARATION

2.1. Transfer of Assets and Assumption of Liabilities.

(a) On the Separation Date, to the extent not previously effectuated prior to the date hereof:

(i) HBIO shall, and shall cause its applicable Subsidiaries to, assign, transfer, convey and deliver to HART, or certain of HART's Subsidiaries designated by HART, and HART or such Subsidiaries shall accept from HBIO and its applicable Subsidiaries, all of HBIO's and such Subsidiaries' respective direct or indirect right, title and interest in and to all of the HART Assets, including without limitation all transfers of all "Transferred Intellectual Property", "Transferred Licenses", (in both cases, as such terms are defined in the Intellectual Property Matters Agreement) and Technology used in the HART Business, in each case pursuant to the Intellectual Property Matters Agreement;

(ii) HART and certain of its Subsidiaries designated by HART shall accept, assume and agree faithfully to perform, discharge and fulfill all the HART Liabilities in accordance with their respective terms. HART and such Subsidiaries shall be responsible for all HART Liabilities, regardless of when or where such HART Liabilities arose or arise, or whether the facts on which they are based occurred prior to or subsequent to the Separation Date, regardless of where or against whom such HART Liabilities are asserted or determined (including any HART Liabilities arising out of claims made by HBIO's or HART's respective directors, officers, employees, agents, Subsidiaries or Affiliates against any member of the HBIO Group or the HART Group) or whether asserted or determined prior to the date hereof, and regardless of whether arising from or alleged to arise from negligence, recklessness, violation of Law, fraud or misrepresentation by any member of the HBIO Group or the HART Group, or any of their respective directors, officers, employees, agents, Subsidiaries or Affiliates;

(b) In furtherance of the assignment, transfer, conveyance and delivery of the HART Assets and the assumption of the HART Liabilities in accordance with Sections 2.1(a)(i) and 2.1(a)(ii), on the date that such HART Assets are assigned, transferred, conveyed or delivered or such HART Liabilities are assumed (i) HBIO shall execute and deliver, and shall cause its Subsidiaries to execute and deliver, such bills of sale, quitclaim deeds, stock powers, certificates of title, assignments of contracts and other instruments of transfer, conveyance and assignment as and to the extent necessary to evidence the transfer, conveyance and assignment of all of HBIO's and its Subsidiaries' (other than HART and its Subsidiaries) right, title and interest in and to the HART Assets to HART and its Subsidiaries, and (ii) HART shall execute and deliver, and shall cause its Subsidiaries to execute and deliver, such assumptions of contracts and other instruments of assumption as and to the extent necessary to evidence the valid and effective assumption of the HART Liabilities by HART and its Subsidiaries. All of the foregoing documents contemplated by this Section 2.1(b) shall be referred to collectively herein as the "HBIO Transfer Documents".

(c) In the event that at any time or from time to time (whether prior to or after any Separation Date), any Party hereto (or any member of such Party's respective Group), shall receive or otherwise possess any Asset that is allocated to any other Person pursuant to this Agreement or any other Ancillary Agreement, such Party shall promptly transfer, or cause to be transferred, such Asset to the Person so entitled thereto. Prior to any such transfer, the Person receiving or possessing such Asset shall hold such Asset in trust for any such other Person.

(d) HART hereby waives compliance by each and every member of the HBIO Group with the requirements and provisions of any "bulk-sale" or "bulk-transfer" Laws of any jurisdiction that may otherwise be applicable with respect to the transfer or sale of any or all of the HART Assets to any member of the HART Group.

(e) HBIO hereby waives compliance by each and every member of the HART Group with the requirements and provisions of any "bulk-sale" or "bulk-transfer" Laws of any jurisdiction that may otherwise be applicable with respect to the transfer or sale of any or all of the Excluded Assets to any member of the HBIO Group.

2.2. HART Assets.

(a) For purposes of this Agreement, "HART Assets" shall mean (without duplication):

(i) all Assets that are expressly provided by this Agreement or any other Ancillary Agreement as Assets to be transferred to HART or any other member of the HART Group, including the Assets listed on Schedule 2.2(a)(i);

(ii) all HART Contracts;

(iii) all Assets reflected as assets of HART or its Subsidiaries, if any, on the HART Balance Sheet, subject to any dispositions of such Assets subsequent to the date of the HART Balance Sheet;

(iv) all HART Intellectual Property, HART Software and HART Technology; and

(v) except as contemplated by Section 2.5(b), any and all Assets owned or held immediately prior to the Separation Date by HBIO or any of its Subsidiaries that are used primarily in the HART Business. The intention of this clause (v) is only to rectify any inadvertent omission of transfer or conveyance of any Assets that, had the Parties given specific consideration to such Asset as of the date hereof, would have otherwise been classified as a HART Asset. No Asset shall be deemed to be a HART Asset solely as a result of this clause (v) if such Asset is within the category or type of Asset expressly covered by the terms of an Ancillary Agreement unless the Party claiming entitlement to such Asset can establish that the omission of the transfer or conveyance of such Asset was inadvertent.

Notwithstanding the foregoing, the HART Assets shall not in any event include the Excluded Assets referred to in Section 2.2(b). All rights of the HART Group in respect of HBIO insurance policies are set forth in Section 6.5 and shall not otherwise be included in the HART Assets.

(b) For the purposes of this Agreement, "Excluded Assets" shall mean (without duplication):

(i) any and all Assets that are expressly contemplated by this Agreement or any other Ancillary Agreement (or the Schedules hereto or thereto) as Assets to be retained by HBIO or any other member of the HBIO Group;

(ii) any cash or cash equivalents withdrawn from HART Accounts in accordance with Section 2.6(e);

(iii) the HBIO Intellectual Property and the HBIO Technology; and

(iv) any and all Assets of any members of the HBIO Group that are not HART Assets.

2.3. HART Liabilities.

(a) For the purposes of this Agreement, "HART Liabilities" shall mean (without duplication):

(i) all Liabilities, including any Environmental Liabilities and any Liability relating to the protection of human and occupational health and safety, the protection or restoration of, or prevention of harm to, the environment or natural resources, relating to, arising out of or resulting from:

(A) the operation of the HART Business, as conducted at any time prior to, on or after the Separation Date (including any Liability relating to, arising out of or resulting from any act or failure to act by any Representative (whether or not such act or failure to act is or was within such Person's authority));

(B) the operation of any business conducted by any member of the HART Group at any time after the Separation Date (including any Liability relating to, arising out of or resulting from any act or failure to act by any Representative (whether or not such act or failure to act is or was within such Person's authority)); or

(C) any HART Assets (including without limitation any HART Contracts and any real property and leasehold interests);

in any such case whether arising before, on or after the Separation Date;

(ii) any and all Liabilities that are expressly provided by this Agreement or any other Ancillary Agreement (or the schedules or exhibits hereto or thereto) as Liabilities to be assumed by HART or any member of the HART Group, and all agreements, obligations and Liabilities of any member of the HART Group under this Agreement or any of the other Ancillary Agreements;

(iii) all Liabilities relating to, arising out of or resulting from any terminated, divested or discontinued businesses and operations of the HART Business;

(iv) all Liabilities reflected as liabilities or obligations of HART or its Subsidiaries on the HART Balance Sheet, subject to any discharge of such Liabilities subsequent to the date of the HART Balance Sheet; and

(v) all Liabilities arising out of claims made by HBIO's or HART's respective directors, officers, shareholders, employees, agents, Subsidiaries or Affiliates against any member of the HBIO Group or the HART Group to the extent relating to, arising out of or resulting from the HART Business.

Notwithstanding the foregoing, the HART Liabilities shall not include the Excluded Liabilities referred to in Section 2.3(b) below.

(b) For the purposes of this Agreement, "Excluded Liabilities" shall mean (without duplication):

(i) any and all Liabilities that are expressly contemplated by this Agreement or any other Ancillary Agreement (or the Schedules hereto or thereto) as Liabilities to be retained or assumed by HBIO or any other member of the HBIO Group, and all agreements and obligations of any member of the HBIO Group under this Agreement or any of the other Ancillary Agreements;

(ii) any and all Liabilities of a member of the HBIO Group to the extent relating to, arising out of or resulting from any Excluded Assets;

(iii) any and all Liabilities of any members of the HBIO Group that are not HART Liabilities; and

(iv) any and all third-party legal, accounting and other operating costs and expenses actually incurred with respect to the HART Business through the Distribution (including without limitation those relating to the Separation and Distribution).

2.4. Transfer of Excluded Assets; Assumption of Excluded Liabilities.

(a) To the extent any Excluded Asset is transferred or assigned to, or any Excluded Liability is assumed by, a member of the HART Group at the Separation Date or is owned or held by a member of the HART Group after the Separation Date, from and after the Separation Date:

(i) HART shall, and shall cause its applicable Subsidiaries to, promptly assign, transfer, convey and deliver to HBIO or certain of its Subsidiaries designated by HBIO, and HBIO or such Subsidiaries shall accept from HART and its applicable Subsidiaries, all of HART's and such Subsidiaries' respective right, title and interest in and to such Excluded Assets; and

(ii) HBIO and certain of its Subsidiaries designated by HBIO will promptly accept, assume and agree faithfully to perform, discharge and fulfill all such Excluded Liabilities in accordance with their respective terms.

(b) In furtherance of the assignment, transfer, conveyance and delivery of Excluded Assets and the assumption of Excluded Liabilities set forth in Sections 2.4(a)(i) and 2.4(a)(ii) and without any additional consideration therefor: (A) HART shall execute and deliver, and shall cause its Subsidiaries to execute and deliver, such bills of sale, quitclaim deeds, stock powers, certificates of title, assignments of contracts and other instruments of transfer, conveyance and assignment as and to the extent necessary to evidence the transfer, conveyance and assignment of all of HART's and its Subsidiaries' right, title and interest in and to the Excluded Assets to HBIO and its Subsidiaries, and (B) HBIO shall execute and deliver such assumptions of contracts and other instruments of assumption as and to the extent necessary to evidence the valid and effective assumption of the Excluded Liabilities by HBIO. All of the foregoing documents contemplated by this Section 2.4(b) shall be referred to collectively herein as the "HART Transfer Documents" and, together with the HBIO Transfer Documents, the "Transfer Documents."

2.5. Approvals and Notifications.

(a) To the extent that the transfer or assignment of any HART Asset, the assumption of any HART Liability, the Separation or the Distribution requires any Approvals or Notifications, the Parties will use their commercially reasonable efforts to obtain or make such Approvals or Notifications as soon as reasonably practicable; provided, however, that, except to the extent expressly provided in this Agreement or any of the other Ancillary Agreements, neither HBIO nor HART shall be obligated to contribute capital or pay any consideration in any form (including providing any letter of credit, guaranty or other financial accommodation) to any Person in order to obtain or make such Approvals or Notifications.

(b) If and to the extent that the valid, complete and perfected transfer or assignment to the HART Group of any HART Assets or assumption by the HART Group of any HART Liabilities would be a violation of applicable Law or require any Approvals or Notifications in connection with the Separation or the Distribution, that has not been obtained or made by the Separation Date then, unless the Parties hereto mutually shall otherwise determine, the transfer or assignment to the HART Group of such HART Assets or the assumption by the HART Group of such HART Liabilities, as the case may be, shall be automatically deemed deferred and any such purported transfer, assignment or assumption shall be null and void until such time as all legal impediments are removed or such Approvals or Notifications have been obtained or made. Notwithstanding the foregoing, any such HART Assets or HART Liabilities shall continue to constitute HART Assets and HART Liabilities for all other purposes of this Agreement.

(c) If any transfer or assignment of any HART Asset or any assumption of any HART Liabilities intended to be transferred, assigned or assumed hereunder, as the case may be, is not consummated on or prior to the Separation Date, whether as a result of the provisions of Section 2.5(b) or for any other reason, then, insofar as reasonably possible, the member of the HBIO Group retaining such HART Asset or such HART Liability, as the case may be, shall thereafter hold such HART Asset or HART Liability, as the case may be, for the use and benefit of the member of the HART Group entitled thereto (at the expense of the member of the HART Group entitled thereto). In addition, the member of the HBIO Group retaining such HART Asset or such HART Liability shall, insofar as reasonably possible and to the extent permitted by applicable Law, treat such HART Asset or HART Liability in the ordinary course of business in accordance with past practice and take such other actions as may be reasonably requested by the member of the HART Group to whom such HART Asset is to be transferred or assigned, or which will assume such HART Liability, as the case may be, in order to place such member of the HART Group in a substantially similar position as if such HART Asset or HART Liability had been transferred, assigned or assumed as contemplated hereby and so that all the benefits and burdens relating to such HART Asset or HART Liability, as the case may be, including use, risk of loss, potential for gain, and dominion, control and command over such HART Asset or HART Liability, as the case may be, is to inure from and after the Separation Date to the HART Group.

(d) If and when the Approvals or Notifications, the absence of which caused the deferral of transfer or assignment of any HART Asset or the deferral of assumption of any HART Liability pursuant to Section 2.5(b), are obtained or made, and, if and when any other legal impediments for the transfer or assignment of any HART Asset or the assumption of any HART Liability have been removed, the transfer or assignment of the applicable HART Asset or the assumption of the applicable HART Liability, as the case may be, shall be effected in accordance with the terms of this Agreement and/or the applicable Ancillary Agreement.

(e) Any member of the HBIO Group retaining a HART Asset or HART Liability due to the deferral of the transfer or assignment of such HART Asset or the deferral of the assumption of such HART Liability, as the case may be, shall not be obligated, in connection with the foregoing, to expend any money unless the necessary funds are advanced (or otherwise made available) by HART or the member of the HART Group entitled to the HART Asset or HART Liability, other than reasonable out-of-pocket expenses, attorneys' fees and recording or similar fees, all of which shall be promptly reimbursed by HART or the member of the HART Group entitled to such HART Asset or HART Liability.

2.6. Bank Accounts; Cash Balances.

(a) HBIO and HART each agrees to take, or cause the respective members of their respective Groups to take, at the Distribution Date (or such earlier time as HBIO and HART may agree), all actions necessary to amend all contracts or agreements governing each bank and brokerage account owned by HART or any other member of the HART Group (collectively, the "HART Accounts") so that such HART Accounts, if currently linked (whether by automatic withdrawal, automatic deposit or any other authorization to transfer funds from or to, hereinafter "linked") to any bank or brokerage account owned by HBIO or any other member of the HBIO Group (collectively, the "HBIO Accounts") are no longer linked following the Distribution.

(b) HBIO and HART each agrees to take, or cause the respective members of their respective Groups to take, at the Distribution Date (or such earlier time as HBIO and HART may agree), all actions necessary to amend all HART Contracts governing the HBIO Accounts so that such HBIO Accounts, if currently linked to a HART Account, are de-linked from the HART Accounts.

(c) It is intended that, following consummation of the actions contemplated by Sections 2.6(a) and 2.6(b), there will be in place separate cash management processes for each of HBIO and HART, pursuant to which (i) the HBIO Accounts will be managed separately and funds collected will be transferred into one (1) or more accounts maintained by HBIO, and (ii) the HART Accounts will be managed separately and funds collected will be transferred into one (1) or more accounts maintained by HART.

(d) With respect to any outstanding checks issued by HBIO, HART, or any of their respective Subsidiaries prior to the Separation, such outstanding checks shall be honored following the Separation by the Person or Group owning the account on which the check is drawn.

(e) As between HBIO and HART (and the members of their respective Groups) all payments made and reimbursements received after the Distribution Date by either Party (or member of its Group) that relate to a business, Asset or Liability of the other Party (or member of its Group), shall be held by such Party in trust for the use and benefit of the Party entitled thereto and, promptly upon receipt by such Party of any such payment or reimbursement, such Party shall pay over, or shall cause the applicable member of its Group to pay over to the other Party the amount of such payment or reimbursement.

2.7. Other Documents, Items and Ancillary Agreements. Effective as of the date hereof, or such later date as agreed to by the Parties (but not with respect to clause (ii) below), each of HBIO and HART will execute, deliver and/or provide (as applicable), or will cause its appropriate Subsidiaries to execute and deliver, all of the following items and agreements applicable to such Party:

(i) all Ancillary Agreements to which it is a Party;

(ii) HBIO shall make a capital contribution to HART in the amount of at least $15 million; and

(iii) such other agreements, documents or instruments as the Parties may agree are necessary or desirable in order to achieve the purposes hereof.

2.8 Termination of Agreements. (a) Except as set forth in Section 2.8(b), on behalf of the Parties and their respective Groups, the Parties hereby terminate any and all written or oral agreements, arrangements, commitments or understandings, between or among them, effective as of the Distribution Date; and each Party shall, at the reasonable request of the other Party, take, or cause to be taken, such other actions as may be necessary to effect the foregoing.

(b) The provisions of Section 2.8(a) shall not apply to any of the following agreements, arrangements, commitments or understandings (or to any of the provisions thereof): (i) this Agreement and the Ancillary Agreements (and each other agreement or instrument expressly contemplated by this Agreement or any other Ancillary Agreement to be entered into by any of the Parties hereto or any of the members of their respective Groups that shall survive in accordance with their respective terms); (ii) any agreements, arrangements, commitments or understandings to which any Person other than the parties hereto and their respective Affiliates is a party (it being understood that to the extent that the rights and obligations of the parties and the members of their respective Groups under any such agreements, arrangements, commitments or understandings constitute HART Assets or HART Liabilities, they shall be assigned pursuant to Section 2.1); (iii) any intercompany accounts payable or accounts receivable accrued as of the Distribution Date that are reflected in the books and records of the parties or otherwise documented in writing in accordance with past practices; (iv) any agreements, arrangements, commitments or understandings to which any non-wholly owned Subsidiary of HBIO or HART, as the case may be, is a party; and (v) any other agreements, arrangements, commitments or understandings that this Agreement or any other Ancillary Agreement expressly contemplates will survive the Distribution Date.

2.9. Disclaimer of Representations and Warranties. EACH OF HBIO (ON BEHALF OF ITSELF AND EACH MEMBER OF THE HBIO GROUP) AND HART (ON BEHALF OF ITSELF AND EACH MEMBER OF THE HART GROUP) UNDERSTANDS AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN OR IN ANY OTHER ANCILLARY AGREEMENT, NO PARTY TO THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR ANY OTHER AGREEMENT OR DOCUMENT CONTEMPLATED BY THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR OTHERWISE, IS REPRESENTING OR WARRANTING IN ANY WAY AS TO THE ASSETS, BUSINESSES OR LIABILITIES TRANSFERRED OR ASSUMED AS CONTEMPLATED HEREBY OR THEREBY, AS TO ANY CONSENTS OR APPROVALS REQUIRED IN CONNECTION THEREWITH, AS TO THE VALUE OR FREEDOM FROM ANY SECURITY INTERESTS OF, OR ANY OTHER MATTER CONCERNING, ANY ASSETS OF SUCH PARTY, OR AS TO THE ABSENCE OF ANY DEFENSES OR RIGHT OF SETOFF OR FREEDOM FROM COUNTERCLAIM WITH RESPECT TO ANY CLAIM OR OTHER ASSET, INCLUDING ANY ACCOUNTS RECEIVABLE, OF ANY PARTY, OR AS TO THE LEGAL SUFFICIENCY OF ANY ASSIGNMENT, DOCUMENT OR INSTRUMENT DELIVERED HEREUNDER TO CONVEY TITLE TO ANY ASSET OR THING OF VALUE UPON THE EXECUTION, DELIVERY AND FILING HEREOF OR THEREOF. EXCEPT AS MAY EXPRESSLY BE SET FORTH HEREIN OR IN ANY OTHER ANCILLARY AGREEMENT, ALL SUCH ASSETS ARE BEING TRANSFERRED ON AN “AS IS,” “WHERE IS” BASIS (AND, IN THE CASE OF ANY REAL PROPERTY, BY MEANS OF A QUITCLAIM OR SIMILAR FORM DEED OR CONVEYANCE) AND THE RESPECTIVE TRANSFEREES SHALL BEAR THE ECONOMIC AND LEGAL RISKS THAT (I) ANY CONVEYANCE WILL PROVE TO BE INSUFFICIENT TO VEST IN THE TRANSFEREE GOOD AND MARKETABLE TITLE, FREE AND CLEAR OF ANY SECURITY INTEREST, AND (II) ANY NECESSARY APPROVALS OR NOTIFICATIONS ARE NOT OBTAINED OR THAT ANY REQUIREMENTS OF LAWS OR JUDGMENTS ARE NOT COMPLIED WITH.

ARTICLE III
THE FORM 10 REGISTRATION

3.1. Transactions Prior to the Effectiveness of the Form 10 Registration Statement.

(a) HBIO and HART shall use their reasonable best efforts to cause the Form 10 Registration Statement to be declared effective. Such actions shall include, but not necessarily be limited to, those specified in this Section 3.1.

(b) HART shall file such amendments or supplements to the Form 10 Registration Statement as may be necessary in order to cause the same to become and remain effective as required by Law, including, but not limited to, filing such amendments to the Form 10 Registration Statement as may be required by the SEC or federal, state or foreign securities Laws. HBIO and HART shall also cooperate in preparing, filing with the SEC and causing to become effective any registration statements or amendments thereof which are required to reflect the establishment of, or amendments to, any employee benefit and other plans necessary or appropriate in connection with the Separation, the Distribution or the other transactions contemplated by this Agreement and the Ancillary Agreements.

(c) HART shall prepare, file and use reasonable best efforts to seek to make effective, an application for listing of the HART Common Stock on the NASDAQ, subject to official notice of issuance.

(d) At or prior to the Separation, HBIO and HART shall each take all actions that may be required to provide for the adoption, and filing as necessary, by HART of an Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws, each in form mutually acceptable to the HBIO Board and HART Board.

ARTICLE IV
THE DISTRIBUTION

4.1. The Distribution.

(a) HART shall cooperate with HBIO to accomplish the Distribution and shall, at HBIO's direction, promptly take any and all actions necessary or desirable to effect the Distribution, including, without limitation, the registration under the Securities Act of HART Common Stock on an appropriate registration form or forms to be designated by HBIO. HBIO shall select any investment bank or manager in connection with the Distribution, as well as any financial printer, solicitation and/or exchange agent and financial, legal, accounting and other advisors for HBIO. HART and HBIO, as the case may be, will provide to the Agent all share certificates and any information required in order to complete the Distribution.

(b) Subject to Section 4.3 hereof, on or prior to the Distribution Date, HBIO will deliver to the Agent for the benefit of holders of record of HBIO Common Stock on the Record Date all of the outstanding shares of HART Common Stock then owned by HBIO or any member of the HBIO Group (including, if such shares are represented by one or more stock certificates, such stock certificates, endorsed by HBIO in blank), and shall cause the transfer agent for the shares of HBIO Common Stock to instruct the Agent to distribute on the Distribution Date the appropriate number of such shares of HART Common Stock to each such holder or designated transferee or transferees of such holder. The Distribution shall be effective at 12:01 a.m. Eastern Standard Time on the Distribution Date or at such other time as the Parties may agree.

(c) Subject to Section 4.4, each holder of HBIO Common Stock on the Record Date (or such holder's designated transferee or transferees) will be entitled to receive in the Distribution a number of shares of HART Common Stock equal to the number of shares of HBIO Common Stock held by such holder on the Record Date multiplied by the Distribution Ratio.

4.2. Actions Prior to the Distribution.

(a) HBIO and HART shall prepare, and HBIO shall mail, prior to the Distribution Date, to the holders of HBIO Common Stock, such information concerning HART, its business, operations and management, the Distribution and such other matters as HBIO shall reasonably determine and as may be required by Law. HBIO shall bear the cost of any such delivery to its stockholders. HBIO and HART will prepare, and HART will, to the extent required under applicable Law, file with the SEC any such documentation and any requisite no-action letters which HBIO determines are necessary or desirable to effectuate the Distribution and HBIO and HART shall each use its reasonable best efforts to obtain all necessary approvals from the SEC with respect thereto as soon as practicable.

(b) HBIO and HART shall take all such action as may be necessary or appropriate under the securities or blue sky Laws of the United States (and any comparable Laws under any foreign jurisdiction) in connection with the Distribution.

(c) HBIO and HART shall take all reasonable steps necessary and appropriate to cause the conditions set forth in Section 4.3 (subject to Section 11.2(b)) to be satisfied and to effect the Distribution on any Distribution Date.

(d) HART shall prepare and file, and shall use its reasonable best efforts to have approved, an application for the listing of the HART Common Stock to be distributed in the Distribution on NASDAQ, subject to official notice of distribution.

4.3. Conditions to Distribution.

(a) Following the consummation of the Separation, HBIO currently intends to effect the Distribution by means of a spin-off. HBIO shall, in its sole discretion, determine the terms of the Distribution, including, without limitation, the form (including whether to effect the transaction as a spin-off, a split-off or a combination of both transactions), structure and all other terms of any transaction and/or offering to effect the Distribution. HBIO shall have sole discretion to determine the date of consummation of the Distribution at any time after the Separation; and such date as so determined by HBIO is referred to herein as the "Distribution Date." The consummation of the Distribution will be subject to the satisfaction, or waiver by HBIO in its sole discretion, of the following conditions:

(i) The Separation shall have been completed in accordance with the provisions of Section 2.

(ii) The Form 10 Registration Statement shall have been filed and declared effective by the SEC.

(iii) HBIO shall have made a capital contribution to HART in the amount of at least $15 million.

(iv) The Ancillary Agreements shall have been duly executed and delivered by the parties thereto.

(v) HBIO shall own at least 80.1% of the total voting power with respect to the election and removal of directors of the outstanding HART Common Stock immediately prior to the Distribution.

(vi) Such other actions as the Parties hereto may, based upon the advice of counsel, reasonably request to be taken prior to the Separation and Distribution in order to assure the successful completion of the Separation and Distribution and the other transactions contemplated by this Agreement shall have been taken.

(vii) This Agreement shall not have been terminated.

(viii) The private letter ruling received by HBIO from the IRS prior to the date hereof in connection with the transactions contemplated hereby shall continue in effect and such ruling shall be in form and substance satisfactory to HBIO in its sole discretion, and HBIO's receipt of an opinion from Burns & Levinson, LLP, counsel to HBIO, to the effect that the Contribution and the Distribution, taken together, will qualify as a transaction that is described in Section 355(a) and 368(a)(1)(D) of the Code.

(ix) All Governmental Approvals necessary to consummate the Distribution shall have been obtained and be in full force and effect.

(x) The actions and filings necessary or appropriate under applicable securities Laws in connection with the Distribution will have been taken or made, and, where applicable, have become effective or been accepted by the applicable Governmental Authority.

(xi) No order, injunction or decree issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Distribution or any of the related transactions shall be in effect, and no other event outside the control of HBIO shall have occurred or failed to occur that prevents the consummation of the Distribution or any of the related transactions.

(xii) The approval for listing on NASDAQ for the shares of the HART Common Stock to be distributed to the HBIO stockholders in the Distribution shall have been obtained.

(xiii) No other events or developments shall have occurred subsequent to the completion of the Separation that, in the judgment of the HBIO Board, would result in the Distribution not being in the best interest of HBIO or its shareholders.

(xiv) the receipt by HBIO of an opinion, in form and substance satisfactory to it, from its financial advisor to the effect that HART and HBIO each will be solvent, adequately capitalized immediately after the Distribution and able to pay its liabilities as they become absolute and mature and that HBIO has sufficient surplus under Delaware law to declare the dividend of HART Common Stock.

(b) The foregoing conditions are for the sole benefit of HBIO and shall not give rise to or create any duty on the part of HBIO or the HBIO Board to waive or not waive such conditions or in any way limit HBIO's right to terminate this Agreement as set forth in Article XI or alter the consequences of any such termination from those specified in such Article. Any determination made by the HBIO Board prior to the Distribution concerning the satisfaction or waiver of any or all of the conditions set forth in this Section 4.3 shall be conclusive.

4.4. Fractional Shares. As soon as practicable after the Distribution Date, HBIO shall direct the Agent to determine the number of whole shares and fractional shares of HART Common Stock allocable to each holder of record or beneficial owner of HBIO Common Stock as of the Record Date, to aggregate all such fractional shares and to sell the whole shares obtained thereby in open market transactions (with the Agent, in its sole discretion, determining when, how, through which broker-dealer at what price to make such sales), and to cause to be distributed to each such holder or for the benefit of each such beneficial owner, in lieu of any fractional share, such holder's or owner's ratable share of the proceeds of such sale, after making appropriate deductions of the amount required to be withheld for federal income tax purposes and after deducting an amount equal to all brokerage charges, commissions and transfer taxes attributed to such sale.

ARTICLE V
MUTUAL RELEASES; INDEMNIFICATION

5.1. Release of Pre-Closing Claims.

(a) Except as provided in Section 5.1(c) and 5.1(d), effective as of the Distribution Date, HART does hereby, for itself and each other member of the HART Group, their respective Affiliates (other than any member of the HBIO Group), successors and assigns, and all Persons who at any time prior to the Distribution Date have been stockholders, directors, officers, agents or employees of any member of the HART Group (in each case, in their respective capacities as such), remise, release and forever discharge HBIO and the members of the HBIO Group, their respective Affiliates (other than any member of the HART Group), successors and assigns, and all Persons who at any time prior to the Distribution Date have been stockholders, directors, officers, agents or employees of any member of the HBIO Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at law or in equity (including any right of contribution), whether arising under any contract or agreement, by operation of law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Distribution Date , including in connection with the transactions and all other activities to implement any of the Separation and the Distribution.

(b) Except as provided in Section 5.1(c), effective as of the Distribution Date , HBIO does hereby, for itself and each other member of the HBIO Group, their respective Affiliates (other than any member of the HART Group), successors and assigns, and all Persons who at any time prior to the Distribution Date have been stockholders, directors, officers, agents or employees of any member of the HBIO Group (in each case, in their respective capacities as such), remise, release and forever discharge HART, the respective members of the HART Group, their respective Affiliates (other than any member of the HBIO Group), successors and assigns, and all Persons who at any time prior to the Distribution Date have been stockholders, directors, officers, agents or employees of any member of the HART Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at law or in equity (including any right of contribution), whether arising under any contract or agreement, by operation of law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Distribution Date, including in connection with the transactions and all other activities to implement any of the Separation and the Distribution.

(c) Nothing contained in Section 5.1(a) or (b) shall impair any right of any Person to enforce this Agreement, any other Ancillary Agreement or any agreements, arrangements, commitments or understandings that are specified in Section 2.8(b) or the applicable exhibits or schedules thereto not to terminate as of the Separation Date, in each case in accordance with its terms. Nothing contained in Section 5.1(a) or (b) shall release any Person from:

(i) any Liability provided in or resulting from any agreement among any members of the HBIO Group or the HART Group that is specified in Section 2.8(b) or the applicable schedules or exhibits thereto as not to terminate as of the Separation Date, or any other Liability specified in such Section 2.8(b) as not to terminate as of the Separation Date;

(ii) any Liability, contingent or otherwise, assumed, transferred, assigned or allocated to the Group of which such Person is a member in accordance with, or any other Liability of any member of any Group under, this Agreement or any other Ancillary Agreement;

(iii) any Liability for the sale, lease, construction or receipt of goods, property or services purchased, obtained or used in the ordinary course of business by a member of one Group from a member of the other Group prior to the Separation Date;

(iv) any Liability for unpaid amounts for products or services or refunds owing on products or services due on a value-received basis for work done by a member of one Group at the request or on behalf of a member of the other Group;

(v) any Liability that the Parties may have with respect to indemnification or contribution pursuant to this Agreement for claims brought against the Parties by third Persons, which Liability shall be governed by the provisions of this Article V and Article VI and, if applicable, the appropriate provisions of the Ancillary Agreements or other agreement specified in Section 2.8(b) or the applicable schedules or exhibits thereto; or

(vi) any Liability the release of which would result in the release of any Person other than a Person released pursuant to this Section 5.1.

In addition, nothing contained in Section 5.1(a) shall release HBIO from honoring its existing obligations to indemnify any director, officer or employee of HART who was a director, officer or employee of HBIO on or prior to the Distribution Date, to the extent such director, officer or employee becomes a named defendant in any Action with respect to which such director, officer or employee was entitled to such indemnification pursuant to then existing obligations.

(d) HART shall not make, and shall not permit any member of the HART Group to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification, against HBIO or any member of the HBIO Group, or any other Person released pursuant to Section 5.1(a), with respect to any Liabilities released pursuant to Section 5.1(a). HBIO shall not, and shall not permit any member of the HBIO Group, to make any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification against HART or any member of the HART Group, or any other Person released pursuant to Section 5.1(b), with respect to any Liabilities released pursuant to Section 5.1(b).

(e) It is the intent of each of HBIO and HART, by virtue of the provisions of this Section 5.1, to provide for a full and complete release and discharge of all Liabilities existing or arising from all acts and events occurring or failing to occur or alleged to have occurred or to have failed to occur and all conditions existing or alleged to have existed on or before the Separation Date, between or among HART or any member of the HART Group, on the one hand, and HBIO or any member of the HBIO Group, on the other hand (including any contractual agreements or arrangements existing or alleged to exist between or among any such members on or before the Separation Date), except as expressly set forth in Section 5.1(c). At any time, at the request of any other Party, each Party shall cause each member of its respective Group to execute and deliver releases reflecting the provisions hereof.

5.2. Indemnification by HART. Except as provided in Section 5.4, HART shall, and shall cause the other members of the HART Group to, jointly and severally, indemnify, defend and hold harmless HBIO, each member of the HBIO Group and each of their respective directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "HBIO Indemnitees"), from and against any and all Liabilities of the HBIO Indemnitees relating to, arising out of or resulting from any of the following items (without duplication):

(a) the failure of HART or any other member of the HART Group or any other Person to pay, perform or otherwise promptly discharge any HART Liabilities or HART Contract in accordance with its respective terms, whether prior to or after the Separation Date or the date hereof;

(b) the HART Business, any HART Liability or any HART Contract (including, without limitation, any claims by third parties relating to the HART Business arising prior to, on or after the Separation Date);

(c) any breach by HART or any member of the HART Group of this Agreement;

(d) any guarantee, indemnification obligation, surety bond or other credit support agreement, arrangement, commitment or understanding for the benefit of HART or its Subsidiaries by HBIO or any of its Subsidiaries (other than HART or its Subsidiaries) that survives following the Separation Date; and

(e) any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, with respect to all information contained in any Form 10 Registration Statement or Information Statement (including in any amendments or supplements thereto), other than any such statement or omission in the Form 10 Registration Statement or Prospectus pertaining to the HBIO Disclosure Portions.

5.3. Indemnification by HBIO. Except as provided in Section 5.4, HBIO shall, and shall cause the other members of the HBIO Group to, jointly and severally, indemnify, defend and hold harmless HART, each member of the HART Group and each of their respective directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "HART Indemnitees"), from and against any and all Liabilities of the HART Indemnitees relating to, arising out of or resulting from any of the following items (without duplication):

(a) the failure of HBIO or any other member of the HBIO Group or any other Person to pay, perform or otherwise promptly discharge any Excluded Liabilities, whether prior to or after the Separation Date or the date hereof;

(b) the Excluded Liabilities;

(c) any breach by HBIO or any member of the HBIO Group of this Agreement;

(d) any action or failure to act by HART or any member of the HART Group at the written direction of HBIO;

(e) the HBIO Disclosure Portions; and

(f) any guarantee, indemnification obligation, surety bond or other credit support agreement, arrangement, commitment or understanding for the benefit of HBIO or its Subsidiaries by HART or any of its Subsidiaries (other than HBIO or its Subsidiaries) that survives following the Separation Date.

5.4. Indemnification Obligations Net of Insurance Proceeds and Other Amounts.

(a) The Parties intend that any Liability subject to indemnification or reimbursement pursuant to this Article V or Article VI will be net of Insurance Proceeds that actually reduce the amount of the Liability. Accordingly, the amount which any Party (an "Indemnifying Party") is required to pay to any Person entitled to indemnification hereunder (an "Indemnitee") will be reduced by any Insurance Proceeds theretofore actually recovered by or on behalf of the Indemnitee in respect of the related Liability. If an Indemnitee receives a payment (an "Indemnity Payment") required by this Agreement from an Indemnifying Party in respect of any Liability and subsequently receives Insurance Proceeds, then the Indemnitee will pay to the Indemnifying Party an amount equal to the excess of the Indemnity Payment received over the amount of the Indemnity Payment that would have been due if the Insurance Proceeds had been received, realized or recovered before the Indemnity Payment was made.

(b) An insurer who would otherwise be obligated to pay any claim shall not be relieved of the responsibility with respect thereto or, solely by virtue of the indemnification provisions hereof, have any subrogation rights with respect thereto, it being expressly understood and agreed that no insurer or any other third party shall be entitled to a "windfall" (i.e., a benefit they would not be entitled to receive in the absence of the indemnification provisions) by virtue of the indemnification provisions hereof.

(c) The Parties intend that any indemnification or reimbursement payment in respect of a Liability pursuant to this Article V or Article VI shall be (i) reduced to take into account the amount of any Tax Benefit (as defined in the Tax Sharing Agreement) to the indemnified or reimbursed Person resulting from the Liability so indemnified or reimbursed and (ii) increased so that the amount of such payment, reduced by the amount of all Income Taxes (as defined in the Tax Sharing Agreement) payable with respect to the receipt thereof (but taking into account all correlative Tax Benefits resulting from the payment of such Income Taxes), shall equal the amount of the payment which the Person receiving such payment would otherwise be entitled to receive pursuant to this Agreement. For purposes of this Section 5.4(c), the amount of any Tax Benefit and any Income Taxes shall be calculated on the basis that the indemnified or reimbursed Person is subject to the highest marginal regular statutory income Tax rate, has sufficient taxable income to permit the realization or receipt of any relevant Tax Benefit at the earliest possible time and is not subject to the alternative minimum tax.

5.5. Procedures for Indemnification of Third-Party Claims.

(a) If an Indemnitee shall receive notice or otherwise learn of the assertion by a Person (including any Governmental Authority) who is not a member of the HBIO Group or the HART Group of any claim or of the commencement by any such Person of any Action (each such claim or Action, a "Third-Party Claim") with respect to which an Indemnifying Party may be obligated to provide indemnification to such Indemnitee pursuant to Section 5.2 or 5.3, or any other Section of this Agreement or any other Ancillary Agreement, such Indemnitee shall give such Indemnifying Party written notice thereof within twenty (20) days after becoming aware of such Third-Party Claim. Any such notice shall describe the Third-Party Claim in reasonable detail and include copies of all notices and documents (including court papers) received by the Indemnitee relating to the Third-Party Claim. Notwithstanding the foregoing, the failure of an Indemnitee to provide notice in accordance with this Section 5.5(a) shall not relieve an Indemnifying Party of its indemnification obligations under this Agreement, except to the extent to which the Indemnifying Party is actually prejudiced by the Indemnitee's failure to provide notice in accordance with this Section 5.5(a).

(b) An Indemnifying Party may elect to defend (and, unless the Indemnifying Party has specified any reservations or exceptions, to seek to settle or compromise), at such Indemnifying Party's own expense and by such Indemnifying Party's own counsel, any Third-Party Claim. Within 30 days after the receipt of notice from an Indemnitee in accordance with Section 5.5(a) (or sooner, if the nature of such Third-Party Claim so requires), the Indemnifying Party shall notify the Indemnitee of its election whether the Indemnifying Party will assume responsibility for defending such Third-Party Claim, which election shall specify any reservations or exceptions. After notice from an Indemnifying Party to an Indemnitee of its election to assume the defense of a Third-Party Claim, such Indemnitee shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, but the fees and expenses of such counsel shall be the expense of such Indemnitee except as set forth in the next sentence. In the event that the Indemnifying Party has elected to assume the defense of the Third-Party Claim but has specified, and continues to assert, any reservations or exceptions in such notice, then, in any such case, the reasonable fees and expenses of one separate counsel for all Indemnitees shall be borne by the Indemnifying Party.

(c) If an Indemnifying Party elects not to assume responsibility for defending a Third-Party Claim, or fails to notify an Indemnitee of its election as provided in Section 5.5(b), such Indemnitee may defend such Third-Party Claim at the cost and expense of the Indemnifying Party.

(d) Unless the Indemnifying Party has failed to assume the defense of the Third-Party Claim in accordance with the terms of this Agreement, no Indemnitee may settle or compromise any Third-Party Claim without the consent of the Indemnifying Party, such consent not to be unreasonably withheld, delayed or conditioned.

(e) In the case of a Third-Party Claim, no Indemnifying Party shall consent to entry of any judgment or enter into any settlement of the Third-Party Claim without the consent of the Indemnitee if the effect thereof is to permit any injunction, declaratory judgment, other order or other non-monetary relief to be entered, directly or indirectly against any Indemnitee.

(f) The above provisions of this Section 5.5 and the provisions of Section 5.6 do not apply to Taxes (Taxes being governed by the Tax Sharing Agreement). In the case of any conflict between this Agreement and the Tax Sharing Agreement in relation to any matters addressed by the Tax Sharing Agreement, the Tax Sharing Agreement shall prevail.

5.6. Additional Matters.

(a) Indemnity Payments in respect of any Liabilities for which an Indemnitee is entitled to indemnification under this Article V shall be paid by the Indemnifying Party to the Indemnitee as such Liabilities are incurred upon demand by the Indemnitee, including reasonably satisfactory documentation setting forth the basis for the amount of such indemnification payment, including documentation with respect to calculations made and consideration of any Insurance Proceeds that actually reduce the amount of such Liabilities. The indemnity agreements contained in this Article V shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of any Indemnitee, (ii) the knowledge by the Indemnitee of Liabilities for which it might be entitled to indemnification hereunder and (iii) any termination of this Agreement.

(b) Any claim on account of a Liability which does not result from a Third-Party Claim shall be asserted by written notice given by the Indemnitee to the related Indemnifying Party. Such Indemnifying Party shall have a period of 30 days after the receipt of such notice within which to respond thereto. If such Indemnifying Party does not respond within such 30-day period, such Indemnifying Party shall be deemed to have refused to accept responsibility to make payment. If such Indemnifying Party does not respond within such 30-day period or rejects such claim in whole or in part, such Indemnitee shall be free to pursue such remedies as may be available to such Party as contemplated by this Agreement and the Ancillary Agreements. Notwithstanding anything to the contrary contained herein, except in connection with indemnification for a Third-Party Claim, to the extent of such claim, no Indemnifying Party shall, in any event, be liable to any Indemnitee for any Liabilities that are punitive, exemplary, treble or any other form of non-compensatory monetary damages.

(c) In the event of payment by or on behalf of any Indemnifying Party to any Indemnitee in connection with any Third-Party Claim, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnitee as to any events or circumstances in respect of which such Indemnitee may have any right, defense or claim relating to such Third-Party Claim against any claimant or plaintiff asserting such Third-Party Claim or against any other Person. Such Indemnitee shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right, defense or claim.

(d) In the event of an Action in which the Indemnifying Party is not a named defendant, if either the Indemnitee or Indemnifying Party shall so request, the Parties shall endeavor to substitute the Indemnifying Party for the named defendant. If such substitution or addition cannot be achieved for any reason or is not requested, the named defendant shall allow the Indemnifying Party to manage the Action as set forth in this section, the Indemnifying Party shall fully indemnify the named defendant against all costs of defending the Action (including court costs, sanctions imposed by a court, attorneys' fees, experts fees and all other external expenses), the costs of any judgment or settlement, and the cost of any interest or penalties relating to any judgment or settlement.

5.7. Remedies Cumulative. The remedies provided in this Article V shall be cumulative and shall not preclude assertion by any Indemnitee of any other rights or the seeking of any and all other remedies against any Indemnifying Party.

5.8. Survival of Indemnities. The rights and obligations of each of HBIO and HART and their respective Indemnitees under this Article V shall survive the sale or other transfer by any Party of any Assets or businesses or the assignment by it of any Liabilities.

5.9. Effect of Ancillary Agreements. To the extent the indemnity provisions of this Article V conflict with the indemnity or similar provisions of any Ancillary Agreement in relation to any matters addressed by such Ancillary Agreement, the terms of the respective Ancillary Agreement shall prevail.

ARTICLE VI
INTERIM OPERATIONS AND CERTAIN OTHER MATTERS

6.1. Financial Covenants. HART agrees that, for so long as HBIO is required to consolidate the results of operations and financial position of HART and any other members of the HART Group or to account for its investment in HART or any other member of the HART Group under the equity method of accounting (determined in accordance with GAAP consistently applied and consistent with SEC reporting requirements), or with respect to only clause (g) below, for so long as the auditors of HBIO need information pertaining to HART and any other members of the HART Group with respect to audits, notes, opinions and related matters of HBIO:

(a) Disclosure of Financial Controls. HART will, and will cause each other member of the HART Group to, maintain, as of and after the Separation Date, disclosure controls and procedures and internal control over financial reporting as defined in Exchange Act Rule 13a-15 promulgated under the Exchange Act; HART will, and will cause each other member of the HART Group to, maintain as of and after the Separation Date internal systems and procedures that will provide reasonable assurance that (A) HART’s annual and quarterly financial statements are reliable and timely prepared in accordance with GAAP and applicable law, (B) all transactions of members of the HART Group are recorded as necessary to permit the preparation of HART’s annual and quarterly financial statements, (C) the receipts and expenditures of members of the HART Group are authorized at the appropriate level within HART, and (D) unauthorized use or disposition of the assets of any member of the HART Group that could have a material effect on HART’s annual and quarterly financial statements is prevented or detected in a timely manner.

(b) Fiscal Year. HART will, and will cause each member of the HART Group organized in the U.S. to, maintain a fiscal year that commences and ends on the same calendar days as HBIO’s fiscal year commences and ends, and to maintain monthly accounting periods that commence and end on the same calendar days as HBIO’s monthly accounting periods commence and end.

(c) Monthly Financial Reports. No later than eight (8) Business Days after the end of each month (including the last month of HBIO’s fiscal year), HART will deliver to HBIO a consolidated income statement and, if requested by HBIO, income statements for each HART Affiliate which is consolidated with HART, for such period. HART will also deliver to HBIO a consolidated balance sheet and statement of cash flows for HART for such period and, if requested, balance sheets and statements of cash flow for each HART Affiliate which is consolidated with HART, no later than twelve (12) Business Days after the end of each monthly accounting period of HART (including the last monthly accounting period of HART of each fiscal year). The income statements, balance sheets and statements of cash flows will be in such format and detail as HBIO may request. As long as HBIO is required to consolidate the results of operations and financial position of HART in its financial statements, the information supporting such statements shall be submitted electronically for inclusion in HBIO’s financial reporting systems by such date to permit timely preparation of HBIO’s consolidated financial statements. In addition, if HART makes adjustments or other corrections to such financial information, adjustments or other corrections will be delivered by HART to HBIO as soon as practicable, and in any event within twenty-four (24) hours thereafter.

(d) Quarterly and Annual Financial Statements. HART shall establish a disclosure committee (the "Disclosure Committee") for the purposes of review and approval of HART's Forms 10-Q and Form 10-K and other significant filings with the SEC (collectively, "HART Public Filings") prior to the filing of such documents. HBIO will have the sole discretion to select up to three (3) of its employees to participate in all meetings of such committee for the purpose of reviewing the consistency of such documents with similar documents or other disclosures of HBIO. Distribution of documents by HART for review by HBIO should be made at the time such documents are distributed to the HART participants and should provide a reasonable period for review prior to the applicable meeting. The management of HART shall be solely liable for the completeness and accuracy of any such filings, including any financial statements included therein, and as such, subject at all times to HART's continued compliance with the applicable provisions of this Agreement, HART will determine in its sole discretion the final form and content of all HART Public Filings. HART will cause each of its principal executive and principal financial officers to sign and deliver to HBIO the certifications required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 and will include the certifications in HART's periodic reports, as and when required pursuant to Exchange Act Rule 13a-14 and Item 601 of Regulation S-K.

(e) Conformance with HBIO Financial Presentation. All information provided by any HART Group member to HBIO or filed with the SEC pursuant to Section 6.1(c) through (f) inclusive will be consistent in terms of format and detail and otherwise with HBIO's policies with respect to the application of GAAP and practices in effect on the Separation Date with respect to the provision of such financial information by such HART Group member to HBIO, with such changes therein as may be required by GAAP or requested by HBIO from time to time consistent with changes in such accounting principles and practices.

(f) Budgets and Financial Projections. HART will, as promptly as practicable, deliver to HBIO copies of all annual budgets and periodic financial projections (consistent in terms of format and detail and otherwise required by HBIO) relating to HART on a consolidated basis and will provide HBIO an opportunity to meet with management of HART to discuss such budgets and projections. HART will continue to provide to HBIO projections on a monthly basis consistent with past practices, including income, cash flow and operating indicators, as well as capital expenditure detail on a quarterly basis. Such projections will be submitted electronically for inclusion in HBIO's management reporting systems.

(g) Other Information. With reasonable promptness, HART will deliver to HBIO such additional financial and other information and data with respect to the HART Group and their business, properties, financial positions, results of operations and prospects as from time to time may be reasonably requested by HBIO.

(h) Press Releases and Similar Information. HART and HBIO will consult with each other as to the timing of their annual and quarterly earnings releases and any interim financial guidance for a current or future period and will give each other the opportunity to review the information therein relating to the HART Group and to comment thereon. HBIO and HART will make reasonable efforts to coordinate the issuance of their respective quarterly earnings releases, which are generally expected to both occur within one business day at approximately the same time on the same date. No later than twenty-four (24) hours prior to the time and date that a Party intends to publish its regular quarterly earnings release or any financial guidance for a current or future period, such Party will deliver to the other Party copies of drafts (or relevant portions thereof) of all press releases and other statements to be made available by any member of that Party's Group to its employees or to the public concerning any matters that could be reasonably likely to have a material financial impact on the earnings, results of operations, financial condition or prospects of any HART Group member. In addition, prior to the time and date that a Party intends to publish its regular quarterly earnings release or any financial guidance for a current or future period, such Party will deliver to the other Party copies of substantially final drafts of all press releases and other statements to be made available by any member of that Party's Group to its employees or to the public concerning any matters that could be reasonably likely to have a material financial impact on the earnings, results of operations, financial condition or prospects of any HART Group member. In addition, prior to the issuance of any such press release or public statement that meets the criteria set forth in the preceding two sentences, HART will consult with HBIO regarding any changes (other than typographical or other similar minor changes) to such substantially final drafts. Immediately following the issuance thereof, HART will deliver to HBIO copies of final drafts of all press releases and other public statements.

(i) Cooperation on HBIO Filings. HART shall (i) except as may be set forth in the Transition Services Agreement, maintain in effect at its own cost and expense adequate systems and controls to the extent necessary to enable the members of the HBIO Group to satisfy their respective reporting, accounting, audit and other obligations, and (ii) provide, or cause to be provided, to HBIO in such form as HBIO shall request, at no charge to HBIO (except with respect to any reasonable out-of-pocket costs incurred by HART in fulfilling such requests), all financial and other data and information as HBIO determines necessary or advisable in order to prepare its financial statements and reports or filings with any Governmental Authority, including copies of all quarterly and annual financial information and other reports and documents HART intends to file with the SEC prior to such filings (as well as final copies upon filing), and copies of HART's budgets and financial projections. HART will cooperate fully, and use commercially reasonable efforts to cause HART's independent certified public accountants ("HART's Auditors") to cooperate fully, with HBIO to the extent requested by HBIO in the preparation of HBIO's public earnings or other press releases, Quarterly Reports on Form 10-Q, Annual Reports to Shareholders, Annual Reports on Form 10-K, any Current Reports on Form 8-K, financial statements and notes, audits, and any other proxy, information and registration statements, reports, notices, prospectuses and any other filings made by HBIO with the SEC, any national securities exchange or otherwise made publicly available (collectively, the "HBIO Public Filings"). HART is responsible for the preparation of its financial statements in accordance with HBIO's policies with respect to the application of GAAP and shall indemnify HBIO for any liabilities it shall incur with respect to inaccuracy of such statements in accordance with Article V. HART will continue to prepare the quarterly and annual financial reporting analysis and provide support for financial statement footnotes and other information included in HBIO's filings with the SEC. Such information and the timing thereof will be consistent with the HBIO financial statement processes in place prior to the Separation. HART also agrees to provide to HBIO all other information that HBIO reasonably requests in connection with any HBIO Public Filings or that, in the judgment of HBIO's legal department and its outside securities counsel, is required to be disclosed or incorporated by reference therein under any Law. HART will provide such information in a timely manner on the dates requested by HBIO (which may be earlier than the dates on which HART otherwise would be required hereunder to have such information available) to enable HBIO to prepare, print and release all HBIO Public Filings on such dates as HBIO will determine but in no event later than as required by applicable Law. HART will use its commercially reasonable efforts to cause HART's Auditors to consent to any reference to them as experts in any HBIO Public Filings required under any law, rule or regulation. If and to the extent requested by HBIO, HART will diligently and promptly review all drafts of such HBIO Public Filings and prepare in a diligent and timely fashion any portion of such HBIO Public Filing pertaining to HART. HART management's responsibility for reviewing such disclosures shall include a determination that such disclosures are complete and accurate and consistent with other public filings or other disclosures which have been made by HART. Prior to any printing or public release of any HBIO Public Filing, an appropriate executive officer of HART will, if requested by HBIO, certify that the information relating to any HART Group member in such HBIO Public Filing is accurate, true, complete and correct in all material respects. Unless required by applicable Law, HART will not publicly release any financial or other information which conflicts with the information with respect to any HART Group member that is included in any HBIO Public Filing without HBIO's prior written consent. Prior to the release or filing thereof, HBIO will provide HART with a draft of any portion of a HBIO Public Filing containing information relating to the HART Group and will give HART an opportunity to review such information and comment thereon; provided that HBIO will determine in its sole discretion the final form and content of all HBIO Public Filings.

(j) For the avoidance of doubt, HART's requirements under this Section 6.1 will continue until the reporting for all financial statement periods during which HBIO was required to consolidate the results of operations and financial position of HART and any other members of the HART Group or to account for its investment in HART or any other member of the HART Group under the equity method of accounting (determined in accordance with GAAP consistently applied and consistent with SEC reporting requirements) has been completed. For example, if HART ceases to be a consolidated subsidiary or equity method affiliate of HBIO on September 30 of a given year, HART's obligations with regard to information required for HBIO's Form 10-K for such year ended December 31 will remain in effect until such Form 10-K has been filed.

6.2. Other Covenants.

(a) For so long as HBIO beneficially owns at least 50% of the total voting power of HART's outstanding capital stock entitled to vote in the election of the HART Board:

(i) HART will not, without the prior written consent of HBIO (which HBIO may withhold in its sole discretion), take, or cause to be taken, directly or indirectly, any action, including making or failing to make any election under the Law of any state, which has the effect, directly or indirectly, of restricting or limiting the ability of HBIO to freely sell, transfer, assign, pledge or otherwise dispose of shares of HART Common Stock or would restrict or limit the rights of any transferee of HBIO as a holder of HART Common Stock. Without limiting the generality of the foregoing, HART will not, without the prior written consent of HBIO (which HBIO may withhold in its sole discretion), take any action, or take any action to recommend to its stockholders any action, which would among other things, limit the legal rights of, or deny any benefit to, HBIO as a HART stockholder either (i) solely as a result of the amount of HART Common Stock owned by HBIO or (ii) in a manner not applicable to HART stockholders generally.

(ii) To the extent that HBIO is a party to any contract that provides that certain actions or inactions of HBIO Affiliates (which for purposes of such contract includes any member of the HART Group) which may result in HBIO being in breach of or in default under such contract and HBIO has advised HART of the existence, and has furnished HART with copies, of such contracts (or the relevant portions thereof), HART will not take or fail to take, as applicable, and HART will use commercially reasonable efforts to cause the other members of the HART Group not to take or fail to take, as applicable, any actions that reasonably could result in HBIO being in breach of or in default under any such contract. The Parties acknowledge and agree that from time to time HBIO may in good faith (and not solely with the intention of imposing restrictions on HART pursuant to this covenant) enter into additional contracts or amendments to existing contracts that provide that certain actions or inactions of HBIO Subsidiaries or Affiliates (including, for purposes of this Section 6.2(a)(ii), members of the HART Group) may result in HBIO being in breach of or in default under such contracts. In such event, provided HBIO has notified HART of such additional contracts or amendments to existing contracts, HART will not thereafter take or fail to take, as applicable, and HART will use commercially reasonable efforts to cause the other members of the HART Group not to take or fail to take, as applicable, any actions that reasonably could result in HBIO being in breach of or in default under any such additional contracts or amendments to existing contracts. HBIO acknowledges and agrees that HART will not be deemed in breach of this Section 6.2(a)(ii) to the extent that, prior to being notified by HBIO of an additional contract or an amendment to an existing contract pursuant to this Section 6.2(a)(ii), a HART Group member already has taken or failed to take one or more actions that would otherwise constitute a breach of this Section 6.2(a)(ii) had such action(s) or inaction(s) occurred after such notification, provided that HART does not, after notification by HBIO, take any further action or fail to take any action that contributes further to such breach or default. HART agrees that any Information provided to it pursuant to this Section 6.2(a)(ii) will constitute Information that is subject to HART’s obligations under Article VII.

(b) For so long as HBIO beneficially owns at least 80% of the total voting power of HART’s outstanding capital stock entitled to vote in the election of the HART Board, HART will not, without the prior written consent of HBIO (which it may withhold in its sole discretion), issue any shares of HART Capital Stock or any rights, warrants or options to acquire HART Capital Stock (including, without limitation, securities convertible into or exchangeable for HART Capital Stock), if after giving effect to such issuances and considering all of the shares of HART Capital Stock acquirable pursuant to such rights, warrants and options to be outstanding on the date of such issuance (whether or not then exercisable), HBIO could own (a) less than eighty percent (80%) of the total voting power of the outstanding shares of HART Capital Stock entitled to vote in the election of HART directors, (b) less than eighty percent (80%) of the outstanding shares of any class of HART Capital Stock not entitled to vote in the election of HART directors, or (c) less than eighty percent (80%) of the value of the outstanding shares of HART Capital Stock.

6.3. Covenants Relating to the Incurrence of Indebtedness.

(a) HART covenants and agrees that through the Distribution Date, HART will not, and HART will not permit any other member of the HART Group to, without HBIO’s prior written consent (which HBIO may withhold in its sole discretion), directly or indirectly, solicit, initiate or encourage any negotiations or discussions with respect to any offer or proposal for HART Indebtedness (other than any such negotiations or discussions regarding ordinary course non-convertible HART Indebtedness).

(b) In addition to Section 6.3(c), HART covenants and agrees that after the Separation Date and through the Distribution Date, HART will not, and HART will not permit any other member of the HART Group to, without HBIO’s prior written consent (which HBIO may withhold in its sole discretion), directly or indirectly, incur any HART Indebtedness.

(c) HART covenants and agrees that after the Separation Date and through the Distribution Date, HART will not, and HART will not permit any other member of the HART Group to, without HBIO's prior written consent (which HBIO may withhold in its sole discretion), create, incur, assume or suffer to exist any HART Indebtedness if the incurrence of such HART Indebtedness would cause HBIO to be in breach of or in default under any contract the existence of which HBIO has advised HART, or if the incurrence of such HART Indebtedness could be reasonably likely to adversely impact the credit rating of any commercial HBIO indebtedness.

(d) In order to implement this Section 6.3, HART will notify HBIO in writing, at least thirty (30) days prior to the time it or any other member of the HART Group intends to incur any additional HART Indebtedness, of its intention to do so and will either (i) demonstrate to HBIO's satisfaction that this Section 6.3 will not be violated by such proposed additional HART Indebtedness or (ii) obtain HBIO's prior written consent to the incurrence of such proposed additional HART Indebtedness. Any such written notification from HART to HBIO will include documentation of any existing HART Indebtedness and estimated HART Indebtedness after giving effect to such proposed incurrence of additional HART Indebtedness. HBIO will have the right to verify the accuracy of such information and HART will cooperate fully with HBIO in such effort (including, without limitation, by providing HBIO with access to the working papers and underlying documentation related to any calculations used in determining such information).

6.4. Auditors and Audits; Annual Financial Statements and Accounting. HART agrees that, for so long as HBIO is required to consolidate the results of operations and financial position of HART and any other members of the HART Group or to account for its investment in HART or any other member of the HART Group under the equity method of accounting (determined in accordance with GAAP consistently applied and consistent with SEC reporting requirements):

(a) Auditor. No member of the HART Group shall change its independent auditors without HBIO's prior written consent, which shall not be unreasonably withheld or delayed.

(b) Audit Timing. HART shall use commercially reasonable efforts to enable its independent auditors to complete their audit such that they will date their opinion on HART's audited annual financial statements on the same date that HBIO's independent certified public accountants ("HBIO's Auditors") date their opinion on HBIO's audited annual financial statements (the "HBIO Annual Statements"), and to enable HBIO to meet its timetable for the printing, filing and public dissemination of the HBIO Annual Statements, all in accordance with Section 6.1 hereof and as required by applicable law;

(c) Information Needed by HBIO. HART shall provide to HBIO on a timely basis all information that HBIO reasonably requires to meet its schedule for the preparation, printing, filing, and public dissemination of the HBIO Annual Statements in accordance with Section 6.1 hereof and as required by applicable Law. Without limiting the generality of the foregoing, HART will provide all required financial information with respect to the HART Group to HART's Auditors in a sufficient and reasonable time and in sufficient detail to permit HART's Auditors to take all steps and perform all reviews necessary to provide sufficient assistance to HBIO's Auditors with respect to information to be included or contained in the HBIO Annual Statements;

(d) Access to HART Auditors. HART shall authorize HART's Auditors to make available to HBIO's Auditors both the personnel who performed, or are performing, the annual audit of HART and work papers related to the annual audit of HART, in all cases within a reasonable time prior to HART's Auditors' opinion date, so that HBIO's Auditors are able to perform the procedures they consider necessary to take responsibility for the work of HART's Auditors as it relates to HBIO's Auditors' report on HBIO's statements, all within sufficient time to enable HBIO to meet its timetable for the printing, filing and public dissemination of the HBIO Annual Statements; and

(e) Access to Records. If HBIO determines in good faith that there may be some inaccuracy in a HART Group member's financial statements or deficiency in a HART Group member's internal accounting controls or operations that could materially impact HBIO's financial statements, at HBIO's request, HART will provide HBIO with access to the HART Group's books and records upon reasonable notice and during normal business hours so that HBIO may conduct reasonable audits relating to the financial statements provided by HART under this Agreement as well as to the internal accounting controls and operations of the HART Group.

(f) Notice of Changes. Subject to Section 6.1(g), HART will give HBIO as much prior notice as reasonably practicable of any proposed determination of, or any significant changes in, HART's accounting estimates or accounting principles from those in effect on the Separation Date. HART will consult with HBIO and, if requested by HBIO, HART will consult with HBIO's Auditors with respect thereto. HART will not make any such determination or changes without HBIO's prior written consent if such a determination or a change would be sufficiently material to be required to be disclosed in HART's or HBIO's financial statements as filed with the SEC or otherwise publicly disclosed therein.

(g) Accounting Changes Requested by HBIO. Notwithstanding clause (g) above, HART will make any changes in its accounting estimates or accounting principles that are requested by HBIO in order for HART's accounting practices and principles to be consistent with those of HBIO.

(h) Special Reports of Deficiencies or Violations. HART will report in reasonable detail to HBIO the following events or circumstances promptly after any executive officer of HART or any member of the HART Board becomes aware of such matter: (A) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect HART's ability to record, process, summarize and report financial information; (B) any fraud, whether or not material, that involves management or other employees who have a significant role in HART's internal control over financial reporting; (C) any illegal act within the meaning of Section 10A(b) and (f) of the Exchange Act; and (D) any report of a material violation of law that an attorney representing any HART Group member has formally made to any officers or directors of HART pursuant to the SEC's attorney conduct rules (17 C.F.R. Part 205).

(i) For the avoidance of doubt, HART's requirements under this Section 6.4 will continue until the reporting for all financial statement periods during which HBIO was required to consolidate the results of operations and financial position of HART and any other members of the HART Group or to account for its investment in HART or any other member of the HART Group under the equity method of accounting (determined in accordance with GAAP consistently applied and consistent with SEC reporting requirements) has been completed. For example, if HART ceases to be a consolidated subsidiary or equity method affiliate of HBIO on September 30 of a given year, HART's obligations with regard to information required for HBIO's Form 10-K for such year will remain in effect until such Form 10-K has been filed.

6.5. Insurance Matters.

(a) (i) HART and each Covered Subsidiary that is a member of the HART Group, and each of their respective directors and officers shall be covered under HBIO's directors' and officers' insurance program until the Distribution Date. HART shall promptly pay or reimburse HBIO for all costs and expenses associated with this coverage that are properly allocated to HART and any members of the HART Group by HBIO consistent with HBIO's allocation of such costs and expenses with respect to the HART Business as of the Separation Date. HART may review HBIO's directors' and officers' insurance policies upon request. HART acknowledges that such directors' and officers' insurance coverage shall terminate as of the Distribution Date, and HART covenants and agrees that it shall take appropriate steps to secure directors' and officers' insurance coverage for itself, each of its Subsidiaries, if any, and each of their respective directors and officers no later than the Distribution Date.

(ii) Except as set forth in Section 6.5(a)(i) with respect to directors' and officers' insurance, during the period from the Separation Date through the Distribution Date, HBIO will, subject to insurance market conditions and other factors beyond HBIO's control, maintain, for the protection of HART and its Covered Subsidiaries, policies of insurance that are comparable to those maintained generally for HBIO and its Covered Subsidiaries during the same period. HART shall promptly pay or reimburse HBIO for all costs and expenses associated with this coverage that are properly allocated to HART and any members of the HART Group by HBIO consistent with HBIO's allocation of such costs and expenses with respect to the HART Business as of the Separation Date. To the extent HBIO purchases a new type of insurance, or an amount or level of insurance not previously purchased by HBIO in order to protect, at least in part, HART or any of its Covered Subsidiaries, that portion of the costs and expenses of such insurance attributable to HART or any of its Covered Subsidiaries, as determined in HBIO's sole discretion, shall be reimbursed by HART.

(b) HBIO and HART agree to cooperate in good faith to provide for an orderly transition of insurance coverage from the date hereof through the Distribution Date. Except with respect to HBIO's obligation to indemnify the HART Indemnitees pursuant to Section 5.3 if applicable, in no event shall HBIO, any other member of the HBIO Group or any HBIO Indemnitee have liability or obligation whatsoever to any member of the HART Group solely as a result of any insurance policy or other contract or policy of insurance being terminated or otherwise ceasing to be in effect (except with respect to HBIO's obligation to indemnify the HART Indemnitees pursuant to Section 5.3 that are impacted by any instance in which such insurance policy or other contract or policy of insurance that was required to be maintained by the HBIO Group or any HBIO Indemnitee hereunder (i) is terminated voluntarily by HBIO or any member of the HBIO Group or (ii) lapses as a result of HBIO or any member of the HBIO Group failing to pay any insurance premium when due), being unavailable or inadequate to cover any Liability of any member of the HART Group for any reason whatsoever or not being renewed or extended beyond the current expiration date.

(c) From and after the Distribution Date, other than as provided in Section 6.5(d), neither HART nor any member of the HART Group shall have any rights to or under any of HBIO's or its Affiliates' insurance policies. At the Distribution Date, HART shall have in effect all insurance programs required to comply with HART's contractual obligations and such other insurance policies as reasonably necessary or customary for companies operating a business similar to HART's. Such insurance programs may include, but are not limited to, general liability, commercial auto liability, workers' compensation, employer's liability, product liability, professional services liability, property, cargo, employment practices liability, employee dishonesty/crime, aircraft hull and liability, directors' and officers' liability and fiduciary liability.

(d) From and after the Distribution Date, with respect to any losses, damages and liability incurred by any member of the HART Group prior to the Distribution Date, HBIO will provide HART with access to, and HART may make claims under HBIO's third-party insurance policies in place at the time of the Distribution and HBIO's historical policies of insurance, but solely to the extent that such policies provided coverage for the HART Group prior to the Distribution; provided, that such access to, and the right to make claims under such insurance policies, shall be subject to the terms and conditions of such insurance policies, including any limits on coverage or scope, any deductibles and other fees and expenses, and shall be subject to the following additional conditions:

(A) HART shall report, as promptly as practicable claims in accordance with HBIO's claim reporting procedures in effect immediately prior to the Distribution Date (or in accordance with any modifications to such procedures after the Distribution Date communicated by HBIO to HART in writing);

(B) HART and its Affiliates shall indemnify, hold harmless and reimburse HBIO and its Affiliates for any deductibles, self-insured retention, fees and expenses incurred by HBIO or its Affiliates to the extent resulting from any access to, any claims made by HART or any of its Affiliates under, any insurance provided pursuant to this Section 6.5(d), including any indemnity payments, settlements, judgments, legal fees and allocated claims expenses and claim handling fees, whether such claims are made by HART, its employees or third Persons; and

(C) Except with respect to HBIO's obligation to indemnify the HART Indemnitees pursuant to Section 5.3 if applicable, HART shall exclusively bear (and neither HBIO nor its Affiliates shall have any obligation to repay or reimburse HART or its Affiliates for) and shall be liable for all uninsured, uncovered, unavailable or uncollectible amounts of all such claims made by HART or any of its Affiliates under the policies as provided for in this Section 6.5(d).

In the event an insurance policy aggregate is exhausted, or believed likely to be exhausted, due to noticed claims, the HART Group, on the one hand, and the HBIO Group, on the other hand, shall be responsible for their *pro rata* portion of the reinstatement premium, based upon the losses of such Group submitted to HBIO's insurance carrier(s) (including any submissions prior to the Distribution Date). To the extent that the HBIO Group or the HART Group is allocated more than its *pro rata* portion of such premium due to the timing of losses submitted to HBIO's insurance carrier(s), the other Party shall promptly pay the first Party an amount so that each Group has been properly allocated its *pro rata* portion of the reinstatement premium. HBIO and HART can mutually agree not to reinstate the policy aggregate and each Group then will bear all of its own future costs.

(e) All payments and reimbursements by HART pursuant to this Section 6.5 will be made within thirty (30) days after HART's receipt of an invoice therefor from HBIO. If HBIO incurs costs to enforce HART's obligations herein, HART agrees to indemnify HBIO for such enforcement costs, including attorneys' fees.

(f) HBIO shall retain the exclusive right to control its insurance policies and programs, including the right to exhaust, settle, release, commute, buy-back or otherwise resolve disputes with respect to any of its insurance policies and programs and to amend, modify or waive any rights under any such insurance policies and programs, notwithstanding whether any such policies or programs apply to any HART Liabilities and/or claims HART has made or could make in the future, and no member of the HART Group shall, without the prior written consent of HBIO, erode, exhaust, settle, release, commute, buy-back or otherwise resolve disputes with HBIO's insurers with respect to any of HBIO's insurance policies and programs, or amend, modify or waive any rights under any such insurance policies and programs. HART shall cooperate with HBIO and share such information as is reasonably necessary in order to permit HBIO to manage and conduct its insurance matters as it deems appropriate. Neither HBIO nor any of its Affiliates shall have any obligation to secure extended reporting for any claims under any of HBIO's or its Affiliates' liability policies for any acts or omissions by any member of the HART Group incurred prior to the Distribution Date.

(g) This Agreement shall not be considered as an attempted assignment of any policy of insurance or as a contract of insurance and shall not be construed to waive any right or remedy of any member of the HBIO Group in respect of any insurance policy or any other contract or policy of insurance.

(h) HART does hereby, for itself and each other member of the HART Group, agree that no member of the HBIO Group shall have any Liability whatsoever as a result of the insurance policies and practices of HBIO and its Affiliates as in effect at any time, including as a result of the level or scope of any such insurance, the creditworthiness of any insurance carrier, or the terms and conditions of any policy, and except with respect to HBIO's obligation to indemnify the HART Indemnitees pursuant to Section 5.3 if applicable, the adequacy or timeliness of any notice to any insurance carrier with respect to any claim or potential claim or otherwise.

ARTICLE VII
EXCHANGE OF INFORMATION; CONFIDENTIALITY

7.1. Agreement for Exchange of Information; Archives. Subject to Section 7.8 and any other applicable confidentiality obligations, each of HBIO and HART, on behalf of its respective Group, agrees to provide, or cause to be provided, to the other Group, at any time before or after the Separation Date, as soon as reasonably practicable after written request therefor, any Information in the possession or under the control of such respective Group which the requesting Party reasonably needs (i) to comply with reporting, disclosure, filing or other requirements imposed on the requesting Party (including under applicable securities or Tax Laws) by a Governmental Authority having jurisdiction over the requesting Party, (ii) for use in any other judicial, regulatory, administrative, tax or other proceeding or in order to satisfy audit, accounting, claims, regulatory, litigation, tax or other similar requirements, in each case other than claims or allegations that one Party to this Agreement has against the other, or (iii) subject to the foregoing clause (ii), to comply with its obligations under this Agreement or any other Ancillary Agreement; provided, however, that, in the event that any Party determines that any such provision of Information could be commercially detrimental, violate any Law or agreement, or waive any attorney-client privilege, the Parties shall take all reasonable measures to permit the compliance with such obligations in a manner that avoids any such harm or consequence.

7.2. Ownership of Information. Any Information owned by one Group that is provided to a requesting Party pursuant to Section 7.1 or Section 7.7 shall be deemed to remain the property of the providing Party. Unless specifically set forth herein, nothing contained in this Agreement shall be construed as granting or conferring rights of license or otherwise in any such Information.

7.3. Compensation for Providing Information. Except as set forth in Section 7.1, the Party requesting Information agrees to reimburse the other Party for the reasonable costs, if any, of creating, gathering and copying such Information, to the extent that such costs are incurred for the benefit of the requesting Party. Except as may be otherwise specifically provided elsewhere in this Agreement or in any other agreement between the Parties, such costs shall be computed in accordance with the providing Party's standard methodology and procedures.

7.4. Record Retention. To facilitate the possible exchange of Information pursuant to this Article VII and other provisions of this Agreement after the Separation Date, the Parties agree to use their reasonable best efforts to retain all Information in their respective possession or control on the Separation Date in accordance with the policies of HBIO as in effect on the Separation Date or such other policies as may be adopted by HBIO after the Separation Date (provided, in the case of HART, that HBIO notifies HART of any such change). No Party will destroy, or permit any of its Subsidiaries to destroy, any Information which the other Party may have the right to obtain pursuant to this Agreement prior to the end of the retention period set forth in such policies without first notifying the other Party of the proposed destruction and giving the other Party the opportunity to take possession of such information prior to such destruction; provided, however, that in the case of any Information relating to Taxes, employee benefits or Environmental Liabilities, such retention period shall be extended to the expiration of the applicable statute of limitations (giving effect to any extensions thereof). Notwithstanding the foregoing, Section 9 of the Tax Sharing Agreement will govern the retention of Tax Records (as defined in the Tax Sharing Agreement).

7.5. Limitations of Liability. No Party shall have any liability to any other Party in the event that any Information exchanged or provided pursuant to this Agreement which is an estimate or forecast, or which is based on an estimate or forecast, is found to be inaccurate in the absence of willful misconduct by the Party providing such Information. No Party shall have any liability to any other Party if any Information is destroyed after reasonable best efforts by such Party to comply with the provisions of Section 7.4.

7.6. Other Agreements Providing for Exchange of Information.

The rights and obligations granted under this Article VII are subject to any specific limitations, qualifications or additional provisions on the sharing, exchange, retention or confidential treatment of Information (however it may be elsewhere defined) set forth in any Ancillary Agreement.

7.7. Production of Witnesses; Records; Cooperation.

(a) After the Separation Date, except in the case of an adversarial Action by one Party against another Party, each Party hereto shall use its commercially reasonable efforts to make available to each other Party, upon written request, the directors, officers and employees of the members of its respective Group as witnesses and any books, records or other documents within its control, to the extent that any such Person (giving consideration to business demands of such directors, officers and employees) or books, records or other documents may reasonably be required in connection with any Action in which the requesting Party may from time to time be involved, regardless of whether such Action is a matter with respect to which indemnification may be sought hereunder. The requesting Party shall bear all costs and expenses in connection therewith.

(b) If an Indemnifying Party chooses to defend or to seek to compromise or settle any Third-Party Claim, the other parties shall make available to such Indemnifying Party, upon written request, the directors, officers and employees of the members of its respective Group as witnesses and any books, records or other documents within its control, to the extent that any such Person (giving consideration to business demands of such directors, officers and employees) or books, records or other documents may reasonably be required in connection with such defense, settlement or compromise, or such prosecution, evaluation or pursuit, as the case may be, and shall otherwise cooperate in such defense, settlement or compromise, or such prosecution, evaluation or pursuit, as the case may be.

(c) Without limiting the foregoing, the Parties shall cooperate and consult to the extent reasonably necessary with respect to any Actions.

(d) Without limiting any provision of this Section 7.7 or the Intellectual Property Matters Agreement, each of the Parties agrees to cooperate, and to cause each member of its respective Group to cooperate, with each other in the defense of any infringement or similar claim with respect any intellectual property and shall not claim to acknowledge, or permit any member of its respective Group to claim to acknowledge, the validity or infringing use of any intellectual property of a third Person in a manner that would hamper or undermine the defense of such infringement or similar claim.

(e) The obligation of the Parties to provide witnesses pursuant to this Section 7.7 is intended to be interpreted in a manner so as to facilitate cooperation and shall include the obligation to provide as witnesses inventors and other officers without regard to whether the witness or the employer of the witness could assert a possible business conflict (subject to the exception set forth in the first sentence of Section 7.7(a)).

(f) In connection with any matter contemplated by this Section 7.7, the Parties will enter into a mutually acceptable joint defense agreement so as to maintain to the extent practicable any applicable attorney-client privilege or work product immunity of any member of any Group.

7.8. Confidentiality.

(a) Subject to Section 7.9, each of HBIO and HART, on behalf of itself and each member of its respective Group, agrees to hold, and to cause its respective Representatives to hold, in strict confidence, with at least the same degree of care that applies to HBIO's confidential and proprietary information pursuant to policies in effect as of the Separation Date, all Information concerning each such other Group that is either in its possession (including Information in its possession prior to any of the date hereof, the Separation Date or any Distribution Date) or furnished by any such other Group or its respective Representatives at any time pursuant to this Agreement, any other Ancillary Agreement or otherwise, and shall not use any such Information other than for such purposes as shall be expressly permitted hereunder or under and Ancillary Agreement, except, in each case, to the extent that such Information is or has been (i) in the public domain through no fault of such Party or any member of such Group or any of their respective Representatives, (ii) later lawfully acquired from other sources by such Party (or any member of such Party's Group) which sources are not themselves bound by a confidentiality obligation with respect to such Information, (iii) independently generated without reference to or use of any proprietary or confidential Information of the other Party, or (iv) approved for release or disclosure by written authorization of the non-disclosing Party.

(b) Each Party agrees not to release or disclose, or permit to be released or disclosed, any such Information to any other Person, except its Representatives who need to know such Information and who shall be subject by agreement or otherwise to confidentiality restrictions at least as restrictive as those set forth herein with respect to such Information, except as permitted pursuant to Section 7.9. Without limiting the foregoing, when any Information is no longer needed for the purposes contemplated by this Agreement or any other Ancillary Agreement, each Party will promptly after request of the other Party either return to the other Party all Information in a tangible form (including all copies thereof and all notes, extracts or summaries based thereon) or certify to the other Party that it has destroyed such Information (and such copies thereof and such notes, extracts or summaries based thereon).

7.9. Protective Arrangements. In the event that any Party or any member of its Group either determines on the advice of its counsel that it is required to disclose any Information pursuant to applicable Law or receives any demand under lawful process or from any Governmental Authority to disclose or provide Information of any other Party (or any member of any other Party's Group) that is subject to the confidentiality provisions hereof, such Party shall notify the other Party prior to disclosing or providing such Information and shall cooperate at the expense of the requesting Party in seeking any and all commercially feasible protective arrangements requested by such other Party. Subject to the foregoing, the Person that received such request may thereafter disclose or provide Information, or portions thereof, only to the extent required by such Law (as so advised by counsel) or by lawful process or such Governmental Authority.

ARTICLE VIII
MATTERS RELATING TO EMPLOYEES AND OTHER PARTICIPANTS

8.1. General Principles.

(a) Employment of HART Employees. All HART Employees shall continue to be employees of HART or another member of the HART Group, as the case may be, immediately after the Separation Date. All Transferred Employees shall be deemed to be employees exclusively of HART or the applicable member of the HART Group, as the case may be, on or immediately after the Separation Date except for the President and Chief Financial Officer of HBIO who may be employees of both HART and HBIO prior to the Distribution Date, and except for certain foreign Transferred Employees whom HBIO and HART agree will be transitioning to HART on or prior to the Distribution Date. Following the Separation Date, HART hereby agrees to promptly, and in event prior to the Distribution Date or later period that HBIO agrees to provide related transition services pertaining to such foreign Transferred Employees to HART, transfer such foreign Transferred Employees to the appropriate members of the HART Group.

(b) Assumption and Retention of Liabilities; Related Assets.

(i) As of through the Separation Date, except as expressly provided in this Article VIII, the HBIO Group shall assume or retain and pay, perform, fulfill and discharge, in due course in full (A) all Liabilities under all HBIO Benefit Plans in accordance with the terms thereof, (B) all other Liabilities with respect to the employment or termination of employment of all HBIO Employees, Former HBIO Employees, Transferred Employees and their dependents and beneficiaries, and other service providers (including any individual who is, or was, an independent contractor, or other non-employee service provider of any member of the HBIO Group), arising in connection with or as a result of the provision of services to any member of the HBIO Group; and (C) any other Liabilities expressly assigned to HBIO under this Article VIII.

(ii) From and after the Separation Date, except as expressly provided in this Article VIII, the HART Group shall assume or retain, and pay, perform, fulfill and discharge, in due course and in full, (A) all Liabilities under all HART Benefit Plans, (B) all other Liabilities with respect to the employment or termination of employment of all HART Employees (including without limitation any Transferred Employees), Former HART Employees and their dependents and beneficiaries, and other service providers (including any individual who is, or was, an independent contractor or other non-employee service provider of any member of the HART Group or arising in connection with or as a result of the provision of services to any member of the HART Group; and (C) any other Liabilities expressly assigned to any member of the HART Group under this Article VIII. Notwithstanding anything herein to the contrary, until the President and Chief Financial Officer of HBIO and certain foreign Transferred Employees are transferred to the exclusive employ of HART or the HART Group on or prior to the Distribution Date, the HART Liabilities for all such individuals shall be governed by the Transition Services Agreement.

(iii) HART Participation in HBIO Benefit Plans. Except as expressly provided in this Article VIII, effective as of the Separation Date, HART and each other member of the HART Group shall cease to be a Participating Company in any HBIO Benefit Plan, and each HART Employee who is a participant in one or more HBIO Benefit Plans immediately prior to the Separation Date shall cease active participation in such HBIO Benefit Plans as of the Separation Date. Notwithstanding anything herein to the contrary, any Transferred Employee who is a participant in one or more HBIO Benefit Plans immediately prior to the Distribution Date shall cease active participation in such HBIO Benefit Plans as of the Distribution Date. Notwithstanding anything herein to the contrary, for purposes of counting service for eligibility, vesting and the accrual of benefits under any HART Benefit Plan, the HBIO Employment of any Transferred Employee shall count as HART Employment.

(c) Commercially Reasonable Efforts. HBIO and HART shall use commercially reasonable efforts to (i) enter into any necessary agreements to accomplish the assumptions and transfers contemplated by this Article VIII; (ii) amend any Benefit Plans; and (iii) provide for the transfer and maintenance of the necessary participant records. After the Separation Date, HBIO and HART shall each be individually responsible for the appointment of the trustees and the engagement of record keepers, investment managers, providers, and insurers for its respective Benefit Plans.

(d) Regulatory Compliance. HBIO and HART shall, in connection with the actions taken pursuant to this Article VIII, cooperate, as reasonably necessary and appropriate, in making any and all filings required under the Code, ERISA and any applicable securities laws, disseminating all appropriate communications with participants, transferring appropriate records and taking all such other actions as may be reasonably necessary and appropriate to implement the provisions of this Article VIII in a timely manner.

(e) Approval by HBIO as Sole Stockholder. Prior to the Distribution Date, HBIO shall cause HART to adopt the Harvard Apparatus Regenerative Technology Inc. 2013 Equity and Incentive Plan and any other HART Benefit Plan that may require stockholder approval under applicable Law.

(f) Sections 162(m)/409A. Notwithstanding anything in this Agreement to the contrary (including the treatment of supplemental and deferred compensation plans, outstanding long-term incentive awards, annual incentive awards as described herein, and awards under the Harvard Apparatus Regenerative Technology Inc. 2013 Equity and Incentive Plan), the Parties agree to negotiate in good faith regarding the need for any treatment different from that otherwise provided in this Article VIII to ensure that (i) a federal income Tax deduction for the payment of such supplemental or deferred compensation or long-term incentive award, annual incentive award or other compensation is not limited by reason of Section 162(m) of the Code, and (ii) the treatment of such supplemental or deferred compensation or long-term incentive award, annual incentive award or other compensation does not cause the imposition of a tax under Section 409A of the Code.

(g) No Change in Control. The Parties hereto acknowledge and agree that the transactions contemplated by this Agreement do not constitute a "change of control" for purposes of any Benefit Plan, and to the extent that any Benefit Plan provides otherwise, such Benefit Plan shall be promptly amended to comply with this provision (in any event prior to the Distribution Date), provided that such amendment does not trigger adverse tax results under Code Section 409A or otherwise.

(h) Effect on Employment. Except as expressly provided in this Agreement, the occurrence of the Separation and Distribution alone shall not cause any employee of a member of either the HART Group or the HBIO Group to be deemed to have incurred a termination of employment which entitles such individual to the commencement of benefits under any of the HBIO Benefit Plans. Furthermore, nothing in this Agreement is intended to confer upon any employee or former employee of HBIO, HART or either of their respective Affiliates any right to continued employment, or any recall or similar rights to an individual on layoff or any type of approved leave. Additional conditions to the Separation will be (1) that the President and Chief Financial Officer of HBIO who are transferring to the employ of HART as of the Distribution Date shall execute employment agreements with HART with a term commencing on the Distribution Date, and (2) that each HART Employee or Transferred Employee having an employment agreement with HBIO, shall execute an agreement in favor of HBIO terminating his or her employment agreement with HBIO as of the Distribution Date, and acknowledging that no severance payments are due as a result of such termination of employment. Notwithstanding anything herein to the contrary, such HBIO termination agreement executed by the President or Chief Financial Officer shall be effective as of the Distribution Date. Notwithstanding anything in this paragraph to the contrary, HART acknowledges and agrees that it shall assume any and all Liabilities relating to any termination of HBIO employment by any HART Employee or Transferred Employee, described hereinabove (including any severance).

(i) Consent Of Third Parties. If any provision of this Agreement is dependent on the consent of any third party and such consent is withheld, the Parties hereto shall use their reasonable best efforts to implement the applicable provisions of this Agreement to the fullest extent practicable. If any provision of this Agreement cannot be implemented due to the failure of such third party to consent, the Parties hereto shall negotiate in good faith to implement the provision in a mutually satisfactory manner.

(j) Beneficiary Designation/Release Of Information/Right To Reimbursement. To the extent permitted by applicable Law and except as otherwise provided for in this Agreement or the HART Benefit Plans, all beneficiary designations, authorizations for the release of Information and rights to reimbursement made by or relating to HART participants under HBIO Benefit Plans shall be transferred to and be in full force and effect under the corresponding HART Benefit Plans as of the Separation Date until such beneficiary designations, authorizations or rights are replaced or revoked by, or no longer apply, to the relevant HART participant.

8.2. Annual Bonus Awards

(a) HART Bonus Awards. HART shall be responsible for determining all bonus awards payable for any time period following the Separation Date with respect to individuals who are employees of the HART Group on or after the Separation Date. HART shall be responsible for all Liabilities with respect to such bonus awards.

(b) HBIO Bonus Awards. HBIO shall be responsible for determining, and shall retain all Liabilities with respect to, any bonus awards payable to HBIO Employees for 2013 and thereafter. In addition, HBIO shall be responsible for determining, and shall retain all Liabilities with respect to any portion of bonus awards pertaining to any periods prior to the Separation Date, if any, that are payable to HART Employees who were also employees of the HBIO Group during such period. HBIO shall pay to each such HART Employee the amount of any such bonus pertaining to any periods prior to the Separation Date.

8.3. Certain Welfare Benefit Matters.

(a) HART Health and Welfare Plans. HART (or any third party with which HART contracts) shall be responsible for all Liabilities relating to, arising out of or resulting from health and welfare coverage or claims under the HART Health and Welfare Plans from and after the Distribution Date which shall also be the effective date of such HART Health and Welfare Plans. From the Separation Date to the Distribution Date, HART Employees (including any Transferred Employees) shall participate in the HBIO Health and Welfare Plans, and HBIO shall charge HART its pro rata share of the cost of such coverage for Transferred Employees and other HART Employees.

(b) HBIO Health and Welfare Plans. HBIO (or any third party with which HART contracts) shall be responsible for all Liabilities relating to, arising out of or resulting from health and welfare coverage or claims under the HBIO Health and Welfare Plans, including but not limited to the claims of HART Employees (including any Transferred Employees) participating in such Plans before the Distribution Date.

(c) Workers' Compensation Liabilities. All workers' compensation Liabilities relating to, arising out of, or resulting from any claim by a HBIO Employee or Former HBIO Employee with respect to HBIO Employment, shall be retained by HBIO. All workers' compensation Liabilities relating to, arising out of, or resulting from any claim by a HART Employee (including without limitation Transferred Employees) or Former HART Employee with respect to HART Employment shall be retained by HART. To the extent necessary, HBIO and HART shall cooperate with respect to any notification to appropriate governmental agencies of the effective time and the issuance of new, or the transfer of existing, workers' compensation insurance policies and claims handling contracts.

(d) COBRA and HIPAA Compliance. HBIO shall be responsible for administering compliance with the health care continuation requirements of COBRA, the certificate of creditable coverage requirements of HIPAA, and the corresponding provisions of the HBIO Health and Welfare Plans with respect to HBIO Employees, Former HBIO Employees, Transferred Employees and their covered dependents who incur a COBRA qualifying event or loss of coverage under the HBIO Health and Welfare Plans at any time before, on or after the Separation Date. HART shall be responsible for administering compliance with the health care continuation requirements of COBRA, the certificate of creditable coverage requirements of HIPAA, and the corresponding provisions of the HART Health and Welfare Plans with respect to HART Employees (including, as applicable Transferred Employees) and Former HART Employees and their covered dependents who incur a COBRA qualifying event or loss of coverage under the HART Health and Welfare Plans at any time before, on or after the Separation Date.

8.4. [Reserved.]

8.5. Qualified Defined Contribution Plan.

(a)(i) Subject to the terms of this §8.5(e), Assets and Liabilities attributable to the vested and unvested account balances of the Transferred Employees (or any other applicable HART Employee who is an HBIO Participant) , including any notes relating to outstanding plan loans, which are held in the trust under the Harvard Bioscience, Inc. 401(k) Plan (the "DC Trust") shall be spun off to a new 401(k) plan, the provisions of which shall initially mirror the plan under the DC Trust, and which HART shall sponsor and maintain (the "HART 401(k) Plan"). The Parties hereto shall cooperate in good faith to complete such separation on commercially reasonable terms and conditions, effective as of the Distribution Date or as soon thereafter as reasonably practicable. For purposes of counting service for eligibility, vesting and the accrual of benefits under the HART 401(k) Plan, the HBIO Employment of any Transferred Employee (or other HART Employee) shall count as HART Employment under the HART 401(k) Plan, as of the effective date of such Plan.

(a)(ii) HART shall be responsible for taking all necessary, reasonable and appropriate actions to establish, maintain and administer the HART 401(k) Plan so that it is qualified under Section 401(a) of the Code, so that the trust related thereto is exempt from Federal income tax under Section 501(a) of the Code. HART (acting directly or through one or more of its Affiliates) shall be responsible for any and all Liabilities and other obligations with respect to the HART 401(k) Plan.

(b) Transfer of Assets. The transfer described in subsection (a) hereof shall occur as soon as practicable following both the establishment of the HART 401(k) Plan and the Distribution Date, subject to the terms of clause (e) hereof. HART shall cause the HART 401(k) Plan to accept such transfer of accounts and underlying Assets and Liabilities, and, effective as of the date of such transfer, HART shall assume and fully perform, pay and discharge, all obligations of the HBIO 401(k) Plan relating to the accounts of HART Participants. Any transfer of Assets pursuant to this Section 8.5 shall be conducted in accordance with Section 414(l) of the Code, Treasury Regulation Section 1.414(1)-1, and Section 208 of ERISA.

(c) Continuation of Elections. As soon as practicable following the establishment of the HART 401(k) Plan, HART (acting directly or through its Affiliates) shall, to the extent practicable, cause the HART 401(k) Plan to recognize and maintain all HBIO 401(k) Plan elections, including, but not limited to, loan arrangements, deferral, investment, and the form of payment, beneficiary designations, and the rights of alternate payees under qualified domestic relations orders with respect to HART Participants who are HBIO Participants); otherwise, HART shall require HART Participants to make new elections or designations, as necessary and appropriate with respect to the HART 401(k) Plan.

(d) Form 5310-A. No later than thirty (30) days prior to the date of any transfer of Assets and Liabilities pursuant to Section 8.5(b), HBIO and HART (each acting directly or through their respective Affiliates) shall, if required, file Internal Revenue Service Form 5310-A regarding the transfer of Assets and Liabilities from the HBIO 401(k) Plan to the HART 401(k) Plan as described in this Section 8.5.

(e) Contributions to the HART 401(k) Plan. The transfer of Assets and Liabilities described in (b) hereof shall include all contributions payable to the HBIO 401(k) Plan for any employee deferrals and contributions, HBIO matching contributions and other contributions, whether vested or unvested, and loan repayments, and any rollovers accounts that are allocable to the accounts of each and every Transferred Employee (or other HART Employee) who is a HBIO Participant, plus any suspense accounts or forfeiture accounts attributable to said Employees, where the amount of such transfer is determined through date, after the Distribution Date, that is established for transfer by the mutual agreement of HBIO and HART, determined in accordance with the terms and provisions of the HBIO 401(k) Plan, the HART 401(k) Plan, applicable law, and this section 8.5.

8.6. Deferred Compensation

(a) HBIO shall retain, or cause any member of the HBIO Group to retain, all Assets and all Liabilities arising out of or relating to any HBIO Benefit Plans that provide for nonqualified deferred compensation (the "HBIO Nonqualified Plans"), and any and all trusts relating to such HBIO Benefit Plans, including any grantor or "rabbi trust," and shall make payments to all participants in such plans who are HART Employees (including without limitation any Transferred Employees), or Former HART Employees and their respective beneficiaries in accordance with the terms of the applicable HBIO Nonqualified Plan.

(b) Except as otherwise provided under the applicable HBIO Nonqualified Plan, HBIO and HART intend that neither the Separation nor the Distribution nor any of the other transactions contemplated by this Agreement will alone trigger a payment or distribution of compensation under the HBIO Nonqualified Plans for any HART Employee or Former HART Employee, but rather, that the payment or distribution of any compensation to which any HART Employee (including without limitation any Transferred Employee) or Former HART Employee is entitled under any HBIO Nonqualified Plan will occur upon such HART Employee's separation from service from the HBIO Group or at such other time as provided in such HBIO Nonqualified Plan or such HART Employee's deferral election. If any HBIO Nonqualified Plan must be amended to comply with this subsection (b), it shall be amended only if it is expected that the amendment shall not trigger any adverse tax consequence under Code Section 409A.

8.7. [Reserved].

8.8. Treatment of Outstanding HBIO Equity Awards. HBIO and HART shall use commercially reasonable efforts to take all actions necessary or appropriate so that each outstanding HBIO Option and HBIO Restricted Stock Unit held by any individual shall be adjusted as set forth in this Section 8.8, provided that such adjustment does not trigger taxation under Code Section 409A.

(a) HBIO Options Held by HBIO Employees, Former HBIO Employees, HBIO Directors and HART Employees. As determined by the Compensation Committee of the HBIO Board (the "Committee") or the HBIO Board pursuant to its authority under the applicable HBIO Long-Term Incentive Plan, and as approved by the HART Board pursuant to its authority under the applicable HART Long-Term Incentive Plan, each HBIO Option held by an HBIO Employee, a Former HBIO Employee, a member of the HBIO Board of Directors or a HART Employee (including without limitation, any Transferred Employee), whether vested or unvested, shall be converted on the Distribution Date into both an adjusted HBIO Option and a HART Option, each as described below, provided that tax under Code section 409A is not expected to be triggered thereby, and except as modified in accordance with this Section 8.8 below (including clause (c)), shall otherwise be subject to the same terms and conditions after the Distribution Date as the terms and conditions applicable to such HBIO Option immediately prior to the Distribution Date; provided, however, that from and after the Distribution Date:

(i) the number of shares of HBIO Common Stock available for purchase upon the exercise of such adjusted HBIO Option shall be equal to the sum of (I) the respective Existing HBIO Option Amount, plus (II) the result, rounded down to the nearest whole dollar, obtained by multiplying (A) the Replacement Fair Value pertaining to such HBIO Option by (B) the HBIO Value Factor and dividing the product by (C) the HBIO Post-Distribution Fair Value Per Option pertaining to such HBIO Option,

(ii) the per share exercise price of such HBIO Option, rounded up to the nearest whole cent, shall be equal to the product of (A) the Existing HBIO Exercise Price times (B) the HBIO Ratio, provided that such per share exercise price after the Distribution Date complies with the conversion requirements of Treas. Reg. §1.409A-1(b)(5)(v)(D), and, if not, is adjusted so to comply,

(iii) the number of shares of HART Common Stock available for purchase upon the exercise of HART Option shall be equal to the result, rounded down to the nearest whole dollar, obtained by multiplying (A) the Replacement Fair Value pertaining to such HBIO Option by (B) the HART Value Factor and dividing the product by (C) the HART Fair Value Per Option pertaining to such HART Option,

(iv) the per share exercise price of the HART Option, rounded up to the nearest whole cent, shall be equal to the product of (A) the Existing HBIO Exercise Price times (B) the HART Ratio, provided that such per share exercise price after the Distribution Date complies with the conversion requirements of Treas. Reg. §1.409A-1(b)(5)(v)(D), and, if not, is adjusted so to comply,

provided, however, that the exercise price, the number of shares of HBIO Common Stock and HART Common Stock subject to such options, the requirements of this section, and the terms and conditions of vesting and exercise of such options shall be determined such that tax is not triggered under Section 409A of the Code; provided, further, that, in the case of any HBIO Option to which Section 421 of the Code applies by reason of its qualification under Section 422 of the Code immediately prior to the Distribution Date, the exercise price, the number of shares of HBIO Common Stock and HART Common Stock subject to such option and the terms and conditions of exercise of such option shall be determined in a manner consistent with the requirements of Section 424(a) of the Code.

(b) HBIO Restricted Stock Units.

(i) As determined by the Committee or the HBIO Board pursuant to its authority under the applicable HBIO Long-Term Incentive Plan, and approved by the HART Board pursuant to its authority under the applicable HART Long-Term Incentive Plan, with respect to each unvested HBIO Restricted Stock Unit, such HBIO Restricted Stock Unit shall be converted on the Distribution Date into both an adjusted HBIO Restricted Stock Unit and a HART Restricted Stock Unit, provided that such conversion shall not trigger Code Section 409A tax, and except as modified in accordance with Section 8.8(c), shall otherwise be subject to the same terms and conditions after the Distribution Date as the terms and conditions applicable to such HBIO Restricted Stock Unit immediately prior to the Distribution Date; provided, however, that from and after the Distribution Date:

(i) the number of shares of HBIO Common Stock subject to such HBIO Restricted Stock Unit, rounded down to the nearest whole share, shall be equal to the sum of (I) the Existing HBIO Restricted Stock Unit Amount plus (II) the amount obtained by multiplying (A) the Replacement RSU Fair Value pertaining to such HBIO Restricted Stock Unit times (B) the HBIO Value Factor and dividing the result by (C) the HBIO Post-Distribution Stock Value,

(ii) the number of shares of HART Common Stock subject to such HART Restricted Stock Unit rounded down to the nearest whole share, shall be equal to the amount obtained by multiplying (A) the Replacement RSU Fair Value pertaining to such HBIO Restricted Stock Unit times (B) the HART Value Factor and dividing the result by (C) the HART Stock Value;

provided, however, that the number of shares of HBIO Common Stock and HART Common Stock subject to such Restricted Stock Units and the vesting and other terms and conditions of such Restricted Stock Unit shall be determined such that tax is not triggered under Section 409A of the Code; provided, further, that, in the case of any HBIO Restricted Stock Unit to which Section 421 of the Code applies by reason of its qualification under Section 422 of the Code as of immediately prior to the Distribution Date, the number of shares of HBIO Common Stock and HART Common Stock subject to such Restricted Stock Unit and the vesting and other terms and conditions such Restricted Stock Unit shall be determined in a manner consistent with the requirements of Section 424(a) of the Code.

(c) Miscellaneous Option and Restricted Stock Unit Terms. After the Distribution Date, HBIO Options and HBIO Restricted Stock Units adjusted pursuant to this Section 8.8, regardless of by whom held, shall be settled by HBIO, and HART Options and HART Restricted Stock Units (including any corresponding dividend equivalents), regardless of by whom held, shall be settled by HART. It is intended that, to the extent of the issuance of such HART Options and HART Restricted Stock Units in connection with the adjustment provisions of this Section 8.8, the HART Long-Term Incentive Plan shall be considered a successor to each of the HBIO Long-Term Incentive Plans and to have assumed the obligations of the applicable HBIO Long-Term Incentive Plan to make the adjustment of the HBIO Options and HBIO Restricted Stock Units as set forth in this Section 8.8 provided that any such adjustment does not trigger tax under Code Section 409A. With respect to grants adjusted pursuant to this Section 8.8, employment with or service for HBIO shall be treated as employment with or service for HART with respect to for exercisability, vesting, and the post-termination exercise period for HART Options and HART Restricted Stock Units held by HBIO Employees and HBIO Directors and employment with or service for HART shall be treated as employment with or service for HBIO for exercisability, vesting, and the post-termination exercise period for HBIO Options and HBIO Restricted Stock Units held by HART Employees and HART Directors.

Prior to the Distribution Date, HBIO shall amend the applicable HBIO Long-Term Incentive Plan as necessary, effective as of the Distribution Date, to provide that for purposes of the post Distribution HBIO Options and HBIO Restricted Stock Units issued in accordance with this Section 8.8 (including in determining exercisability, vesting and the post-termination exercise period), a HART Employee's or HART Director's continued service with the HART Group following the Distribution Date shall be deemed continued service with HBIO. HART shall issue each HART Option and HART Restricted Stock Unit referenced above in this Section 8.8 under the HART Long-Term Incentive Plan, which shall provide that, except as otherwise provided herein, the terms and conditions applicable to such HART Options and HART Restricted Stock Units shall be substantially similar to the terms and conditions applicable to the corresponding HBIO Options and HBIO Restricted Stock Units, including the terms and conditions relating to exercisability, vesting and the post-termination exercise period (as set forth in the applicable plan, award agreement or in the option holder's then applicable employment agreement with HBIO or its Affiliates, which terms shall remain in effect even after the expiration or termination of such employment agreement) and shall include a provision to the effect that, for purposes of the HART Options and HART Restricted Stock Units issued in accordance with this Section 8.8, continued service with the HBIO Group from and after the Distribution Date shall be deemed to constitute service with HART for exercisability, vesting, the post-termination exercise period and eligibility purposes.

Subject to compliance with applicable law and Article X hereof, for so long as either party has employees or directors that have outstanding options or unvested restricted stock units that were either issued by the other party or which the other party may be entitled to tax deductions with respect to in accordance with the Tax Sharing Agreement, such party shall promptly notify such other party when the respective employee or director has a separation of service from the party so that the other party may properly prepare for any exercise or vesting upon or thereafter and the related withholding and reporting responsibilities pertaining thereto.

(d) Waiting Period for Exercisability of Options and Grant of Options and Awards. The HBIO Options and HART Options shall not be exercisable during a period beginning on a date prior to the Distribution Date determined by HBIO in its sole discretion, and continuing until the HBIO Post-Distribution Stock Value and the HART Stock Value are determined after the Distribution Date, or such longer period as HBIO, with respect to HBIO Options, and HART, with respect to HART Options, determines necessary to implement the provisions of this Section 8.8. The HBIO Restricted Stock Units and HART Restricted Stock Units shall not be settled during a period beginning on a date prior to the Distribution Date determined by HBIO in its sole discretion, and continuing until the HBIO Post-Distribution Stock Value and the HART Stock Value are determined immediately after the Distribution Date, or such longer period as HBIO, with respect to HBIO Restricted Stock Units, and HART, with respect to HART Restricted Stock Units, determines necessary to implement the provisions of this Section 8.8.

(e) Registration Requirements. Promptly following the effectiveness of the Form 10 Registration Statement (and on or before the Distribution Date), HART agrees that it shall file a Form S-8 Registration Statement with respect to and cause to be registered pursuant to the Securities Act, the shares of HART Common Stock authorized for issuance under the HART Long-Term Incentive Plan as required pursuant to the Securities Act and any applicable rules or regulations thereunder.

(f) Change in Control. Following the Distribution, for any award adjusted under this Section 8.8, any reference to a "change in control," "change of control" or similar definition in an award agreement, employment agreement or HBIO Long-Term Incentive Plan applicable to such award (i) with respect to post-Distribution equity awards denominated in shares of HBIO Common Stock, such reference shall be deemed to refer to a "change in control," "change of control" or similar definition as set forth in the applicable award agreement, employment agreement or HBIO Long-Term Incentive Plan, and (ii) with respect to post-Distribution equity awards denominated in shares of HART Common Stock, such reference shall be deemed to refer to a "Change of Control" as defined in the HART Long-Term Incentive Plan. The Parties hereto acknowledge and agree that the transactions contemplated by this Agreement do not constitute a "change in control" for purposes of any Benefit Plan.

(g) Employee Stock Purchase Plan. As of the Distribution Date, HART Employees (including without limitation any Transferred Employees), shall cease to be eligible to participate actively in the Harvard Bioscience, Inc. Employee Stock Purchase Plan, and if the Parties deem necessary, such plan shall be amended before the Distribution Date to reflect that termination of participation. HART has established the Harvard Apparatus Regenerative Technology, Inc. Employee Stock Purchase Plan, the terms and conditions of which may be amended from time to time. The Harvard Apparatus Regenerative Technology, Inc. Employee Stock Purchase Plan shall not be considered a "mirror" or a successor plan to Harvard Bioscience, Inc. Employee Stock Purchase Plan. Participation in the Harvard Apparatus Regenerative Technology, Inc. Employee Stock Purchase Plan shall be subject to the terms and conditions of such plan and any new elections made with respect to such plan. Participants' elections and benefits or accounts in the Harvard Bioscience, Inc. Employee Stock Purchase Plan shall not be transferred or carried over to the Harvard Apparatus Regenerative Technology, Inc. Employee Stock Purchase Plan.

8.9. No Severance Rights. HBIO and HART intend that the transactions contemplated by this Agreement will not constitute a termination of employment of any HBIO Employee, HART Employee (including any Transferred Employees) for purposes of any policy, plan, program or agreement of HBIO or HART or any member of the HBIO Group or HART Group that provides for the payment of severance, separation pay, salary continuation or similar benefits in the event of a termination of employment, and any HART or HBIO policy, plan, program or agreement providing for such benefit shall be promptly amended (in any event before the Distribution Date), as necessary, to reflect this intent. A HART Employee shall not be deemed to have terminated employment for purposes of determining eligibility for severance benefits from any member of the HBIO Group in connection with or in anticipation of the consummation of the transactions contemplated by this Agreement. HART shall be solely responsible for all Liabilities in respect of all costs arising out of payments and benefits relating to the termination or alleged termination of any HART Employee or Former HART Employee's employment that occurs prior to, as a result of, in connection with or following the consummation of the transactions contemplated by this Agreement, including any amounts required to be paid (including any payroll or other taxes), and the costs of providing benefits, under any applicable severance, separation, redundancy, termination or similar plan, program, practice, contract, agreement, law or regulation (such benefits to include any medical or other welfare benefits, outplacement benefits, accrued vacation, and taxes). Notwithstanding anything herein to the contrary, any accrued but unused vacation that a HART Employee (including any Transferred Employee) has earned for service to any member of the HBIO Group as of the Separation Date shall be rolled over and treated as accrued vacation under HART for such Employee as of such Date.

8.10. No Third-Party Beneficiaries. This Agreement is solely for the benefit of the Parties hereto and is not intended to confer upon any other Persons any rights or remedies hereunder. Except as expressly provided in this Agreement, nothing in this Agreement shall preclude HBIO or any other member of the HBIO Group, at any time after the Separation Date, from amending, merging, modifying, terminating, eliminating, reducing, or otherwise altering in any respect any HBIO Benefit Plan, any benefit under any HBIO Benefit Plan or any trust, insurance policy or funding vehicle related to any HBIO Benefit Plan. Except as expressly provided otherwise in this Agreement, nothing in this Agreement shall preclude HART or any other entity in the HART Group, at any time after the Separation Date, from amending, merging, modifying, terminating, eliminating, reducing, or otherwise altering in any respect any HART Benefit Plan, any benefit under any HART Benefit Plan or any trust, insurance policy or funding vehicle related to any HART Benefit Plan.

8.11. Fiduciary Matters. It is acknowledged that actions required to be taken pursuant to this Agreement may be subject to fiduciary duties or standards of conduct under ERISA or other applicable law, and no Party shall be deemed to be in violation of this Agreement if it fails to comply with any provisions hereof based upon its good faith determination that to do so would violate such a fiduciary duty or standard. Each Party hereto shall be responsible for taking such actions as are deemed necessary and appropriate to comply with its own fiduciary responsibilities and shall fully release and indemnify the other Party hereto for any Liabilities caused by the failure to satisfy any such responsibility.

8.12. Consent of Third Parties. If any provision of this Agreement is dependent on the consent of any third party (such as a vendor) and such consent is withheld, the Parties hereto shall use commercially reasonable efforts to implement the applicable provisions of this Agreement to the full extent practicable. If any provision of this Agreement cannot be implemented due to the failure of such third party to consent, the Parties hereto shall negotiate in good faith to implement the provision in a mutually satisfactory manner. The phrase "commercially reasonable efforts" as used herein shall not be construed to require any Party hereto to incur any non-routine or unreasonable expense or Liability or to waive any right.

ARTICLE IX
DISPUTE RESOLUTION

9.1 Agreement to Resolve Disputes.

(a) Except as otherwise provided in any Ancillary Agreement, the procedures for discussion, negotiation and dispute resolution set forth in this Article IX shall apply to all disputes, controversies or claims (whether sounding in contract, tort or otherwise) that may arise out of or relate to or arise under or in connection with this Agreement or any Ancillary Agreement, or the transactions contemplated hereby or thereby (including all actions taken in furtherance of the transactions contemplated hereby or thereby on or prior to the date hereof), or the commercial or economic relationship of the parties relating hereto or thereto, between or among any member of the HBIO Group on the one hand and the HART Group on the other hand. Except as otherwise specifically provided in any Ancillary Agreement, each Party agrees on behalf of itself and each member of its respective Group that the procedures set forth in this Article IX shall be the sole and exclusive remedy in connection with any dispute, controversy or claim relating to any of the foregoing matters and irrevocably waives any right to commence any Action in or before any Governmental Authority, except as otherwise required by Law or permitted by Section 9.3.

(b) EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE ANCILLARY AGREEMENTS, OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THE SEPARATION AND DISTRIBUTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

(c) The specific procedures set forth in this Article IX, including the time limits referenced therein, may be modified by agreement of both of the parties in writing.

(d) All applicable statutes of limitations and defenses based upon the passage of time shall be tolled while the procedures specified in this Article IX are pending. The parties will take any necessary or appropriate action required to effectuate such tolling.

9.2 Dispute Resolution.

(a) Either Party may commence the dispute resolution process of this Section 9.2 by giving the other Party written notice (a "Dispute Notice") of any of any controversy, claim or dispute of whatever nature arising out of or relating to or in connection with this Agreement, any Ancillary Agreement or the breach, termination, enforceability or validity hereof or thereof (a "Dispute") which has not been resolved in the normal course of business or as provided in the relevant Ancillary Agreement. The parties shall attempt in good faith to resolve any Dispute by negotiation between executive officers of each Party ("Senior Party Representatives") who have authority to settle the Dispute and, unless discussions between the parties are already at a senior management level, who are at a higher level of management than the Persons who have direct responsibility for the administration of this Agreement or the relevant Ancillary Agreement. Within fifteen (15) days after delivery of the Dispute Notice, the receiving Party shall submit to the other a written response (the "Response"). The Dispute Notice and the Response shall include (i) a statement setting forth the position of the Party giving such notice and a summary of arguments supporting such position and (ii) the name and title of such Party's Senior Party Representative and any other Persons who will accompany the Senior Party Representative at the meeting at which the parties will attempt to settle the Dispute. Within thirty (30) days after the delivery of the Dispute Notice, the Senior Party Representatives of both parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to attempt to resolve the Dispute. The parties shall cooperate in good faith with respect to any reasonable requests for exchanges of Information regarding the Dispute or a Response thereto.

(b) All negotiations, conferences and discussions pursuant to this Section 9.2 shall be confidential and shall be treated as compromise and settlement negotiations. Nothing said or disclosed, nor any document produced, in the course of such negotiations, conferences and discussions that is not otherwise independently discoverable shall be offered or received as evidence or used for impeachment or for any other purpose in any current or future arbitration.

(c) Any Dispute regarding the following matters is not required to be negotiated prior to seeking relief from an arbitrator: (i) breach of any obligation of confidentiality or waiver of Privilege; (ii) the competitive restrictions set forth in Article XIII of the Intellectual Property Matters Agreement, and (iii) any other claim where interim relief is sought to prevent serious and irreparable injury to one of the parties. However, the parties shall make a good faith effort to negotiate such Dispute, according to the above procedures, while such arbitration is pending.

(d) In the event of any Dispute, either Party may pursuant to its rights under Section 12.13, submit a request for interim injunctive relief to the arbitrator appointed pursuant to Section 9.3 (provided, that, if the arbitrator shall not have been selected, either Party may seek interim relief before any court of competent jurisdiction) without first complying with the provisions of Sections 9.2 and 9.3 if, in the reasonable opinion of such Party, such interim injunctive relief is necessary to preserve its rights pending resolution of the Dispute.

9.3 Arbitration.

(a) Subject to Section 9.3(b), if for any reason a Dispute is not resolved within sixty (60) days from delivery of the Dispute Notice in accordance with the dispute resolution process described in Section 9.2, the parties agree that such Dispute shall be settled by binding arbitration before a single arbitrator administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures. The arbitrator selected to resolve the Dispute shall be bound exclusively by the laws of the Commonwealth of Massachusetts without regard to its choice of law rules. Any decisions of award of the arbitrator will be final and binding upon the Parties and may be entered as a judgment by the Parties, provided that in no instance will the parties be bound by any decision of the Arbitrator that could in any manner result in the Contribution and the Distribution, if effected, taken together, to fail to qualify as a transaction that is tax-free for U.S. federal income tax purposes under Section 355 and 368(a)(1)(D) of the Code. Any rights to appeal or review such award by any court or tribunal are hereby waived to the extent permitted by Law.

(b) Costs of the arbitration shall be borne equally by the parties involved in the matter, except that each Party shall be responsible for its own expenses, unless and to the extent otherwise determined by the arbitrator; provided, in the case of any Disputes relating to the parties' rights and obligations with respect to indemnification under this Agreement, the prevailing Party shall be entitled to reimbursement by the other Party of its reasonable out-of-pocket fees and expenses (including attorneys' fees) incurred in connection with the arbitration. In addition, if a Dispute involves claims of a Party in excess of $1,000,000, then such Dispute shall not be subject to the requirements of Section 9.3 and each Party shall be permitted to seek legal and equitable remedies available to it, including, without limitation, filing actions in any court of competent jurisdiction, including any federal or state court located in the Boston, Massachusetts.

(c) The parties agree to comply and cause the members of their applicable Group to comply with any award made in any arbitration proceeding pursuant to this Section 9.3, and agree to enforcement of or entry of judgment upon such award in any court of competent jurisdiction, including any federal or state court located in the Boston, Massachusetts. The arbitrator shall be entitled to award any remedy in such proceedings, including monetary damages, specific performance and all other forms of legal and equitable relief; provided, however, that the arbitrator shall not be entitled to award punitive, exemplary, treble or any other form of non-compensatory monetary damages unless in connection with indemnification for a Third-Party Claim, to the extent of such claim.

(d) A Party obtaining an order of interim injunctive relief may enter judgment upon such award in any court of competent jurisdiction. The final award in an arbitration pursuant to this Article IX shall be conclusive and binding upon the parties, and a Party obtaining a final award may enter judgment upon such award in any court of competent jurisdiction.

(e) If a Dispute includes both arbitrable and nonarbitrable claims, counterclaims or defenses, the parties shall arbitrate all such arbitrable claims, counterclaims or defenses and shall concurrently litigate all such nonarbitrable claims, counterclaims or defenses.

9.4 Continuity of Service and Performance. Unless otherwise agreed in writing, the parties will continue to provide service and honor all other commitments under this Agreement and each Ancillary Agreement during the course of dispute resolution pursuant to the provisions of this Article IX with respect to all matters not subject to such Dispute.

ARTICLE X
FURTHER ASSURANCES AND ADDITIONAL COVENANTS

10.1. Further Assurances and Additional Covenants.

(a) In addition to the actions specifically provided for elsewhere in this Agreement, each of the Parties hereto shall use its reasonable best efforts, prior to, on and after the Separation Date, to take, or cause to be taken, all actions, and to do, or cause to be done, all things, reasonably necessary, proper or advisable under applicable Laws, regulations and agreements to consummate and make effective the transactions contemplated by this Agreement and the Ancillary Agreements.

(b) Without limiting the foregoing, prior to, on and after the Separation Date, each Party hereto shall cooperate with the other Parties, and without any further consideration, but at the expense of the requesting Party, to execute and deliver, or use its reasonable best efforts to cause to be executed and delivered, all instruments, including instruments of conveyance, assignment and transfer, and to make all filings with, and to obtain all consents, approvals or authorizations of, any Governmental Authority or any other Person under any permit, license, agreement, indenture or other instrument (including any Consents or Governmental Approvals), and to take all such other actions as such Party may reasonably be requested to take by any other Party hereto from time to time, consistent with the terms of this Agreement and the Ancillary Agreements, in order to effectuate the provisions and purposes of this Agreement and the Ancillary Agreements and the transfers of the HART Assets and the assignment and assumption of the HART Liabilities and the other transactions contemplated hereby and thereby. Without limiting the foregoing, each Party will, at the reasonable request, cost, and expense of any other Party, take such other actions as may be reasonably necessary to vest in such other Party good and marketable title, free and clear of any Security Interest created by the non-requesting Party, if and to the extent it is commercially feasible to do so.

(c) On or prior to the Separation Date, HBIO and HART in their respective capacities as direct and indirect stockholders of their respective Subsidiaries, shall each ratify any actions which are reasonably necessary or desirable to be taken by HBIO, HART or any other Subsidiary of HBIO, as the case may be, to effectuate the transactions contemplated by this Agreement and the Ancillary Agreements. On or prior to the Separation Date, HBIO and HART shall take all actions as may be necessary to approve the stock-based employee benefit plans of HART in order to satisfy the requirement of Rule 16b-3 under the Exchange Act.

(d) HBIO and HART, and each of the members of their respective Groups, waive (and agree not to assert against any of the others) any claim or demand that any of them may have against any of the others for any Liabilities or other claims relating to or arising out of: (i) the failure of HART or any member of the HART Group, on the one hand, or of HBIO or any member of the HBIO Group, on the other hand, to provide any notification or disclosure required under any state Environmental Law in connection with the Separation or the other transactions contemplated by this Agreement, including the transfer by any member of any Group to any member of the other Group of ownership or operational control of any Assets not previously owned or operated by such transferee; or (ii) any inadequate, incorrect or incomplete notification or disclosure under any such state Environmental Law by the applicable transferor. To the extent any Liability to any Governmental Authority or any third Person arises out of any action or inaction described in clause (i) or (ii) above, the transferee of the applicable Asset hereby assumes and agrees to pay any such Liability.

ARTICLE XI
TERMINATION

11.1. Termination by Mutual Consent.

This Agreement may be terminated and the terms and conditions of the Distribution may be amended, modified or abandoned at any time prior to the Distribution Date by the mutual consent of HBIO and HART.

11.2. Other Termination.

(a) The obligations of the Parties under Article IV (including the obligation to pursue or effect the Distribution) may be terminated by HBIO if at any time, the board of Directors of HBIO determines, in its sole discretion, that the Distribution is not in the best interests of HBIO or its stockholders.

11.3. Effect of Termination.

(a) In the event of any termination of this Agreement on or after the Separation Date, only the provisions of Article IV will terminate and the other provisions of this Agreement and each Ancillary Agreement shall remain in full force and effect, unless otherwise agreed in writing by the Parties.

ARTICLE XII
MISCELLANEOUS

12.1. Counterparts; Entire Agreement; Corporate Power.

(a) This Agreement and each Ancillary Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered (by facsimile, electronic transmission, or otherwise) to the other Party.

(b) This Agreement, the Ancillary Agreements, the exhibits, the schedules and appendices hereto and thereto contain the entire agreement between the Parties with respect to the subject matter hereof and thereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the Parties other than those set forth or referred to herein or therein.

(c) HBIO represents on behalf of itself and each other member of the HBIO Group, and HART represents on behalf of itself and each other member of the HART Group, as follows:

(i) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform each of this Agreement and each other Ancillary Agreements to which it is a party and to consummate the transactions contemplated hereby and thereby; and

(ii) this Agreement and each Ancillary Agreement to which it is a party has been duly executed and delivered by it and constitutes a valid and binding agreement of it enforceable in accordance with the terms thereof.

(d) Each Party hereto acknowledges that it and each other Party hereto is executing certain of the Ancillary Agreements by facsimile, stamp or mechanical signature. Each Party hereto expressly adopts and confirms each such facsimile, stamp or mechanical signature made in its respective name as if it were a manual signature, agrees that it will not assert that any such signature is not adequate to bind such Party to the same extent as if it were signed manually and agrees that at the reasonable request of any other Party hereto at any time it will as promptly as reasonably practicable cause each such Ancillary Agreement to be manually executed (any such execution to be as of the date of the initial date thereof).

(e) Notwithstanding any provision of this Agreement or any other Ancillary Agreement, neither HBIO nor HART shall be required to take or omit to take any act that would violate its fiduciary duties to any minority stockholders of any non-wholly owned Subsidiary of HBIO or HART, as the case may be (it being understood that directors' qualifying shares or similar interests will be disregarded for purposes of determining whether a Subsidiary is wholly owned).

12.2. Governing Law and Jurisdiction. This Agreement and, unless expressly provided therein, each Ancillary Agreement (and any claims or disputes arising out of or related hereto or thereto or to the transactions contemplated hereby and thereby or to the inducement of any Party to enter herein and therein, whether for breach of contract, tortious conduct or otherwise and whether predicated on common law, statute or otherwise) shall be governed by and construed and interpreted in accordance with the Laws of the Commonwealth of Massachusetts irrespective of the choice of laws principles of the Commonwealth of Massachusetts as to all matters, including matters of validity, construction, effect, enforceability, performance and remedies. If any dispute arises out of or in connection with this Agreement or any Ancillary Agreement, except as expressly contemplated by another provision of this Agreement or any Ancillary Agreement, the parties irrevocably (and the parties will cause each other member of their respective Group to irrevocably) (a) consent and submit to the exclusive jurisdiction of federal and state courts located in Boston, Massachusetts, and (b) waive any objection to that choice of forum based on venue or to the effect that the forum is not convenient.

12.3. Assignability. Except as set forth in any Ancillary Agreement, this Agreement and each other Ancillary Agreement shall be binding upon and inure to the benefit of the Parties hereto and thereto, respectively, and their respective successors and permitted assigns; provided, however, that no Party hereto or thereto may assign its respective rights or delegate its respective obligations under this Agreement or any other Ancillary Agreement without the express prior written consent of the other Parties hereto or thereto (which consent may be withheld in such Party's sole and absolute discretion) and any assignment or attempted assignment in violation of the foregoing will be null and void. Notwithstanding the preceding sentence, a Party may assign this Agreement in connection with a merger transaction in which such Party is not the surviving entity or the sale by such Party of all or substantially all of its Assets, and upon the effectiveness of such assignment the assigning Party shall be released from all of its obligations under this Agreement if the surviving entity of such merger or the transferee of such Assets shall agree in writing, in form and substance reasonably satisfactory to the other Party, to be bound by all terms of this Agreement as if named as a "Party" hereto.

12.4. Third-Party Beneficiaries. Except for the indemnification rights under this Agreement of any HBIO Indemnitee or HART Indemnitee in their respective capacities as such, (i) the provisions of this Agreement and each Ancillary Agreement are solely for the benefit of the Parties and are not intended to confer upon any Person except the Parties any rights or remedies hereunder, and (ii) there are no third-party beneficiaries of this Agreement or any other Ancillary Agreement and neither this Agreement nor any other Ancillary Agreement shall provide any third person with any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement or any other Ancillary Agreement.

12.5. Notices. All notices, requests, claims, demands or other communications under this Agreement and, to the extent, applicable and unless otherwise provided therein, under each of the Ancillary Agreements shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, by facsimile or electronic transmission with receipt confirmed (followed by delivery of an original via overnight courier service) or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 12.5:

If to HBIO, to:

Harvard Bioscience, Inc.
84 October Hill Road
Holliston, Massachusetts 01746
Attn: Chief Executive Officer

with a copy (which shall not constitute notice) to:

Burns & Levinson, LLP
125 Summer Street
Boston, MA 02110
Attention: Josef B. Volman
Chad J. Porter
Facsimile: (617) 345-3299

If to HART to:

Harvard Apparatus Regenerative Technology, Inc.
84 October Hill Road
Holliston, Massachusetts 01746
Attn: Chief Executive Officer

with a copy (which shall not constitute notice) to:

Feinberg Hanson LLP
57 River Street, Suite 204
Wellesley, Massachusetts 02481
Attention: Harry A. Hanson, III
Facsimile: (781) 283-5776

Any Party may, by written notice to the other Party, change the address to which such notices are to be given.

12.6. Severability. If any provision of this Agreement or any other Ancillary Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof or thereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. Upon such determination, the Parties shall negotiate in good faith in an effort to agree upon such a suitable and equitable provision to effect the original intent of the Parties.

12.7. Force Majeure. No Party shall be deemed in default of this Agreement to the extent that any delay or failure in the performance of its obligations under this Agreement results from a Force Majeure. In the event of an occurrence of a Force Majeure, the Party whose performance is affected thereby shall give notice of suspension as soon as reasonably practicable to the other stating the date and extent of such suspension and the cause thereof, and such Party shall resume the performance of such obligations as soon as reasonably practicable after the removal of such cause.

12.8. Publicity. Prior to the Distribution, each of HART and HBIO shall consult with each other prior to issuing any press releases or otherwise making public statements with respect to the Separation, the Distribution or any of the other transactions contemplated hereby and prior to making any filings with any Governmental Authority with respect thereto.

12.9. Expenses. Except as expressly set forth in this Agreement (including Sections 6.5, 7.7(a), 7.9, 10.1(b), Article IX and Article V) or in any other Ancillary Agreement, all fees, costs and expenses incurred in connection with the preparation, execution, delivery and implementation of this Agreement and any Ancillary Agreement, and with the consummation of the transactions contemplated hereby and thereby, will be borne by the Party incurring such fees, costs or expenses.

12.10. Headings. The article, section and paragraph headings contained in this Agreement and in the Ancillary Agreements are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement or any other Ancillary Agreement.

12.11. Survival of Covenants. Except as expressly set forth in any Ancillary Agreement, the covenants, representations and warranties contained in this Agreement and each Ancillary Agreement, and liability for the breach of any obligations contained herein, shall survive each of the Separation and the Distribution and shall remain in full force and effect.

12.12. Waivers of Default. Waiver by any Party of any default by the other Party of any provision of this Agreement or any other Ancillary Agreement shall not be deemed a waiver by the waiving Party of any subsequent or other default, nor shall it prejudice the rights of the other Party. No failure or delay by any Party in exercising any right, power or privilege under this Agreement or any other Ancillary Agreement shall operate as a waiver thereof nor shall a single or partial exercise thereof prejudice any other or further exercise thereof or the exercise of any other right, power or privilege.

12.13. Specific Performance. Subject to the provisions of Article IX, in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement or any other Ancillary Agreement, the Party or Parties who are, or are to be, thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief in respect of its or their rights under this Agreement or such Ancillary Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The Parties agree that the remedies at law for any breach or threatened breach, including monetary damages, are inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived by each of the Parties to this Agreement.

12.14. Amendments. No provisions of this Agreement or any other Ancillary Agreement shall be deemed waived, amended, supplemented or modified by any Party, unless such waiver, amendment, supplement or modification is in writing and (i) in the case of a waiver, signed by the authorized representative of the Party against whom it is sought to enforce such waiver, or (ii) in the case of an amendment, supplement or modification to this Agreement, signed by the authorized representatives of both Parties.

12.15. Interpretation. In this Agreement and any other Ancillary Agreement, (a) words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other genders as the context requires; (b) the terms "hereof," "herein," and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement (or the applicable Ancillary Agreement) as a whole (including all of the Schedules, Exhibits and Appendices hereto and thereto) and not to any particular provision of this Agreement (or such Ancillary Agreement); (c) Article, Section, exhibit, schedule and appendix references are to the Articles, Sections, exhibits, schedules and appendices to this Agreement (or the applicable Ancillary Agreement if so indicated) unless otherwise specified; (d) the word "including" and words of similar import when used in this Agreement (or the applicable Ancillary Agreement) shall mean "including, without limitation," (e) the word "or" shall not be exclusive; (f) unless expressly stated to the contrary in this Agreement or in any other Ancillary Agreement, all references to "the date hereof," "the date of this Agreement," "hereby" and "hereupon" and words of similar import shall all be references to October 31, 2013, regardless of any amendment or restatement hereof.

12.16. Limitations of Liability. Notwithstanding anything in this Agreement to the contrary, neither HART or its Affiliates, on the one hand, nor HBIO or its Affiliates, on the other hand, shall be liable under this Agreement (but expressly not including any Ancillary Agreements, including the Intellectual Property Matters Agreement and Product Distribution Agreement, unless expressly limited in accordance with the terms of such agreement) to the other for any special, indirect, punitive, exemplary, remote, speculative or similar damages in excess of compensatory damages of the other arising in connection with the transactions contemplated hereby, regardless of the likelihood of such damages and whether or not such Party has been advised of the possibility of such damages (other than any such liability with respect to a Third-Party Claim for which a Party must indemnify pursuant to this Agreement).

[signatures on following page]

IN WITNESS WHEREOF, the Parties have caused this Separation and Distribution Agreement to be executed by their duly authorized representatives.

HARVARD BIOSCIENCE, INC.

By: /s/ Jeffrey A. Duchemin
Name: Jeffrey A. Duchemin
Title: Chief Executive Officer

HARVARD APPARATUS
REGENERATIVE TECHNOLOGY, INC.

By: /s/ David Green
Name: David Green
Title: Chief Executive Officer

EXHIBIT 10.1

INTELLECTUAL PROPERTY MATTERS AGREEMENT

BY AND BETWEEN
HARVARD BIOSCIENCE, INC.

and

HARVARD APPARATUS REGENERATIVE TECHNOLOGY, INC.

Dated as of October 31, 2013

INTELLECTUAL PROPERTY MATTERS AGREEMENT

THIS INTELLECTUAL PROPERTY MATTERS AGREEMENT (this "Agreement") is dated as of October 31, 2013, by and between Harvard Bioscience, Inc., a Delaware corporation ("HBIO"), and Harvard Apparatus Regenerative Technology, a Delaware corporation and a wholly owned subsidiary of HBIO ("HART"). HBIO and HART are each referred to herein as a "Party" and collectively as the "Parties."

WITNESSETH:

WHEREAS, HBIO is a global developer, manufacturer and marketer of a broad range of specialized products, primarily apparatus and scientific instruments, used to advance life science research and regenerative medicine;

WHEREAS, among its various business activities, HBIO operates various lines of business related to the development, manufacturing and marketing of apparatus and scientific instruments, including the Harvard Apparatus Research Business (as defined below) and the HART Business (as defined below);

WHEREAS, pursuant to the Separation and Distribution Agreement to be entered into by and between HBIO and HART, (the "Separation and Distribution Agreement"), the Parties have agreed to separate the HART Business from HBIO;

WHEREAS, it is the intent of the Parties, in accordance with the Separation and Distribution Agreement and the other agreements and instruments provided for therein, that HBIO convey to HART all of the business and assets of the HART Business, including certain intellectual property rights;

WHEREAS, it is the intent of the Parties that HBIO convey and license certain intellectual property rights to HART and for HART to grant a license back to HBIO to certain transferred intellectual property rights subject to the terms and conditions set forth in this Agreement;

WHEREAS, the Parties also intend to license certain other intellectual property rights to each other for use in their respective businesses, subject to certain limitations on competitive uses as set forth herein;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth below, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1. Definitions.

Capitalized terms used in this Agreement shall have the meanings ascribed to them in the Separation and Distribution Agreement or in this Article I. In the event of any conflict between the definitions in this Agreement and in the Separation and Distribution Agreement, the terms of this Agreement shall control.

The following terms, as used in this Agreement, have the following meanings:

"HART Business" means the development, manufacture and sale of products for use in human regenerative medicine. This includes the development, manufacture and sale of pumps for human clinical injections and bioreactors and scaffolds for regenerating human organs and tissues and products for use on humans (or on human cells, tissue or organs) as part of a procedure that involves an injection, implant or transplant into a human. As used in this Agreement, the term "HART Business" includes any of the aforementioned activities plus any natural expansion of such business in the regenerative medicine field for use in humans by comparable companies in the regenerative medicine field for use in humans.

"HART Group" shall have the meaning set forth in the Separation and Distribution Agreement.

"HART Indemnitees" shall have the meaning set forth in the Separation and Distribution Agreement.

"Harvard Apparatus Research Business" shall mean the business conducted by HBIO through the Original Harvard Apparatus, Warner and Hugo Sachs business units, where the Original Harvard Apparatus business unit refers to pumps and ventilators used mainly for research applications, provided that such definition of Harvard Apparatus Research Business expressly excludes Coulbourn, Panlab, CMA, BTX, Sample Prep or other products acquired and folded in from acquisitions after the original purchase of Harvard Apparatus by HBIO. The products of the Harvard Apparatus Research Business include pumps and various physiology tools for animal, organ, tissue and cell biology used mainly in research and in a few human applications as described in Section 9.2(d) below. References to the Harvard Apparatus Research Business" in this Agreement shall include this business as currently conducted or conducted in the future.

"HBIO Group" shall have the meaning set forth in the Separation and Distribution Agreement.

"HBIO Indemnitees" shall have the meaning set forth in the Separation and Distribution Agreement.

"Know-How" means the expertise and knowledge related to a particular Technology or Intellectual Property.

"Improvement" to any Intellectual Property or Technology means, in part, (a) with respect to Copyrights, any modifications, derivative works and translations of works of authorship in any medium, including, without limitation, any database that is created by extraction or re-utilization of another database; (b) with respect to Technology, any improvement or modification to the Trade Secrets that cover or are otherwise incorporated into Technology.

"Information" shall have the meaning set forth in the Separation and Distribution Agreement.

"Insolvency Event" arises when a Party: (a) becomes insolvent; (b) commits an act of bankruptcy; (c) seeks an arrangement or compromise with its creditors under any statute or otherwise; (d) is subject to a proceeding in bankruptcy, receivership, liquidation or insolvency and same is not dismissed within sixty (60) days; (e) makes an assignment for the benefit of the creditors; (f) admits in writing its inability to pay its debts as they mature; or (g) ceases to function as a going concern, or to conduct its operations in the normal course of business.

"Intellectual Property" means all of the following whether arising under the Laws of the United States or of any other foreign or multinational jurisdiction: (i) patents, patent applications (including patents issued thereon) and statutory invention registrations, including reissues, divisions, continuations, continuations in part, substitutions, renewals, extensions and reexaminations of any of the foregoing, and all rights in any of the foregoing provided by international treaties or conventions ("Patents"), (ii) trademarks, service marks, trade names, service names, trade dress, logos and other source or business identifiers, including all goodwill associated with any of the foregoing, and any and all common law rights in and to any of the foregoing, registrations and applications for registration of any of the foregoing, all rights in and to any of the foregoing provided by international treaties or conventions, and all reissues, extensions and renewals of any of the foregoing ("Trademarks"), (iii) Internet domain names, (iv) copyrightable works, copyrights, moral rights, mask work rights, database rights and design rights, in each case, other than Software, whether or not registered, and all registrations and applications for registration of any of the foregoing, and all rights in and to any of the foregoing provided by international treaties or conventions ("Copyrights"), (v) confidential and proprietary information, including trade secrets, invention disclosures, processes and Know-How, in each case, other than Software ("Trade Secrets"), (vi) intellectual property rights arising from or in respect of any Technology, and (vii) Software, other than commercially available "off-the-shelf" software.

"Liabilities" shall have the meaning set forth in the Separation and Distribution Agreement.

"Laws" shall have the meaning set forth in the Separation and Distribution Agreement.

"New HART Technology" shall have the meaning set forth in Section 4.2 hereof.

"New HBIO Technology" shall have the meaning set forth in Section 3.2 hereof.

"Notifying Party" shall have the meaning set forth in Section 5.7 hereof.

"Person" shall have the meaning set forth in the Separation and Distribution Agreement.

“Rejected New Hart Technology” shall have the meaning set forth in Section 4.2 hereof.

“Rejected New HBIO Technology” shall have the meaning set forth in Section 3.2 hereof.

“Separation Date” shall have the meaning set forth in the Separation and Distribution Agreement.

“Software” means any and all (i) computer programs, including any and all software implementation of algorithms, models and methodologies, whether in source code, object code, human readable form or other form, (ii) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise, (iii) descriptions, flow charts and other work products used to design, plan, organize and develop any of the foregoing, screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons, and (iv) documentation, including user manuals and other training documentation, relating to any of the foregoing.

“Subsidiary” shall have the meaning set forth in the Separation and Distribution Agreement.

“Technology” means tangible embodiments, whether in electronic, written or other media, of technology, including designs, design and manufacturing documentation (such as bill of materials, build instructions and test reports), schematics, algorithms, routines, software, databases, lab notebooks, development and lab equipment, processes, prototypes and devices. Technology does not include Intellectual Property in any of the foregoing.

“Third Party” means any Person other than a Party.

“Third-Party Claims” shall have the meaning set forth in the Separation and Distribution Agreement.

“Transferred Intellectual Property” means: (a) the Patents listed on Exhibit A hereto; (b) other inventions and Intellectual Property for which patent, trademark or copyright applications, as applicable, have not been filed that were originated in the HART Business prior to the Separation Date, including, without limitation, those inventions described on Exhibit A attached hereto; (c) the HART Software as defined in the Separation and Distribution Agreement); (d) trade secrets, know how or other Intellectual Property related to the HART Business owned or licensed by HBIO prior to the Separation Date, including any such Intellectual Property transferred to the HART Business by HBIO or its subsidiaries prior to the Separation Date; and (e) all Know-How related to the items listed in (a) through (d) above.

“Transferred Licenses” means the license agreements and other licensed Intellectual Property listed on Exhibit B hereto, and all Know-How related to the same.

ARTICLE II

TRANSFERRED INTELLECTUAL PROPERTY RIGHTS AND TECHNOLOGY

2.1. Assignment of Intellectual Property. HBIO hereby agrees to, and to cause its Affiliates and Subsidiaries to, grant, assign and convey to HART the Transferred Intellectual Property. For the avoidance of doubt, the Transferred Intellectual Property is transferred subject to the licenses granted to HBIO in Article IV below, and the competitive restrictions in Article IX below. The Transferred Intellectual Property include all of HBIO’s right, title and interest in and to any and all proceeds, causes of action and rights of recovery against Third Parties for past and future infringement or misappropriation of any of the Transferred Intellectual Property. The Parties shall execute an Intellectual Property Assignment in a form reasonably satisfactory to the Parties to document the transfer of the Transferred Intellectual Property. HART shall have the sole responsibility, at its sole cost and expense, to file the Intellectual Property Assignment and any other forms or documents as required to record the assignment of the Transferred Intellectual Property from HBIO to HART; provided however, that, upon request, HBIO shall provide reasonable assistance to HART to record the assignment, at HART's sole cost and expense. HART shall be responsible for the prosecution and maintenance of all Patents included within the Transferred Intellectual Property.

2.2. Assignment and Assumption of Intellectual Property Licenses. HBIO hereby assigns and conveys to HART, and agrees to cause its Affiliates and Subsidiaries to assign and convey to HART, the Transferred Licenses, and HART hereby assumes from HBIO and its Affiliates and Subsidiaries the Transferred Licenses, in each case subject to the terms, conditions and restrictions of each such Transferred License. HBIO acknowledges and agrees that it shall have sole responsibility to seek and obtain the consent of any Third Party necessary for the transfer of any of the Transferred Licenses, and HART shall bear sole responsibility for any consideration necessary for their transfer. Upon request, HART will provide reasonable assistance in obtaining such consent, at HART's sole expense. For the avoidance of doubt, and subject to the terms and conditions of the Transferred Licenses, HART hereby succeeds to all of the rights and responsibilities of HBIO under each such Transferred License, including any liabilities arising under the Transferred Licenses prior to the Separation Date, which liabilities shall be the responsibility of HART.

2.3. Transfer of Business Technology and Know-How. HBIO hereby agrees to, and to cause its Affiliates and Subsidiaries to, grant, assign and convey to HART all Technology and Know-How used in the HART Business. For the avoidance of doubt, the transfer of the Technology and Know-How used in the HART Business does not include the transfer of any Intellectual Property in any Technology used in the HART Business; such Intellectual Property is transferred to HART as Transferred Intellectual Property in Section 2.1 above.

ARTICLE III

LICENSES TO HART

3.1. License to Existing Intellectual Property. HBIO hereby grants, and agrees to cause its Affiliates and Subsidiaries to grant, to HART an exclusive, worldwide, royalty free, sublicensable and transferable right and license to use, solely in the HART Business, all Intellectual Property, Technology and related Know-How that exists on the date hereof and was developed by HBIO in the Harvard Apparatus Research Business, including without limitation the Intellectual Property, Technology and related Know-How pertaining to Hugo-Sachs that are remaining with the HBIO Group following the Separation. The license granted by HBIO to HART under this Section 3.1 shall remain in effect with respect to each Patent included in the license under this Section 3.1, until the date on which such Patent shall expire. The foregoing exclusive license grant shall not exclude or limit any member of the HBIO Group from their continued use of such all Intellectual Property, Technology and related Know-How, subject to Article IX hereof.

3.2. Other Intellectual Property Rights. HBIO hereby grants, and agrees to cause its Affiliates and Subsidiaries to grant, to HART a perpetual, exclusive, worldwide, sublicensable and transferable right and license to use, solely in connection with the HART Business for the period described below in Section 3.3, all Intellectual Property, Technology and related Know-How developed by HBIO in the Harvard Apparatus Research Business during the five-year period following the Separation Date (collectively, the "New HBIO Technology"). For avoidance of any doubt, any Intellectual Property, Technology and related Know-How developed by HBIO in the Harvard Apparatus Research Business after such five-year period (the "Future HBIO Technology) will not be subject to this Section 3.2. The foregoing exclusive license grant shall not exclude or limit any member of the HBIO Group from their continued use of the New HBIO Technology , subject to Article IX hereof. HBIO and each other member of the HBIO Group, as applicable, shall retain any and all rights with respect to the New HBIO Technology other than the license granted to HART in this Section 3.2. During the term of such license, HBIO shall use commercially reasonable efforts to notify HART in writing promptly following the development of any New HBIO Technology (provided that the failure to provide any such notice shall not be deemed to be a breach of this Agreement or give rise to any claims or termination rights hereunder). Upon the receipt of such notice, HART shall have sixty (60) days to elect to either license such New HBIO Technology in accordance with the above provisions, after which such time, if HART fails to make such election, or elects not take such license, HBIO shall have no obligations to HART under this Article III with respect to such non-elected/rejected New HBIO Technology (the "Rejected New HBIO Technology"). Any disclosures made pursuant to this Section 3.2 shall be treated as "Information" for purposes of this Agreement. For the avoidance of any doubt, neither (i) the Future HBIO Technology nor (ii) any New HBIO Technology that the parties cannot mutually agree on a royalty fee with respect to in accordance with Section 3.3, shall be deemed Rejected New HBIO Technology. In addition, HBIO's use of such items described in (i) and (ii) in the prior sentence shall continue to be subject to Section 9.1 in accordance with the terms hereof.

3.3. Term of License Grant and Assistance. The licenses granted by HBIO to HART to the New HBIO Technology under Section 3.2 shall remain in effect until the first to occur of: (a) the date on which HART ceases to actively use the New HBIO Technology in its HART Business, which date shall be no sooner than one year after disclosure; (b) with respect to each Patent included in the New HBIO Technology subject to the licenses, the date on which such Patent shall expire; or (c) an Insolvency Event occurs with respect to HART. For purposes of this Agreement, HART will be deemed to be actively using the New HBIO Technology if either: (i) any New HBIO Technology is incorporated into any products being developed, manufactured, marketed, distributed or sold by HART or any Third Party on behalf of HART; or (ii) HART is actively using, or has actively used within the previous six (6) month period, the New HBIO Technology as part of its research and development efforts for the HART Business.

During the term of the license granted to HART under Section 3.2, from time to time during the initial three (3) month period following the respective license grant, upon the reasonable request of HART, HBIO agrees to use its commercially reasonable efforts to provide assistance to HART to enable to HART to assess and setup the technology pertaining to such license, including such services as minor software changes or explaining manufacturing and testing procedures. In connection with any request for such assistance, HBIO and HART shall in good faith negotiate the charge applicable to such assistance, which charge shall be borne solely by HART. Notwithstanding the above, until five years from the Separation Date, the licenses granted in accordance with Section 3.2 above shall be royalty-free, and should HART desire to continue the license of the New HBIO Technology thereafter, the Parties shall negotiate in good faith commercially reasonable payment terms of such continued license. The license shall continue during the period of such negotiations.

3.4. Third Party Licenses. With respect to Intellectual Property licensed to HBIO or its Affiliates or Subsidiaries by a Third Party, the license grants set forth in this Article III shall be subject to all of the conditions set forth in the relevant license agreement between HBIO (or its Affiliate or Subsidiary, as the case may be) and such Third Party, in addition to all of the terms, conditions and restrictions set forth herein. Licenses to HART under Sections 3.1 and 3.2 pertaining to Intellectual Property owned by a Third Party shall expire on the expiration of the term of the corresponding license agreement between such Third Party and HBIO (or its Subsidiary or its Affiliate), as the case may be. If such Third Party licenses do not permit a license or sublicense to by HBIO or its Affiliates or Subsidiaries to HART or its Affiliates or Subsidiaries, then the provisions of Sections 3.1 and 3.2 and related sections of this Article III shall not be applicable with respect to such licenses, provided that if HART requests that HBIO seek to obtain the consent of such Third Party to any such sublicense, HBIO will review such request in good faith and if it determines in it reasonable discretion that such consent request would not have any adverse impact in HBIO or its Affiliates or Subsidiaries, then HBIO shall use commercially reasonable efforts to make one attempt to obtain such consent, and if such consent is provided then the provisions of Sections 3.1 and 3.2 and related sections of this Article III shall apply.

3.5. Software. With respect to Software included within the New HBIO Technology, such licenses include the right to use, modify, and reproduce such software, in source code and object code form and Improvements thereof made by or on behalf of HART.

3.6. Have Made Rights. The licenses to HART in Sections 3.1 and 3.2 above shall include the right to have Third Parties manufacture or distribute products for HART, subject to the rights granted to HBIO in the Product Distribution Agreement.

3.7. Improvements. As between HBIO and its Affiliates and Subsidiaries on the one hand, and HART and its Affiliates and Subsidiaries on the other hand, HART hereby retains all right, title and interest, including all Intellectual Property, in and to any Improvements made by or on behalf of HART: (a) to any of the Transferred Intellectual Property, or (b) in the exercise of the licenses granted to it by HBIO and its Affiliates and Subsidiaries in this Article III, subject in each case only to the ownership interests of HBIO, its Affiliates and Subsidiaries in the underlying Intellectual Property improved thereby. Notwithstanding the foregoing, HART shall not file a patent application with respect to any Improvements on any New HBIO Technology without the prior written consent of HBIO.

3.8. No Restrictions on HBIO. Subject to Article IX hereof, the licenses granted in Section 3.1 and 3.2 hereof shall in no way limit the ability of HBIO to use the New HBIO Technology with respect to uses outside the HART Business. HBIO will bear sole responsibility and cost for prosecuting and maintaining Patents that it owns, and shall have the sole authority to make decisions regarding the prosecution of Patents included in the New HBIO Technology.

3.9. Strategic Transactions. For the avoidance of any doubt, in the event that HBIO or the Harvard Apparatus Research Business is acquired by another non-affiliated entity (an "Acquiror"), such Acquiror shall only be subject to Section 3.2 with respect to New HBIO Technology developed with respect to its operation of the Harvard Apparatus Research Business, and shall expressly not be subject to Section 3.2 with respect to all Intellectual Property, Technology and related Know-How developed by the Acquiror in its other business operations outside of the Harvard Apparatus Research Business .

ARTICLE IV

LICENSES TO HBIO

4.1. License to Existing Intellectual Property. HART hereby grants, and agrees to cause its Affiliates and Subsidiaries to grant, to HBIO an exclusive (for use by HBIO, and its Affiliates and Subsidiaries, only with respect the Harvard Apparatus Research Business, and such term "exclusive" shall expressly not exclude or limit HART and its subsidiaries from their continued use of the related Transferred Intellectual Property in accordance herewith), worldwide, royalty free, sublicensable and transferable right and license to use the Transferred Intellectual Property solely in the Harvard Apparatus Research Business. Except for the license granted to HBIO in this Section 4.1, HART shall retain any and all rights with respect to such Transferred Intellectual Property. The license granted by HART to HBIO under this Section 4.1 shall remain in effect with respect to each patent included in the license under this Section 4.1, until the date on which such patent shall expire. The license granted by HART to HBIO under this Section 4.1 shall also be subject to Section 1.4 of the Product Distribution Agreement executed by HART and HBIO in connection herewith.

4.2. Other Intellectual Property Rights. HART hereby grants, and agrees to cause its Affiliates and Subsidiaries to grant, to HBIO a perpetual, exclusive, worldwide, sublicensable and transferable right and license to use, solely in connection with the Harvard Apparatus Research Business for the period described below in Section 4.3, all Intellectual Property, Technology and related Know-How developed by HART in the HART Business during the five-year period following the Separation Date (collectively, the "New HART Technology"). For avoidance of any doubt, any Intellectual Property, Technology and related Know-How developed by HART in the HART Business after such five-year period (the "Future HART Technology) will not be subject to this Section 4.2. The foregoing exclusive license grant shall not exclude or limit any member of the HART Group from their continued use of the New HART Technology , subject to Article IX hereof. Should HBIO desire to license the New HART Technology for use outside the scope of the Harvard Apparatus Research Business, the Parties shall negotiate in good faith the terms and conditions, including the payment terms, of such license. HART and each other member of the HART Group, as applicable, shall retain any and all rights with respect to the New HART Technology other than the license granted to HBIO in this Section 4.2. During the term of such license, HART shall use commercially reasonable efforts to notify HBIO in writing promptly following the development of any New HART Technology (provided that the failure to provide any such notice shall not be deemed to be a breach of this Agreement or give rise to any claims or termination rights hereunder). Upon the receipt of such notice, HBIO shall have sixty (60) days to elect to either license such New HART Technology in accordance with the above provisions, after which such time, if HBIO fails to make such election, or elects not take such license, HART shall have no obligations to HBIO under this Article IV with respect to such non-elected/rejected New HART Technology (the "Rejected New HART Technology"). Any disclosures made pursuant to this Section 4.2 shall be treated as "Information" for purposes of this Agreement. For the avoidance of any doubt, neither (i) the Future HART Technology nor (ii) any New HART Technology that the parties cannot mutually agree on a royalty fee with respect to in accordance with Section 4.3, shall be deemed Rejected New HART Technology. In addition, HART's use of such items described in (i) and (ii) in the prior sentence shall continue to be subject to Section 9.2 in accordance with the terms hereof.

4.3. Term of License Grant and Assistance. The licenses granted by HART to HBIO to the New HART Technology under Section 4.2 shall remain in effect until the earlier to occur of: (a) the date on which HBIO ceases to actively use the New HART Technology in its Harvard Apparatus Research Business, which date shall be no sooner than one year after disclosure; (b) with respect to each Patent included in the New HART Technology, the date on which such Patent shall expire, or (c) an Insolvency Event occurs with respect to HBIO. For purposes of this Agreement, HBIO will be deemed to be actively using the New HART Technology if either: (i) any New HART Technology is incorporated into any products being developed, manufactured, marketed, distributed or sold by HBIO or any Third Party on behalf of HBIO; or (ii) HBIO is actively using, or has actively used within the previous six (6) month period, the New HART Technology as part of its research and development efforts for the Harvard Apparatus Research Business.

During the term of the license granted to HBIO under Section 4.2, from time to time during the initial three (3) month period following the respective license grant, upon the reasonable request of HBIO, HART agrees to use its commercially reasonable efforts to provide assistance to HBIO to enable to HBIO to assess and setup the technology pertaining to such license, including such services as minor software changes or explaining manufacturing and testing procedures. In connection with any request for such assistance, HBIO and HART shall in good faith negotiate the charge applicable to such assistance, which charge shall be borne solely by HBIO. Notwithstanding the above, until five years from the Separation Date, the licenses granted in accordance with Section 4.2 above shall be royalty-free, and should HBIO desire to continue the license of the New HART Technology thereafter, the Parties shall negotiate in good faith commercially reasonable payment terms of such continued license. The license shall continue during the period of such negotiations.

4.4. Third Party Licenses. With respect to Intellectual Property licensed to HART or its Affiliates or Subsidiaries by a Third Party, the license grants set forth in this Article IV shall be subject to all of the conditions set forth in the relevant license agreement between HART (or its Affiliate or Subsidiary, as the case may be) and such Third Party, in addition to all of the terms, conditions and restrictions set forth herein. Licenses to HBIO under this Article IV pertaining to Intellectual Property owned by a Third Party shall expire on the expiration of the term of the corresponding license agreement between such Third Party and HART (or its Subsidiary or its Affiliate), as the case may be. If such Third Party licenses do not permit a license or sublicense by HART or its Affiliates or Subsidiaries to HBIO or its Affiliates or Subsidiaries, then the provisions of Sections 4.1 and 4.2 and related sections of this Article IV shall not be applicable with respect to such licenses, provided that if HBIO requests that HART seek to obtain the consent of such Third Party to any such sublicense, HART will review such request in good faith and if it determines in it reasonable discretion that such consent request would not have any adverse impact in HART or its Affiliates or Subsidiaries, then HART shall use commercially reasonable efforts to make one attempt to obtain such consent, and if such consent is provided then the provisions of Sections 4.1 and 4.2 and related sections of this Article IV shall apply.

4.5. Software. Without limiting the generality of the foregoing licenses granted in Sections 4.1 and 4.2, with respect to Software included within the New HART Technology, such licenses include the right to use, modify, and reproduce such software, in source code and object code form and Improvements thereof made by or on behalf of HBIO or its Subsidiaries.

4.6. Have Made Rights. The licenses granted to HBIO in Sections 4.1 and 4.2 above shall include the right to have Third Parties manufacture and distribute products of HBIO, subject to the distribution rights granted to HART under the Product Distribution Agreement.

4.7. Improvements. As between HBIO and its Affiliates and Subsidiaries on the one hand and HART and its Affiliates and Subsidiaries on the other hand, HBIO and its Affiliates and Subsidiaries hereby retain all right, title and interest, including all Intellectual Property, in and to any Improvements made by or on behalf of HBIO or its Affiliates or Subsidiaries in the exercise of the licenses granted to it by HART and its Affiliates and Subsidiaries, subject only to the ownership of HART in the underlying Intellectual Property improved thereby. Notwithstanding the foregoing, HBIO shall not file a patent application with respect to any Improvements on any New HART Technology without the prior written consent of HART.

4.8. No Restrictions on HART. Subject to Article IX hereof, the licenses granted in Section 4.1 and 4.2 hereof shall in no way limit the ability of HART to use the New HART Technology in the HART Business. HART will bear sole responsibility and cost for prosecuting and maintaining Patents that it owns, and shall have the sole authority to make decisions regarding the prosecution of Patents included in the New HART Technology.

4.9. Strategic Transactions. For the avoidance of any doubt, in the event that HART or the HART Business is acquired by an Acquiror: (a) such acquisition shall not constitute a violation of Article IX, even if the Acquiror's business is outside the scope of the HART Business; and (b) such Acquiror shall only be subject to Section 4.2 with respect to New HART Technology developed with respect to its operation of the HART Business, and shall expressly not be subject to Section 4.2 with respect to all Intellectual Property, Technology and related Know-How developed by the Acquiror in its other business operations outside of the HART Business.

ARTICLE V

ADDITIONAL INTELLECTUAL PROPERTY RELATED MATTERS

5.1. Assignments and Licenses. No Party may assign or grant a license under any of such Party's Intellectual Property Rights which it has licensed to the other Party in Article III or IV above, unless such assignment or grant is made subject to the licenses granted herein.

5.2. Assistance by Employees. Each Party agrees that its employees and contractors have a continuing duty to assist the other Party with the prosecution of the other Party's Patents and, accordingly, each agrees to make available to the other Party or its counsel inventors and other reasonably necessary persons employed by it for interviews and/or testimony to assist in good faith in further prosecution, maintenance or litigation of such Patents, including the signing of documents related thereto. Any actual and reasonable out-of-pocket expenses associated with such assistance shall be borne by the Party that owns the Patent, expressly excluding the value of the time of each Party's personnel.

5.3. Assistance with Litigation. In the case of assistance with Third Party litigation pertaining to any of the Intellectual Property transferred in Article II or licensed in Articles III or IV above, the Parties shall agree on a case by case basis on reasonable compensation, for the value of the non-litigating Party's employee's time as reasonably required in connection with any such litigation.

5.4. No Implied Licenses. Nothing contained in this Agreement shall be construed as conferring any rights by implication, estoppel or otherwise, under any Intellectual Property, other than as expressly granted in this Agreement.

5.5. Obligation to Prosecute Patents. Each Party shall use commercially reasonable efforts to protect, perfect and maintain its Intellectual Property, *provided*, however that nothing in this Agreement shall obligate either Party to file any patent application, to prosecute any Patent or secure any Patent rights or to maintain any Patent in force. Notwithstanding the foregoing, should HBIO decide to abandon or let lapse any Patents included within the New HBIO Technology, it shall so notify HART in writing at least thirty (30) days in advance of the next filing deadline applicable to such Patent, and give HART the option of taking over such Patent under reasonable conditions (including, for example, acknowledgement of prior Third Party rights, license back to HBIO , and similar conditions consistent with this Agreement) mutually agreed-upon by the Parties. Notwithstanding the foregoing, should HART decide to abandon or let lapse any Patents included within the Transferred Intellectual Property that is subject to license to HBIO in accordance with Section 4.1, or New HART Technology, it shall so notify HBIO in writing at least thirty (30) days in advance of the next filing deadline applicable to such Patent, and give HBIO the option of taking over such Patent under reasonable conditions (including, for example, acknowledgement of prior Third Party rights, license back to HART, and similar conditions consistent with this Agreement) mutually agreed-upon by the Parties.

5.6. Reconciliation. The Parties acknowledge that, as part of the transfer of the Transferred Intellectual Property and the Transferred Licenses, members of the HBIO Group or their Affiliates may inadvertently retain Technology or Intellectual Property that should have been transferred to HART pursuant to Article II of this Agreement, and HART may inadvertently acquire Technology or Intellectual Property that should not have been transferred. Each Party agrees to negotiate, in good faith, the transfer to the other of any such later identified Technology or Intellectual Property, subject to the licenses set forth in Articles III and IV above, at the reasonable written request of the other Party.

5.7. Third-Party Infringement. No Party shall have any obligation hereunder to institute or maintain any action or suit against Third Parties for infringement or misappropriation of any Intellectual Property in or to any Technology licensed to the other Party hereunder, or to defend any action or suit brought by a Third Party which challenges or concerns the validity of any of such Intellectual Property or which claims that any Technology licensed to the other Party hereunder infringes or constitutes a misappropriation of any Intellectual Property of any Third Party. Each Party (the "Notifying Party") has the continuing obligation to promptly notify the other Party in writing upon learning of a Third Party likely infringing upon or misappropriating any Intellectual Property of the other Party which is licensed to the Notifying Party in this Agreement. Such notification shall set forth in reasonable specificity the identity of the suspected infringing Third Party and the nature of the suspected infringement.

5.8. Trademark License. The parties acknowledge and agree that HBIO has granted HART a sublicense to use the mark “HARVARD APPARATUS” pursuant to the Sublicense Agreement and the terms, conditions and limitations set forth therein.

ARTICLE VI

AUDIT RIGHTS

6.1. Audit Rights. From the Separation Dateuntil the expiration of the non-competition and non-solicitation covenants in accordance with Section 9.4 hereof, each of HBIO and HART or its appointed representatives shall have the right to audit the relevant books and records of the other Party to confirm the other Party’s compliance with the non-competition and non-solicitation requirements of Article IX of this Agreement. Audits will be conducted during regular business hours and in a manner that does not unreasonably interfere with the operation of the business of the Party being audited. Audits may be conducted by an employee of the auditing Party as well as by any attorney or accounting firm designated by an employee of the auditing Party who is subject to confidentiality obligations at least as protective of the disclosing Party’s Information as those contained in this Agreement. Any such audit will be conducted at the auditing Party’s expense.

ARTICLE VII

CONFIDENTIALITY

7.1. Exchange of Information and Confidentiality. Article VII of the Separation and Distribution Agreement is incorporated herein by this reference.

ARTICLE VIII

LIMITATION OF LIABILITY & WARRANTY DISCLAIMER

8.1. Limitation of Liability. IN NO EVENT SHALL ANY PARTY BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT, INCIDENTAL OR PUNITIVE DAMAGES OR LOST PROFITS, HOWEVER CAUSED AND BASED ON ANY THEORY OF LIABILITY (INCLUDING NEGLIGENCE) ARISING IN ANY WAY OUT OF THIS AGREEMENT, WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE FOREGOING SHALL NOT, HOWEVER, LIMIT THE DAMAGES AVAILABLE TO A PARTY FOR INFRINGEMENT OR MISAPPROPRIATION OF ITS INTELLECTUAL PROPERTY BY THE OTHER PARTY.

8.2. Warranties Disclaimer. EXCEPT AS OTHERWISE SET FORTH HEREIN, (A) EACH PARTY ACKNOWLEDGES AND AGREES THAT ALL INTELLECTUAL PROPERTY RIGHTS AND TECHNOLOGY LICENSED HEREUNDER ARE LICENSED WITHOUT ANY WARRANTIES WHATSOEVER, WHETHER EXPRESS, IMPLIED OR STATUTORY, WITH RESPECT THERETO, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, ENFORCEABILITY OR NON-INFRINGEMENT, AND (B) NO PARTY MAKES ANY WARRANTY OR REPRESENTATION THAT ANY MANUFACTURE, USE, IMPORTATION, OFFER FOR SALE OR SALE OF ANY PRODUCT OR SERVICE WILL BE FREE FROM INFRINGEMENT OF ANY INTELLECTUAL PROPERTY OF ANY THIRD PARTY.

8.3. Indemnification. HBIO shall, and shall cause the other members of the HBIO Group to, jointly and severally, indemnify, defend and hold harmless the HART Indemnitees from and against any and all Liabilities of the HART Indemnitees relating to Third-Party Claims that any of the Transferred Intellectual Property or the New HBIO Technology infringes upon or misappropriates the Intellectual Property of any Third Party. HART shall, and shall cause the other members of the HART Group to, jointly and severally, indemnify, defend and hold harmless the HBIO Indemnitees from and against any and all Liabilities of the HBIO Indemnitees relating to Third-Party Claims that any of the New HART Technology infringes upon or misappropriates the Intellectual Property of any Third Party. Any claims for indemnification pursuant to this Section 8.3 shall be made in accordance with the procedures set forth in Section 5.5 of the Separation and Distribution Agreement.

ARTICLE IX

COMPETITIVE RESTRICTIONS

9.1. Non-Competition Covenants of HBIO. HBIO agrees that after the Separation Date it will not, either directly or through any of its Affiliates or Subsidiaries, knowingly make, sell or have made or sold, or market or distribute, any pumps, syringes, bioreactors, scaffolds, machines, software, devices or other products that compete with the HART Business, subject to the following exceptions: (a) HBIO shall be permitted to use any Rejected New HBIO Technology in its own business, or to license such Rejected New HBIO Technology to a Third Party, in either case for use outside the scope of its business; (b) the exceptions outlined in Section 3.9 hereof in the event of an acquisition of HBIO or the Harvard Apparatus Research Business; and (c) the foregoing shall not prevent HBIO from selling products from the Harvard Apparatus Research Business to hospitals, clinics and other customers who validate, solely for internal human use and not for commercial sale, a research-use only product through their internal regulatory processes, provided that HBIO further agrees that it shall not market these products for human use, nor perform clinical trials or seek FDA or other regulatory approval for human use of these products. The foregoing shall not prevent HBIO from selling products from its businesses outside of the Harvard Apparatus Research Business into hospitals, clinics and other customers for human use or perform clinical trials or seek FDA or other regulatory approval for human use outside the HART Business.

9.2. Non-Competition Covenants of HART. HART agrees that after the Separation Date it will not, either directly or through any of its Affiliates or Subsidiaries, knowingly make or sell, or have made or sold, or market or distribute any products that are outside the HART Business or compete in any manner with the HBIO Group’s business, subject to the following exceptions: (a) HART shall not be prohibited from any natural expansion of its business if undertaken by comparable companies in the regenerative medicine field for use in humans, other than expansion in to the Harvard Apparatus Research Business; (b) HART shall be permitted to use any Rejected New HART Technology by HART in its own business, or to license such Rejected New HART Technology to a Third Party, in either case for use outside the scope of the HART Business; (c) the exceptions outlined in Section 4.9 hereof in the event of an acquisition of HART; and (d) HART may place products for use outside the scope of the HART Business at research sites, but only if there is no charge to the user for such products. For clarity since HART will operate in the HART Business and HBIO will operate in the Harvard Apparatus Research Business, it is permissible for both companies to be simultaneously selling an identical product under their respective trademarks in their respective separate fields of use (i.e. HART Business for HART and Harvard Apparatus Research Business for HBIO) without violating Article IX of this Agreement. Notwithstanding the foregoing, in order for HART to promote collaborations with leading scientists in regenerative medicine, HBIO acknowledge and agrees that it shall not violate the non-competition provisions described above if HART places products for use in the Harvard Apparatus Research Business at research sites, as long as there is no charge to the customer for such products. If the product placed for such purpose is manufactured by HBIO, HART will be entitled to purchase it from HBIO at discount rate of thirty-five percent (35%) off of HBIO’s then current US list price for such product for a period of ten years from the Separation Date, provided thereafter the Parties shall negotiate in good faith a commercially reasonable payment term of such product if HART desires to continue such arrangement. However, nothing in this paragraph shall obligate HART to purchase such products from HBIO.

9.3. Non-Solicitation Covenants. Without the prior written consent of the other Party and except for those employees that the Parties have agreed, on or prior to the date hereof, will be employed by the HART Business, each Party agrees that after the Separation Date it shall not, (A) hire any of the other Party’s (or its subsidiaries’ or affiliates') employees, or (B) solicit, for the purpose of hiring (other than in the ordinary course of a hiring solicitation program), any of the other Party’s (or its subsidiaries’ or affiliates') employees. Nothing herein shall preclude generalized searches by a Party for employees through the use of advertisement in the media or through engagement of firms to conduct searches that are not targeted or focused on the other Party’s (or its subsidiaries’ or affiliates') employees or hiring (i) any person who responds to such advertisement or (ii) any person that was not indirectly or directly contacted or solicited in violation of the above provisions and who contacts a Party on his or her own behalf, or (iii) negotiating with or hiring any such person whose employment was terminated by a Party or any of its subsidiaries or affiliates prior to commencement of employment discussions between the other Party and such person. In the event of a sale of HBIO or HART, this Section 9.3 shall not be construed to prohibit the acquiring entity from soliciting or hiring employees of the other Party hereto, so long as such employees are not solicited or hired by the acquired entity.

9.4. Expiration of Obligations. The non-competition and non-solicitation covenants contained in this Article IX shall terminate and be of no further force and effect after the tenth anniversary of the Separation Date, provided that such covenants may be terminated immediately by either Party upon written notice in the event that an Insolvency Event occurs with respect to the other Party. However, in the event that either HART or HBIO abandons any particular product or products, it shall so notify the other Party in writing within sixty (60) days thereof, at which time the non-competition covenants of this Article IX shall expire, terminate and be of no further force and effect with respect to such abandon product or products. For purposes of this Agreement, a Party will be deemed to have abandoned a product or products if it is no longer actively involved in developing, marketing, selling or distributing such product or products.

9.5. Impact on Certain Strategic Transactions by HBIO. The non-competition provisions in this Article IX shall not prevent the sale of HBIO to an entity that is engaged in business activities that are competitive with those of the HART Business, provided, however, that in the event of such a sale, while the acquiring entity may compete with the HART Business, it shall not directly or indirectly use any of HART’s Information, that is subject to confidentiality in accordance with Section 7.8 of the Separation and Distribution Agreement, in any manner that competes with the HART Business. In addition, in the event that HBIO, through its Harvard Apparatus Research Business, acquires a business that has products in the HART Business, it shall so notify HART in writing within ten (10) days of the effective date of such acquisition. Upon the receipt of such notice, HART shall have sixty (60) days to elect to either: (a) acquire that limited portion of the acquired business with the products in the HART Business, at a price determined by an independent, duly-qualified Third Party appraiser mutually selected by HART and HBIO; or (b) obtain an exclusive (only with respect to the HART Business) license to those products and/or become the exclusive (only with respect the HART Business) distributor for those products on terms and conditions mutually agreed-upon by the Parties.

9.6. Impact on Certain Strategic Transactions by HART. The non-competition provisions set forth in this Article IX shall not prevent the sale of HART to an entity that is engaged in business activities that are competitive with those of the HBIO Group , provided, however, that in the event of such a sale, while the acquiring entity may compete with the HBIO Group's business, it shall not directly or indirectly use any of the HBIO Group's Information, that is subject to confidentiality in accordance with Section 7.8 of the Separation and Distribution Agreement, in any manner that competes with the HBIO Group's business. In addition, in the event that HART acquires a business that that has products outside of the HART Business, it shall so notify HBIO in writing within ten (10) days of the effective date of such acquisition. Upon the receipt of such notice, HBIO shall have sixty (60) days to elect to either: (a) acquire that limited portion of the acquired business with the products in the HBIO Group's business, at a price determined by an independent, duly-qualified Third Party appraiser mutually selected by HBIO and HART; or (B) obtain an exclusive (only with respect to the HBIO Group's business) license to those products and/or become the exclusive (only with respect to the HBIO Group's business) distributor for those products on terms and conditions mutually agreed-upon by the Parties.

ARTICLE X

MISCELLANEOUS

10.1. Term and Termination. The transfer of the Transferred Intellectual Property shall remain in effect in perpetuity. Unless otherwise explicated stated herein and subject to the termination rights with respect to specific license grants set forth herein, the licenses granted under this Agreement shall remain in effect in perpetuity. The Parties acknowledge that the licenses granted hereunder are intended to be licenses of "Intellectual Property" as such term is used in Section 365(n) of the United States Bankruptcy Code and for other similar laws and that the licenses herein are given and received for fair and adequate value. Accordingly, the Parties intend (a) each of the Parties will have the benefit of any applicable law related to insolvency or bankruptcy that protects a licensee from disclaimer or other challenge of the licenses granted to the licensee, and (b) the licenses granted hereunder will survive any bankruptcy of either Party.

10.2. Counterparts; Entire Agreement; Corporate Power. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered (by facsimile, electronic transmission or otherwise) to the other Party. This Agreement, the exhibits, the schedules and appendices hereto and thereto, the Separation and Distribution Agreement (and Ancillary Agreements defined therein) contain the entire agreement between the Parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the Parties other than those set forth or referred to herein or therein. Each Party hereto acknowledges that it and each other Party hereto is this Agreement by facsimile, stamp or mechanical signature. Each Party hereto expressly adopts and confirms each such facsimile, stamp or mechanical signature made in its respective name as if it were a manual signature, agrees that it will not assert that any such signature is not adequate to bind such Party to the same extent as if it were signed manually and agrees that at the reasonable request of any other Party hereto at any time it will as promptly as reasonably practicable the Agreement to be manually executed (any such execution to be as of the date of the initial date thereof).

10.3. Governing Law, Jurisdiction and Dispute Resolution. This Agreement and any claims or disputes arising out of or related hereto or thereto or to the transactions contemplated hereby and thereby or to the inducement of any Party to enter herein and therein, whether for breach of contract, tortious conduct or otherwise and whether predicated on common law, statute or otherwise shall be governed by and construed and interpreted in accordance with the Laws of the Commonwealth of Massachusetts irrespective of the choice of laws principles of the Commonwealth of Massachusetts as to all matters, including matters of validity, construction, effect, enforceability, performance and remedies. If any dispute arises out of or in connection with this Agreement, except as expressly contemplated by another provision of this Agreement, the parties irrevocably (a) consent and submit to the exclusive jurisdiction of federal and state courts located in Boston, Massachusetts, and (b) waive any objection to that choice of forum based on venue or to the effect that the forum is not convenient. Notwithstanding the foregoing, any dispute arising out of or related to this Agreement shall be resolved in accordance with the procedures set forth in Section 9.1 of the Separation and Distribution Agreement. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

10.4. Assignability. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and thereto, respectively, and their respective successors and permitted assigns; provided, however, that no Party hereto or thereto may assign its respective rights or delegate its respective obligations under this Agreement without the express prior written consent of the other Party hereto or thereto (which consent may be withheld in such Party's sole and absolute discretion) and any assignment or attempted assignment in violation of the foregoing will be null and void. Notwithstanding the preceding sentence, and subject to the restrictions contained in Sections 9.5 and 9.6 hereof, a Party may assign this Agreement in connection with a merger transaction in which such Party is not the surviving entity or the sale by such Party of all or substantially all of its Assets, and upon the effectiveness of such assignment the assigning Party shall be released from all of its obligations under this Agreement if the surviving entity of such merger or the transferee of such Assets shall agree in writing, in form and substance reasonably satisfactory to the other Party, to be bound by all terms of this Agreement as if named as a “Party” hereto.

10.5. Third-Party Beneficiaries. Except for the indemnification rights under this Agreement of any HBIO Indemnitee or HART Indemnitee in their respective capacities as such, (i) the provisions of this Agreement are solely for the benefit of the Parties and are not intended to confer upon any Person except the Parties any rights or remedies hereunder, and (ii) there are no third-party beneficiaries of this Agreement and this Agreement shall not provide any third Person with any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement.

10.6. Notices. All notices, requests, claims, demands or other communications under this Agreement shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, by facsimile or electronic transmission with receipt confirmed (followed by delivery of an original via overnight courier service) or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 10.6:

If to HBIO to:

Harvard Bioscience, Inc.
84 October Hill Road
Holliston, Massachusetts 01746
Attn: Chief Executive Officer

with a copy (which copy will not constitute notice) to:

Burns & Levinson LLP
125 Summer Street
Boston, MA 02110
Attention: Josef B. Volman
Facsimile: (617) 345-3299

If to HART to:

Harvard Apparatus Regenerative Technology, Inc.
84 October Hill Road
Holliston, Massachusetts 01746
Attn: Chief Executive Officer
with a copy (which copy will not constitute notice) to:

Feinberg Hanson LLP
57 River Street, Suite 204
Wellesley, Massachusetts 02481
Attention: Harry A. Hanson, III
Facsimile: (781) 283-5776

Any Party may, by notice to the other Party, change the address to which such notices are to be given.

10.7. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof or thereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. Upon such determination, the Parties shall negotiate in good faith in an effort to agree upon such a suitable and equitable provision to affect the original intent of the Parties.

10.8. Force Majeure. No Party shall be deemed in default of this Agreement to the extent that any delay or failure in the performance of its obligations under this Agreement results from a Force Majeure. In the event of an occurrence of a Force Majeure, the Party whose performance is affected thereby shall give notice of suspension as soon as reasonably practicable to the other stating the date and extent of such suspension and the cause thereof, and such Party shall resume the performance of such obligations as soon as reasonably practicable after the removal of such cause.

10.9. Expenses. Except as expressly set forth in this Agreement, all fees, costs and expenses incurred in connection with the preparation, execution, delivery and implementation of this Agreement, and with the consummation of the transactions contemplated hereby and thereby, will be borne by the Party incurring such fees, costs or expenses.

10.10. Headings. The article, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

10.11. Waivers of Default. Waiver by any Party of any default by the other Party of any provision of this Agreement shall not be deemed a waiver by the waiving Party of any subsequent or other default, nor shall it prejudice the rights of the other Party. No failure or delay by any Party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof nor shall a single or partial exercise thereof prejudice any other or further exercise thereof or the exercise of any other right, power or privilege.

10.12. Specific Performance. Subject to the provisions of Section 10.3, in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the Party or Parties who are, or are to be, thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief in respect of its or their rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The Parties agree that the remedies at law for any breach or threatened breach, including monetary damages, are inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived by each of the Parties to this Agreement.

10.13. Amendments. No provisions of this Agreement shall be deemed waived, amended, supplemented or modified by any Party, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the Party against whom it is sought to enforce such waiver, amendment, supplement or modification.

10.14. Interpretation. In this Agreement, (a) words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other genders as the context requires; (b) the terms "hereof," "herein," and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the Exhibits hereto) and not to any particular provision of this Agreement; (c) Article, Section, and Exhibit references are to the Articles, Sections, and Exhibits to this Agreement unless otherwise specified; (d) the word "including" and words of similar import when used in this Agreement shall mean "including, without limitation," (e) the word "or" shall not be exclusive; (f) unless expressly stated to the contrary in this Agreement, all references to "the date hereof," "the date of this Agreement," "hereby" and "hereupon" and words of similar import shall all be references to October 31, 2013, regardless of any amendment or restatement hereof.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties have caused this Intellectual Property Matters Agreement to be duly executed as of the date first above written.

HARVARD BIOSCIENCE, INC.

By: /s/ Jeffrey A. Duchemin
Name: Jeffrey A. Duchemin
Title: Chief Executive Officer

HARVARD APPARATUS REGENERATIVE TECHNOLOGY, INC.

By: /s/ David Green
Name: David Green
Title: Chief Executive Officer

Exhibit A

Patent/Technology	Jurisdiction	Expiration
Patent application covering aspects of syringe devices and methods for delivering cells to tissues	Europe, U.S.	2030
Patent application covering aspects of clinical scale bioreactors and tissue engineering	Australia, Europe, Japan, Russia, U.S.	2030
Patent application covering aspects of liquid distribution in a rotating bioreactor	Germany	2031
Issued Patent covering aspects of liquid distribution in a rotating bioreactor	Germany	2021
Patent application covering aspects of liquid distribution in a rotating bioreactor	PCT – international stage	2032
Patent application covering aspects of synthetic scaffolds and organ and tissue transplantation	PCT – international stage	2032
Patent application covering aspects of synthetic scaffolds and organ and tissue transplantation	U.S.	2032
Patent applications relating to infrared-based methods for evaluating tissue health including methods for evaluating burns	PCT – international stage	2033
Provisional patent applications relating to methods and compositions for producing elastic scaffolds for use in tissue engineering	U.S.	N/A
Provisional patent application relating to support configurations for tubular tissue scaffolds, and airway scaffold configurations	U.S.	N/A
Provisional patent applications relating to methods and compositions for promoting the structural integrity of nanofiber-based scaffolds for tissue engineering	U.S.	N/A
Provisional patent application relating to synthetic airways	U.S.	N/A
Provisional patent applications relating to engineered hybrid organs	U.S.	N/A
Provisional patent application relating to bioreactor adaptors for tubular tissue scaffolds	U.S.	N/A

Exhibit B

Transferred Licenses

1. Exclusive License Agreement dated August 6, 2009 by and between Harvard Bioscience, Inc. and Sara Mantero and Maria Adelaide Asnaghi

2. IPR Assignment Agreement dated April 24, 2012 by between Harvard Bioscience Inc. and CMA Microdialysis AB

3. Intellectual Property Assignment, License and Services Agreement dated March 8, 2012 by and among Mammalian Cell Technologies, LP, Michael C. Riddle, and Harvard Bioscience, Inc.

4. Non-Exclusive Patent License Agreement dated April 9, 2012 by and between The General Hospital Corporation, d/b/a Massachusetts General Hospital, and Harvard Bioscience, Inc.

EXHIBIT 10.2

PRODUCT DISTRIBUTION AGREEMENT

BY AND BETWEEN

HARVARD BIOSCIENCE, INC.

AND

HARVARD APPARATUS REGENERATIVE TECHNOLOGY, INC.

DATED AS OF OCTOBER 31, 2013

PRODUCT DISTRIBUTION AGREEMENT

THIS PRODUCT DISTRIBUTION AGREEMENT dated as of October 31, 2013 (this "Agreement"), is entered into by and between HARVARD BIOSCIENCE, INC., a Delaware corporation ("HBIO") and HARVARD APPARATUS REGENERATIVE TECHNOLOGY, INC**.,** a Delaware corporation ("HART") (each, a "Party" and, collectively, the "Parties").

RECITALS

WHEREAS, HBIO is a global developer, manufacturer and marketer of a broad range of specialized products, primarily apparatus and scientific instruments, used to advance life science research and regenerative medicine;

WHEREAS, among its various business activities, HBIO operates various lines of business related to the development, manufacturing and marketing of apparatus and scientific instruments, including the Harvard Apparatus Research Business (as defined below) and the HART Business (as defined below);

WHEREAS, pursuant to the Separation and Distribution Agreement to be entered into by and between HBIO and HART, (the "Separation and Distribution Agreement"), the Parties have agreed to separate the HART Business from HBIO;

WHEREAS, it is the intent of the Parties, after giving effect to the transactions contemplated by the Separation and Distribution Agreement, for the Parties to act as distributors of certain of each other's products subject to the limitations and other terms and conditions hereof;

WHEREAS, the Parties desire to enter into this Agreement to codify the arrangements whereby the Parties shall act as distributors of each other's products;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth below, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereby agree as follows. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Separation and Distribution Agreement.

1. Appointment of Distributors.

1.1. By Hart. HART hereby appoints HBIO, and HBIO accepts such appointment, to be HART's exclusive, independent, worldwide distributor for the resale of HART's products that relate to any of HBIO's business activities it conducts from time to time for all applications outside the HART Business, subject to the terms of any Third Party distribution agreements in effect on the Separation Date (as defined in the Separation and Distribution Agreement), and subject further to the non-competition covenants contained in Article IX of the Intellectual Property Matters Agreement.

1.2. By HBIO. HBIO appoints HART, and HART accepts such appointment, to be HBIO's exclusive, independent, worldwide distributor for the resale of HBIO's products from its Harvard Apparatus Research Business for use in the HART Business, subject to the terms of any Third Party distribution agreements in effect on the Separation Date, and subject further to the non-competition covenants contained in Article IX of the Intellectual Property Matters Agreement.

1.3. For purposes of this Agreement, "HART Business" means the development, manufacture and sale of products for use in human regenerative medicine. This includes the development, manufacture and sale of pumps for human clinical injections and bioreactors and scaffolds for regenerating human organs and tissues and products for use on humans (or on human cells, tissue or organs) as part of a procedure that involves an injection, implant or transplant into a human. As used in this Agreement, the term "HART Business" includes any of the aforementioned activities plus any natural expansion of such business in the regenerative medicine field for use in humans by comparable companies in the regenerative medicine field for use in humans.

For purposes of this Agreement, "Harvard Apparatus Research Business" shall mean the business conducted by HBIO through its Original Harvard Apparatus, Warner and Hugo Sachs business units, where the Original Harvard Apparatus business unit refers to pumps and ventilators used mainly for research applications, provided that such definition of Harvard Apparatus Research Business expressly excludes Coulbourn, Panlab, CMA, BTX, Sample Prep or other products acquired and folded in from acquisitions after the original purchase of Harvard Apparatus by HBIO. The products of the Harvard Apparatus Research Business include pumps and various physiology tools for animal, organ, tissue and cell biology used mainly in research and in a few human applications as described in Section 9.2(d) of the Intellectual Property Matters Agreement. References to the "Harvard Apparatus Research Business" in this Agreement shall include this business as currently conducted or conducted in the future.

1.4. Limited Exclusive Manufacturer. Notwithstanding anything to the contrary contained herein or in the Separation and Distribution Agreement or other Ancillary Agreement, HBIO hereby agrees that with respect to the resale or other distribution by the HBIO Group, of bioreactors in any of HBIO's business activities it conducts from time to time (except for the existing activities of its Hugo Sachs business units which shall not be subject to or limited in any manner by this Section 1.4), to the extent that any member of the HBIO Group desires to resell or distribute any bioreactor that is then manufactured by any member of the HART Group, the HART Group shall be the exclusive manufacturer of such bioreactor and such member of the HBIO Group shall be required to purchase and distribute such bioreactors from the applicable member of the HART Group in accordance with this Agreement, and no other party. To the extent that the HART Group is unable to provide any such bioreactor when reasonably required for a particular order by the HBIO Group, the HBIO Group shall be entitled, for such order only, to either manufacture the bioreactor itself or purchase it from a third party.

2 Distributor Obligations**.** In order to provide maximum protection and quality service to each of the Party's customers, when acting as a distributor of the other party's products (in each such instance, referred to herein as a "Distributor") HBIO and HART each agree to comply with the following obligations. Failure to achieve and maintain such compliance shall constitute a material breach of this Agreement.

2.1 Distributor represents that: (a) the execution of this Agreement will not cause Distributor to breach any Agreement with any Third Party; and (b) so long as it continuing to act as Distributor to the other party hereunder for any particular product, with respect to such product, it has and shall use commercially reasonable efforts to maintain at all times the facilities, resources, personnel and experience to promote, advertise, market, and sell such product of the other Party and to otherwise perform its obligations under this Agreement. Distributor shall use commercially reasonable efforts to promote, market, distribute and sell the products and shall not perform any act which may hinder or interfere with the supply and/or marketing of the products. For purposes of this Agreement, "commercially reasonable efforts" means not less than the efforts used by HBIO immediately prior to the Separation Date (as defined in the Separation and Distribution Agreement) to support the research applications of isolated organ and tissue products (but for the avoidance of nay doubt, expressly not including efforts pertaining to the HART Business or employees that will be moving to the HART Business as conducted by and at HBIO prior to the date hereof or thereafter), e.g., maintaining the sales force, applications specialists and technical support in the US and Europe, maintaining demo and sales inventory plus periodic outbound marketing consistent with its past practices. Notwithstanding anything to the contrary contained in this Agreement, nothing in this Agreement shall require HBIO or HART to provide services to the other unless expressly required hereby.

2.2 The Parties acknowledge and agree that HART's use of the mark "HARVARD APPARATUS' is at all times subject to the terms, conditions and restriction set forth in the Sublicense Agreement, dated December 8, 2012, by and between HART and HBIO (the "Sublicense Agreement"). The rights and obligations of the Parties in this paragraph are at all times subject to the Sublicense Agreement. Distributor shall not delete or alter any of the other Party's trade names, trademarks, logos, markings, colors or other insignia (the "Marks") which are affixed to the Products and included in related promotional materials. Distributor may only use the Marks in conjunction with Distributor's marketing and sale of the Products and in accordance with the other Party's then-current guidelines on Mark usage, which will be provided to Distributor at Distributor's request. Distributor shall refrain from any other direct or indirect use, reference to, registration of or application to register the Marks or those confusingly similar unless such trademarks are authorized in writing by the other Party. Upon expiration or termination of this Agreement, Distributor shall immediately cease to use any and all Marks. Distributor agrees to immediately notify the other Party of any infringement or potential infringement of any Mark of which Distributor becomes aware.

2.3 Distributor shall be solely responsible, at its own expense, for obtaining and maintaining any and all governmental approvals, permits and/or certifications necessary for Distributor to import, purchase, sell and distribute products.

2.4 Distributor shall promptly advise the other Party of any complaints or claims brought or threatened against it or the other Party with respect to the sale or use of the products, or with respect to any alleged patent, copyright, trademark, or other intellectual property infringement or misappropriation.

2.5 Distributor shall take all reasonable, prompt and efficient actions to ensure customer satisfaction with the products and shall resolve all customer complaints in an expedited manner. In the event that a Party receives ten (10) or more complaints that do not relate to the design or manufacturing quality of a product from Distributor's customers during any one (1) year period which indicate that Distributor has failed to satisfactorily resolve reasonable customer complaints in a timely fashion, such Party shall notify Distributor and Distributor shall be deemed to have breached this Agreement.

2.6 In no event shall Distributor make any representations or warranties regarding the products which are: (a) not included in, or which are inconsistent with information, materials or specification provided to Distributor; or (b) false, incomplete or otherwise misleading.

2.7 Distributor personnel shall participate in any training sessions regarding the products and their use as reasonably requested by the other Party.

2.8 With respect to any HBIO products that HART distributes in accordance herewith, HART agrees to represent and label clearly that such products are for research use only. With respect to any HART products that HBIO distributes in accordance herewith, HBIO agrees to represent and label clearly that such products are for research use only.

3 Prices and Payment.

3.1 During the term of this Agreement, Distributor shall purchase the applicable products (in accordance with 1.1 and 1.2) from the other Party at a thirty-five percent (35%) discount off of the then-current U.S. list price of the other Party for the applicable product, provided that if the product is sourced by the other Party from a third party prior to sale to Distributor, Distributor shall purchase such product from the other Party at a fifteen percent (15%) discount off of the then-current U.S. list price of the other Party for the applicable product. All prices are exclusive of all taxes and other charges, including but not limited to, shipping, handling, insurance, brokerage and other related charges, governmental sales, use, consumption, excise, privilege, occupational, value-added or other similar taxes, customs duties or assessments.

3.2 Both HART and HBIO shall be free to unilaterally establish the prices charged to customers for their respective products.

3.3 Distributor shall pay for all products in U.S. Dollars. All payments are due thirty (30) days from the invoice date. Non-receipt of payment from a customer shall not excuse or delay payment by Distributor. Overdue payments will be subject to finance charges computed at a rate equal to the lesser of one and a half percent (1.5%) per month or the maximum amount permissible under applicable law. Distributor is responsible for payment of all losses, costs, attorneys' fees, or other expenses incurred by the other Party in the event that the other Party in its sole discretion, hires a Third Party collection agency in order to recover amounts owed by Distributor.

3.4 Except for taxes based on the other Party's net income and the medical device tax under the Patient Protection and Affordable Care Act, Distributor shall pay any applicable sales, use, consumption, excise, privilege, occupational, value-added or other similar taxes, customs duties or assessments, or amounts levied in lieu of such taxes, now or later imposed under the authority of any national, state or local taxing authority based on or measured by (a) charges set forth in this Agreement, (b) upon sales of the products to Distributor, or (c) upon import or export of any products. Any claim for sales tax or duty exemption by Distributor shall be effective only after the other Party's receipt of all proper exemption forms.

3.5 Distributor shall pay or reimburse the other Party for all shipping costs including transportation, brokerage, handling, and other costs incurred in delivering the products to Distributor.

4 Ordering and Delivery.

4.1 Shipments of products shall only be made against written purchase orders issued by Distributor and which reference this Agreement. At a minimum, each purchase order shall specify the following items: (a) the quantity of product ordered; (b) the price of each product and any additional charges and costs; (c) the billing address, the destination to which the products will be delivered, and the requested delivery date; and (d) the signature of Distributor's employee or agent who possesses the authority to place such an order.

4.2 All orders are subject to acceptance and assignment of delivery schedules in accordance with product availability. Neither Party shall have liability whatsoever for non-acceptance of, or failure or delay in filling any Distributor orders due to legitimate business considerations or acts or circumstances beyond its control, including without limitation, product shortages, production and delivery constraints, or government actions and acts of God. In no event shall any order be binding on HART or HBIO until the Parties are in agreement as to the items ordered, pricing, delivery dates, and all other material terms. Each Party shall use reasonable efforts to meet agreed-upon projected delivery dates for the products.

4.3 No purchase order, acknowledgment form, or other document or communication from either Party shall vary or supplement the terms and conditions of this Agreement. This Agreement may only be amended as provided in Section 14.11 hereof.

4.4 All deliveries of the products purchased pursuant to this Agreement will be made in a time, place and manner mutually agreed-upon by the Parties. Risk of loss and title to the products shall pass to Distributor upon delivery to the selected common carrier at the other Party's manufacturing facility. Insurance coverage on all shipments is the responsibility of Distributor. All transportation and shipping costs shall be charged to Distributor's account. Distributor must notify the other Party in writing within ten (10) days of receipt of products of any discrepancies in the shipment of such products.

4.5 All shipments shall be subject to a Party's determination that such shipments are in compliance with all applicable export and import regulations. In no event shall either Party's delay in shipping or refusal to ship due to export or import issues be deemed a material breach hereunder.

5 Records and Reports. Within forty-five (45) days after the end of each calendar quarter, Distributor shall promptly furnish written reports on sales, deliveries and returns of the products for the calendar quarter immediately preceding the report, including, without limitation, current inventory levels, a monthly breakdown of sales, and marketing efforts to prospective customers. Distributor shall maintain records identifying each product sold.

6 Product Warranty.

6.1 Product Warranty. Distributor shall pass along to its customers comparable product warranties as the other Party makes to its customers in the ordinary course of business.

6.2 Warranty Exclusions. This warranty does not extend to any products: (a) that have been subject to misuse, neglect, abuse, improper storage, accident (other than an accident caused by the product itself), or that have not been properly maintained; (b) that have been modified by any Third Party; or (c) that have been disassembled, serviced, or reassembled by any Third Party.

THE FOREGOING LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES AND EXCEPT FOR ANY EXPRESS WARRANTIES STATED HEREIN, HART AND HBIO EXPRESSLY DISCLAIM ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF QUALITY, CONDITION, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

7 Exchange of Information and Confidentiality. Article VII of the Separation and Distribution Agreement is hereby incorporated herein by reference.

8 Intellectual Property Rights.

8.1 During the term of this Agreement, Distributor is authorized to use the other Party's Marks, trade names and logos solely in connection with Distributor's sale, advertisement and promotion of the products in accordance with Section 2.2 hereof.

8.2 Except as described in this Agreement or the Intellectual Property Matters Agreement, neither HBIO nor HART grants to the other Party any right, license, or interest in any of the Intellectual Property owned, used or claimed now or in the future by HBIO or HART, respectively. All applicable rights to such Intellectual Property are, and will remain, the exclusive property of HART and HBIO, respectively. Regardless of any provision to the contrary in this Agreement, no title to or ownership of the Intellectual Property contained in the products, or any part of the products is transferred to Distributor. However, HART and HBIO each grant the other Party a limited, revocable, worldwide, royalty-free right and license to conduct demonstrations on the use of its products solely for the purposes of promoting the sale of such products in performing its obligations under this Agreement.

9 Indemnity and Insurance.

9.1 Distributor shall defend any claim, suit or proceeding, and indemnify and hold the other Party harmless from and against any Third Party Claims arising out of, or in connection with: (a) Distributor's advertising, sales, marketing and promotional activities undertaken with respect to the products; (b) the failure of Distributor to comply in all material respects with all applicable laws, rules, and/or regulations regarding advertising, selling, licensing, importing or exporting the products; (c) Distributor's attachment to the products of any trade name, trademark or logo that is challenged as an infringement of the proprietary rights of any Third Party; (d) any warranties granted by Distributor or any implied warranties claimed by any of Distributor's customers, in excess of those warranties contained herein; (e) the failure of Distributor to comply with any material term of this Agreement; or (f) from any gross negligence or willful misconduct of Distributor in performing its obligations hereunder, except in each instance of (a)-(f) such Third-Party Claim is caused by the negligence or willful misconduct of the other non-Distributor Party. In addition, with respect to any Third-Party Claim pertaining to products manufactured or provided to one Party by the other Party hereunder, the Party that provided or manufactured such Product shall defend any claim, suit or proceeding, and indemnify and hold the other Party harmless from and against that portion of any Third Party Claims that arises out of, or is in connection with such product itself, including without limitation any injuries to or death of persons, or any damage to property, occurring as a result of, or in any way arising out of, defects of such products, except to the extent such Third Party Claims are caused by the other Party's gross negligence of willful misconduct.

9.2 Any claims for indemnification pursuant to this Section 9 shall be made in accordance with the procedures set forth in Section 5.5 of the Separation and Distribution Agreement.

9.3 Insurance. Each Party agrees to maintain in full force and effect insurance coverage for the period of this Agreement pertaining to commercial general liability insurance coverage, including coverage for products liability and contractual indemnity. Said coverage will provide not less than commercially reasonable primary limits per occurrence in accordance with customary standards for the applicable industry. Each Party will cause its insurance carrier to designate the other Party as an "Additional Insured" on each applicable policy and any endorsement so naming such other Party will not limit its defense and coverage in favor of such Party to the negligence of the insured party.

9.4 Workers' Compensation. The Parties agree to secure and keep in full force and effect during the life of this Agreement all forms of workers' compensation and employers' liability insurance coverage as is mandated by any state, territory or jurisdiction in which that Party does or may operate or send representatives. Each Party agrees that the other party is neither the actual nor statutory employer of any employee, consultant, representative, independent contractor or other person hired, retained, directed, utilized, consulted or engaged by such Party to carry out any of its duties under or arising from this Agreement.

10 Independent Contractor Status. Distributor shall conduct its business under this Agreement for its own account at its own expense and risk. The relationship between the parties is that of independent contractors. This Agreement creates no relationship of principal and agent, partner, joint venturer or any similar relationship between HART and HBIO. The grant of the distribution rights for the term hereof does not constitute a franchise or grant to Distributor of any continuing rights or interest in distributing the products beyond the term hereof. Distributor agrees that it does not have and will not have any authority to act on the other Party's behalf.

11 Term and Termination.

11.1 This Agreement shall become effective as of the Separation Date and shall remain in effect for a period of ten (10) years after the Separation Date, unless earlier terminated as set forth in this Section 11.

11.2 Either Party may terminate this Agreement in the event a material breach of the Agreement by the other Party hereto, including, without limitation, failure to fulfill its obligations pursuant to Section 2 hereof, after written notice and a sixty (60) day cure period.

11.3 In addition, HART may terminate its obligations to act as Distributor with respect to a particular product under this Agreement, after written notice and a sixty (60) day cure period, should HART determine, in its sole discretion, that HBIO is unwilling or unable to supply such HBIO – Applicable HART Distributor Businesses product subject to this Agreement to HART. HBIO may terminate its obligations to act as Distributor with respect to a particular product under this Agreement, after written notice and a sixty (60) day cure period, should HBIO determine, in its sole discretion, that HART is unwilling or unable to supply such HART Business product subject to this Agreement to HBIO.

11.4 The termination or expiration of this Agreement shall in no case relieve either Party from its obligation to pay to the other Party any sums accrued under this Agreement prior to such termination or expiration. If Distributor defaults on its payment obligations under this Agreement, the other Party shall have the right to take any or all of the following actions: (a) suspend delivery to Distributor until the default is cured by Distributor; or (b) terminate this Agreement after written notice and a thirty (30) day cure period. If the other Party continues to make shipments after Distributor's default, such Party's action shall not constitute a waiver of any rights or remedies, or affect such Party's legal remedies under this Agreement.

11.5 Notwithstanding any other provision herein, this Agreement may be terminated immediately by either Party upon written notice in the event that the other Party: (a) becomes insolvent; (b) commits an act of bankruptcy; (c) seeks an arrangement or compromise with its creditors under any statute or otherwise; (d) is subject to a proceeding in bankruptcy, receivership, liquidation or insolvency and same is not dismissed within sixty (60) days; (e) makes an assignment for the benefit of the creditors; (f) admits in writing its inability to pay its debts as they mature; or (g) ceases to function as a going concern, or to conduct its operations in the normal course of business.

11.6 Within ten (10) days after termination or expiration of this Agreement, each Party shall return to the other Party all signs, literature, logos and other materials identifying the other Party's products that remain in its possession.

12 <u>Export Controls and Compliance with Law.</u>

12.1 If an export license is required before Distributor can distribute or sell the Products, Distributor acknowledges and agrees that the other Party shall be under no obligation to affect such sale or transfer until the required export license is obtained. Each Party shall use reasonable efforts to expeditiously obtain such required export licenses or approvals.

12.2 Distributor acknowledges that the export of products and related technical data is subject to regulation by various rules and regulations of the United States which prohibit export or diversion to certain countries, entities and/or which restrict or prohibit use. Unless Distributor has first obtained permission to do so from all applicable United States Government agencies, Distributor shall not export or re-export, directly or indirectly, any products or related data into any of those countries listed at the time of any shipment in the applicable United States export regulations as "prohibited or restricted" countries, or any other country to which such exports or re-exports may be restricted (collectively, the "Prohibited Countries"). Distributor further agrees not to distribute or supply the products or any related technical data to any person if Distributor has reason to believe that such person intends to export, re-export or otherwise transfer the same to, or use the same in, any of the Prohibited Countries. Without limiting the foregoing, Distributor shall not commit any act which would, directly or indirectly, violate any United States or local law, regulation, treaty or agreement to which the United States adheres or complies relating to the export or re-export of the products or related technical data.

12.3 At its own expense, Distributor shall obtain any government consents, authorizations, approvals, filings, registrations, permits or licenses required for Distributor to exercise its rights and to discharge its obligations under this Agreement, provided further that, for the avoidance of any doubt, HART acknowledges and agrees that it, and not HBIO, shall be responsible for the efforts, cost and expense of obtaining any necessary regulatory approval for the manufacture and use of its products with humans, where regulatory approval means with respect to a regulatory jurisdiction, any and all approvals, product and/or establishment licenses, registrations or authorizations of any governmental authority, necessary for the commercial manufacture, use, storage, import, export, transport, or commercialization of a product in such regulatory jurisdiction, including, where applicable, (i) pricing and reimbursement approval in such regulatory jurisdiction, (ii) pre- and post-approval marketing authorizations (including any prerequisite manufacturing approval or authorization related thereto), (iii) labeling approval, and (iv) technical, medical and scientific licenses.

12.4 In conformity with the United States Foreign Corrupt Practices Act neither HART and its employees and agents nor HBIO and its employees and agents shall directly or indirectly make any offer, payment, or promise to pay; authorize payment; or offer a gift, promise to give, or authorize the giving of anything of value for the purpose of influencing any act or decision (including a decision not to act) of an official of any government or inducing such a person to use his or her influence to affect any such governmental act or decision in order to assist HBIO or HART in obtaining, retaining or directing any business.

13 Limitation of Liability.

EXCEPT AS TO CLAIMS FOR BREACHES OF CONFIDENTIALITY, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, OR FOR DIRECT DAMAGES IN EXCESS OF THE AMOUNTS PAID BY HBIO OR HART FOR THE PRODUCT OR SUPPORT THAT GAVE RISE TO THE LIABILITY, WHETHER FORESEEABLE OR UNFORESEEABLE, OF ANY KIND WHATSOEVER (INCLUDING WITHOUT LIMITATION LOSS OF INCOME, DATA, GOODWILL, USE OF INFORMATION, DOWNTIME OR COSTS OF SUBSTITUTE PRODUCTS OR EQUIPMENT), WHETHER BASED ON WARRANTY, CONTRACT, TORT (INCLUDING NEGLIGENCE), PRODUCT LIABILITY OR OTHERWISE, EVEN IF THE OTHER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

14 General.

14.1 Counterparts; Entire Agreement; Corporate Power. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered (by facsimile, electronic transmission, or otherwise) to the other Party. This Agreement, together any exhibits hereto, and the Separation and Distribution Agreement (and Ancillary Agreements defined therein), contains the entire agreement between the Parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the Parties other than those set forth or referred to herein or therein. HBIO and HART each represent as follows: (a) the person executing this Agreement has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform each of this Agreement and to consummate the transactions contemplated hereby; and (b) this Agreement has been duly executed and delivered by it and constitutes a valid and binding agreement of it enforceable in accordance with the terms thereof. Each Party hereto acknowledges that it and each other Party hereto is executing this Agreement by facsimile, stamp or mechanical signature. Each Party hereto expressly adopts and confirms each such facsimile, stamp or mechanical signature made in its respective name as if it were a manual signature, agrees that it will not assert that any such signature is not adequate to bind such Party to the same extent as if it were signed manually and agrees that at the reasonable request of any other Party hereto at any time it will as promptly as reasonably practicable cause each such Agreement to be manually executed (any such execution to be as of the date of the initial date thereof).

14.2 Governing Law, Jurisdiction and Dispute Resolution. This Agreement (and any claims or disputes arising out of or related hereto or thereto or to the transactions contemplated hereby and thereby or to the inducement of any Party to enter herein and therein, whether for breach of contract, tortious conduct or otherwise and whether predicated on common law, statute or otherwise) shall be governed by and construed and interpreted in accordance with the laws of the Commonwealth of Massachusetts irrespective of the choice of laws principles of the Commonwealth of Massachusetts as to all matters, including matters of validity, construction, effect, enforceability, performance and remedies. If any dispute arises out of or in connection with this Agreement, the parties (a) consent and submit to the exclusive jurisdiction of federal and state courts located in Boston, Massachusetts, and (b) waive any objection to that choice of forum based on venue or to the effect that the forum is not convenient. Notwithstanding the foregoing, any dispute arising out of or related to this Agreement shall be resolved in accordance with the procedures set forth in Section 9.1 of the Separation and Distribution Agreement. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

14.3 Assignability. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and thereto, respectively, and their respective successors and permitted assigns; provided, however, that no Party hereto or thereto may assign its respective rights or delegate its respective obligations under this Agreement without the express prior written consent of the other Party hereto or thereto (which consent may be withheld in such Party's sole and absolute discretion) and any assignment or attempted assignment in violation of the foregoing will be null and void. Notwithstanding the preceding sentence, a Party may assign this Agreement in connection with a merger transaction in which such Party is not the surviving entity or the sale by such Party of all or substantially all of its Assets, and upon the effectiveness of such assignment the assigning Party shall be released from all of its obligations under this Agreement if the surviving entity of such merger or the transferee of such Assets shall agree in writing, in form and substance reasonably satisfactory to the other Party, to be bound by all terms of this Agreement as if named as a "Party" hereto.

14.4 Third-Party Beneficiaries. The provisions of this Agreement are solely for the benefit of the Parties and are not intended to confer upon any Person except the Parties any rights or remedies hereunder, and there are no third-party beneficiaries of this Agreement and this Agreement shall not provide any Third Party with any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement.

14.5 Notices. All notices, requests, claims, demands or other communications under this Agreement shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, by facsimile or electronic transmission with receipt confirmed (followed by delivery of an original via overnight courier service) or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 14.5). Any Party may, by written notice to the other Party, change the address to which such notices are to be given.

If to HBIO to:

Harvard Bioscience, Inc.
84 October Hill Road
Holliston, Massachusetts 01746
Attention: Chief Executive Officer

with a copy to (which will not constitute notice):

Burns & Levinson, LLP
125 Summer Street
Boston, Massachusetts 02110
Attention: Josef B. Volman
Chad J. Porter

If to HART to:

Harvard Apparatus Regenerative Technology
84 October Hill Road
Holliston, Massachusetts 01746
Attention: Chief Executive Officer

with a copy to (which will not constitute notice):

Feinberg Hanson LLP
57 River Street, Suite 204
Wellesley, Massachusetts 02481
Attention: Harry A. Hanson, III

14.6 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof or thereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. Upon such determination, the Parties shall negotiate in good faith in an effort to agree upon such a suitable and equitable provision to affect the original intent of the Parties.

14.7 Headings. The article, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

14.8 Survival. Sections 6.2, 7, 9, 11.6, 13 and 14 shall survive the termination or expiration of this Agreement.

14.9 Waivers of Default. Waiver by any Party of any default by the other Party of any provision of this Agreement shall not be deemed a waiver by the waiving Party of any subsequent or other default, nor shall it prejudice the rights of the other Party. No failure or delay by any Party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof nor shall a single or partial exercise thereof prejudice any other or further exercise thereof or the exercise of any other right, power or privilege.

14.10 Specific Performance. Subject to the provisions of Section 14.2, in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the Party or Parties who are, or are to be, thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief in respect of its or their rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The Parties agree that the remedies at law for any breach or threatened breach, including monetary damages, are inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived by each of the Parties to this Agreement.

14.11 Amendments. No provisions of this Agreement shall be deemed waived, amended, supplemented or modified by any Party, unless such waiver, amendment, supplement or modification is in writing and (a) in the case of a waiver, signed by the authorized representative of the Party against whom it is sought to enforce such waiver, or (b) in the case of an amendment, supplement or modification to this Agreement, signed by the authorized representatives of both Parties.

14.12 Interpretation. In this Agreement, (a) words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other genders as the context requires; (b) the terms “hereof,” “herein,” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including any exhibits hereto) and not to any particular provision of this Agreement; (c) Article, Section, and exhibit references are to the sections and exhibits to this Agreement unless otherwise specified; (d) the word “including” and words of similar import when used in this Agreement shall mean “including, without limitation,” (e) the word “or” shall not be exclusive; (f) unless expressly stated to the contrary in this Agreement, all references to “the date hereof,” “the date of this Agreement,” “hereby” and “hereupon” and words of similar import shall all be references to October 31, 2013, regardless of any amendment or restatement hereof.

14.13 Force Majeure. No Party shall be deemed in default of this Agreement to the extent that any delay or failure in the performance of its obligations under this Agreement results from a Force Majeure (as defined in the Separation and Distribution Agreement). In the event of an occurrence of a Force Majeure, the Party whose performance is affected thereby shall give notice of suspension as soon as reasonably practicable to the other stating the date and extent of such suspension and the cause thereof, and such Party shall resume the performance of such obligations as soon as reasonably practicable after the removal of such cause.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Product Distribution Agreement to be executed by their duly authorized representatives.

HARVARD BIOSCIENCE, INC.

By: /s/ Jeffrey A. Duchemin
Name: Jeffrey A. Duchemin
Title: Chief Executive Officer

HARVARD APPARATUS REGENERATIVE TECHNOLOGY, INC.

By: /s/ David Green
Name: David Green
Title: Chief Executive Officer

EXHIBIT 10.3

TAX SHARING AGREEMENT

DATED AS OF OCTOBER 31, 2013

BY AND BETWEEN

HARVARD BIOSCIENCE, INC.

AND

HARVARD APPARATUS REGENERATIVE TECHNOLOGY, INC.

(for itself and on behalf of each member of the SpinCo Group)

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TAX SHARING AGREEMENT

This TAX SHARING AGREEMENT (this "**Agreement**") is entered into as of October 31, 2013, by and among HARVARD BIOSCIENCE, INC., a Delaware corporation ("**Distributing**"), and HARVARD APPARATUS REGENERATIVE TECHNOLOGY, INC., a Delaware corporation and a wholly owned subsidiary of Distributing ("**SpinCo**"), for itself and on behalf of each member of the SpinCo Group (as defined below).

RECITALS

WHEREAS, the Board of Directors of Distributing has determined that it would be appropriate and desirable to completely separate the regenerative medicine device business of Distributing from the life science tools research business of Distributing;

WHEREAS, as of the date hereof, Distributing is the common parent of an affiliated group of corporations, including SpinCo, which has elected to file consolidated Federal income tax returns;

WHEREAS, pursuant to the Separation and Distribution Agreement (as defined below), Distributing and SpinCo have agreed to separate the regenerative medicine device business from Distributing generally by means of the Distribution;

WHEREAS, prior to the Distribution, Distributing intends to cause it and its applicable Subsidiaries to contribute the HART Assets to SpinCo and its applicable Subsidiaries (and SpinCo and its applicable Subsidiaries will assume the HART Liabilities), each as defined in and more fully described in the Separation and Distribution Agreement;

WHEREAS, as a result of the Distribution, SpinCo and its subsidiaries will cease to be members of the affiliated group (as that term is defined in Section 1504 of the Code) of which Distributing is the common parent (the "**Deconsolidation**"); and

WHEREAS, the parties desire to provide for and agree upon the allocation between the parties of Liabilities for Taxes arising prior to, as a result of, and subsequent to the Distribution, and to provide for and agree upon other matters relating to Taxes;

NOW THEREFORE, in consideration of the mutual agreements contained herein, the parties hereby agree as follows:

Section 1. Definition of Terms. For purposes of this Agreement (including the recitals hereof), the following terms have the following meanings, and capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Separation and Distribution Agreement:

"**Accounting Cutoff Date**" means, with respect to SpinCo, any date as of the end of which there is a closing of the financial accounting records for such entity.

"**Active Trade or Business**" means the active conduct (as defined in Section 355(b)(2) of the Code and the regulations thereunder) by SpinCo and its "separate affiliated group" (as defined in Section 355(b)(3)(B) of the Code) of the HART Business as conducted immediately prior to the Distribution.

"**Adjustment Request**" means any formal or informal claim or request filed with any Tax Authority, or with any administrative agency or court, for the adjustment, refund, or credit of Taxes, including (a) any amended Tax return claiming adjustment to the Taxes as reported on a Tax Return or, if applicable, as previously adjusted, (b) any claim for equitable recoupment or other offset, and (c) any claim for refund or credit of Taxes previously paid.

"**Affiliate**" means any entity that is directly or indirectly "controlled" by either the person in question or an Affiliate of such person. "**Control**" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through ownership of voting securities, by contract or otherwise. The term Affiliate shall refer to Affiliates of a person as determined immediately after the Distribution.

"**Agreement**" shall have the meaning provided in the first sentence of this Agreement.

"**Board Certificate**" shall have the meaning set forth in Section 7.02(e) of this Agreement.

"**Business Day**" means a day (other than Saturday or Sunday) on which banks are generally open in the State of New York, USA for ordinary business.

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Company**" means Distributing or SpinCo.

"**Company Indemnifying Party**" shall have the meaning set forth in Section 5.02(b) of this Agreement.

"**Contribution**" means the contribution of assets, by Distributing itself directly to SpinCo itself pursuant to Section 2.1(a) of the Separation and Distribution Agreement.

"**Controlling Party**" shall have the meaning set forth in Section 10.02(c) of this Agreement.

"**Deconsolidation**" shall have the meaning provided in the Recitals.

"**Deconsolidation Date**" means the last date on which SpinCo qualifies as a member of the affiliated group (as defined in Section 1504 of the Code) of which Distributing is the common parent.

"**DGCL**" means the Delaware General Corporation Law.

"**Distributing**" shall have the meaning provided in the first sentence of this Agreement.

"**Distributing Affiliated Group**" shall have the meaning provided in the definition of "Distributing Federal Consolidated Income Tax Return."

"**Distributing Federal Consolidated Income Tax Return**" means any United States federal Income Tax Return for the affiliated group (as that term is defined in Section 1504 of the Code and the regulations thereunder) of which Distributing is the common parent (the "**Distributing Affiliated Group**").

"**Distributing Full Taxpayer**" means the assumption that the Distributing Affiliated Group (a) is subject to the highest marginal regular statutory income Tax rate, (b) has sufficient taxable income to permit the realization or receipt of the relevant Tax Benefit at the earliest possible time, and (c) is not subject to the alternative minimum tax.

"**Distributing Group**" means Distributing and its Affiliates, excluding any entity that is a member of the SpinCo Group.

"**Distributing Group Transaction Returns**" shall have the meaning set forth in Section 4.04(b) of this Agreement.

"**Distributing Separate Return**" means any Separate Return of Distributing or any member of the Distributing Group.

"**Distributing State Combined Income Tax Return**" means a consolidated, combined or unitary State Income Tax Return that actually includes, by election or otherwise, one or more members of the Distributing Group together with one or more members of the SpinCo Group.

"**Federal Income Tax**" means any Tax imposed by Subtitle A of the Code, and any interest, penalties, additions to tax, or additional amounts in respect of the foregoing.

"**Federal Other Tax**" means any Tax imposed by the federal government of the United States of America other than any Federal Income Taxes, and any interest, penalties, additions to tax, or additional amounts in respect of the foregoing.

"**Fifty-Percent or Greater Interest**" shall have the meaning ascribed to such term for purposes of Sections 355(d) and (e) of the Code.

"**Filing Date**" shall have the meaning set forth in Section 7.05(b) of this Agreement.

"**Final Determination**" means the final resolution of liability for Tax, which resolution may be for a specific issue or adjustment or for a taxable period, (a) by IRS Form 870 or 870-AD (or any successor forms thereto), on the date of acceptance by or on behalf of the taxpayer, or by a comparable form under the laws of a State, local, or foreign taxing jurisdiction, except that a Form 870 or 870-AD or comparable form shall not constitute a Final Determination to the extent that it reserves (whether by its terms or by operation of law) the right of the taxpayer to file a claim for refund or the right of the Tax Authority to assert a further deficiency in respect of such issue or adjustment or for such taxable period (as the case may be); (b) by any audit assessment of taxes or other examination by any taxing authorities, proceeding or appeal of such proceedings relating to taxes whether administrative or judicial including proceedings related to competent authority determinations, or by a decision, judgment, decree, or other order by a court of competent jurisdiction, which has become final and unappealable; (c) by a closing agreement or accepted offer in compromise under Sections 7121 or 7122 of the Code, or a comparable agreement under the laws of a State, local, or foreign taxing jurisdiction; (d) by any allowance of a refund or credit in respect of an overpayment of Tax, but only after the expiration of all periods during which such refund may be recovered (including by way of offset) by the jurisdiction imposing such Tax; (e) by a final settlement resulting from a treaty-based competent authority determination; or (f) by any other final disposition, including by reason of the expiration of the applicable statute of limitations or by mutual agreement of the parties.

"**Foreign Income Tax**" means any Tax imposed by any foreign country or any possession of the United States, or by any political subdivision of any foreign country or United States possession, which is an income tax as defined in Treasury Regulation Section 1.901-2, and any interest, penalties, additions to tax, or additional amounts in respect of the foregoing.

"**Foreign Other Tax**" means any Tax imposed by any foreign country or any possession of the United States, or by any political subdivision of any foreign country or United States possession, other than any Foreign Income Taxes, and any interest, penalties, additions to tax, or additional amounts in respect of the foregoing.

"**Foreign Tax**" means any Foreign Income Taxes or Foreign Other Taxes.

"**Group**" means the Distributing Group or the SpinCo Group, or both, as the context requires.

"**Income Tax**" means any Federal Income Tax, State Income Tax or Foreign Income Tax.

"**Indemnitee**" shall have the meaning set forth in Section 13.03 of this Agreement.

"**Indemnitor**" shall have the meaning set forth in Section 13.03 of this Agreement.

"**Internal Restructuring**" shall have the meaning set forth in Section 7.02(f) of this Agreement.

"**IRS**" means the United States Internal Revenue Service.

"**Joint Return**" shall mean any Return of a member of the Distributing Group or the SpinCo Group that is not a Separate Return.

"**Non-Controlling Party**" shall have the meaning set forth in Section 10.02(c) of this Agreement.

"**Notified Action**" shall have the meaning set forth in Section 7.04(a) of this Agreement.

"**Other Tax**" means any Federal Other Tax, State Other Tax, or Foreign Other Tax.

"**Past Practices**" shall have the meaning set forth in Section 4.04(a) of this Agreement.

"**Payment Date**" means (i) with respect to any Distributing Federal Consolidated Income Tax Return, the due date for any required installment of estimated taxes determined under Section 6655 of the Code, the due date (determined without regard to extensions) for filing the return determined under Section 6072 of the Code, and the date the return is filed, and (ii) with respect to any other Tax Return, the corresponding dates determined under the applicable Tax Law.

"**Payor**" shall have the meaning set forth in Section 5.02(a) of this Agreement.

“**Person**” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof, without regard to whether any entity is treated as disregarded for U.S. federal income tax purposes.

“**Post-Deconsolidation Period**” means any Tax Period beginning after the Deconsolidation Date, and, in the case of any Straddle Period, the portion of such Straddle Period beginning the day after the Deconsolidation Date.

“**Pre-Deconsolidation Period**” means any Tax Period ending on or before the Deconsolidation Date, and, in the case of any Straddle Period, the portion of such Straddle Period ending on the Deconsolidation Date.

“**Privilege**” means any privilege that may be asserted under applicable law, including, any privilege arising under or relating to the attorney-client relationship (including the attorney-client and work product privileges), the accountant-client privilege and any privilege relating to internal evaluation processes.

“**Proposed Acquisition Transaction**” means a transaction or series of transactions (or any agreement, understanding or arrangement, within the meaning of Section 355(e) of the Code and Treasury Regulation Section 1.355-7, or any other regulations promulgated thereunder, to enter into a transaction or series of transactions), whether such transaction is supported by SpinCo management or shareholders, is a hostile acquisition, or otherwise, as a result of which SpinCo would merge or consolidate with any other Person or as a result of which any Person or any group of related Persons would (directly or indirectly) acquire, or have the right to acquire, from SpinCo and/or one or more holders of outstanding shares of SpinCo Capital Stock, a number of shares of SpinCo Capital Stock that would, when combined with any other changes in ownership of SpinCo Capital Stock pertinent for purposes of Section 355(e) of the Code, comprise 40% or more of (A) the value of all outstanding shares of stock of SpinCo as of the date of such transaction, or in the case of a series of transactions, the date of the last transaction of such series, or (B) the total combined voting power of all outstanding shares of voting stock of SpinCo as of the date of such transaction, or in the case of a series of transactions, the date of the last transaction of such series. Notwithstanding the foregoing, a Proposed Acquisition Transaction shall not include (A) the adoption by SpinCo of a shareholder rights plan or (B) issuances by SpinCo that satisfy Safe Harbor VIII (relating to acquisitions in connection with a person’s performance of services) or Safe Harbor IX (relating to acquisitions by a retirement plan of an employer) of Treasury Regulation Section 1.355-7(d). For purposes of determining whether a transaction constitutes an indirect acquisition, any recapitalization resulting in a shift of voting power or any redemption of shares of stock shall be treated as an indirect acquisition of shares of stock by the exchanging or non-exchanging shareholders, as applicable. This definition and the application thereof are intended to monitor compliance with Section 355(e) of the Code and shall be interpreted accordingly. Any clarification of, or change in, the statute or regulations promulgated under Section 355(e) of the Code shall be incorporated in this definition and its interpretation.

“**Representation Letters**” means the representation letters and any other materials (including, without limitation, the Ruling Request) delivered or deliverable by Distributing and others in connection with the rendering by Tax Advisors, and/or the issuance by the IRS, of the Tax Opinions/Rulings.

“**Required Party**” shall have the meaning set forth in Section 5.02(a) of this Agreement.

“**Responsible Company**” means, with respect to any Tax Return, the Company having responsibility for preparing and filing such Tax Return under this Agreement.

“**Retention Date**” shall have the meaning set forth in Section 9.01 of this Agreement.

“**Ruling**” means any private letter ruling (and any supplemental private letter ruling, including without limitation, any Supplemental Ruling) issued by the IRS to Distributing in connection with the Transactions.

“**Ruling Documents**” means the Ruling and the Ruling Request.

“**Ruling Request**” means any letter filed by Distributing with the IRS requesting a ruling regarding certain tax consequences of the Transactions (including all attachments, exhibits, and other materials submitted with such ruling request letter) and any amendment or supplement to such ruling request letter.

"**Section 41 Credit**" means any credit allowed pursuant to Section 41 of the Code, pertaining to research for credit.

"**Section 45K Credit**" means any credit allowed pursuant to Section 45K of the Code, including any credit allowed pursuant to Section 29 of the Code prior to the redesignation of Section 29 as Section 45K.

"**Section 48B Credit**" means any credit allowed pursuant to Section 48B of the Code.

"**Section 199 Deduction**" means any deduction allowed pursuant to Section 199 of the Code.

"**Section 7.02(e) Acquisition Transaction**" means any transaction or series of transactions that is not a Proposed Acquisition Transaction but would be a Proposed Acquisition Transaction if the percentage reflected in the definition of Proposed Acquisition Transaction were 25% instead of 40%.

"**Separate Return**" means (a) in the case of any Tax Return of any member of the SpinCo Group (including any consolidated, combined or unitary return), any such Tax Return that does not include any member of the Distributing Group and (b) in the case of any Tax Return of any member of the Distributing Group (including any consolidated, combined or unitary return), any such Tax Return that does not include any member of the SpinCo Group.

"**Separation and Distribution Agreement**" means the Separation and Distribution Agreement, as amended from time to time, by and among Distributing and SpinCo dated as of the date hereof.

"**Specified Election**" means the election set forth in Section 4.04(c), but solely to the extent such election is claimed as being subject to the application of Section 168(k)(5) (or any similar provision of state income Tax law, if applicable).

"**Specified Excess Income Taxes**" means Income Taxes resulting from a reduction in SpinCo Federal Attributes that arose from a Specified Election in an amount equal to the excess of (x) the amount of such SpinCo Federal Attributes claimed as being subject to the application of Section 168(k)(5) (or any similar provision of state income Tax law, if applicable) over (y) the amount of such Tax Attributes not claimed as being subject to the application of Section 168(k)(5) (or any similar provision of state income Tax law, if applicable).

"**Specified Excess Tax Benefit**" means a Tax Benefit resulting from an adjustment pursuant to a Final Determination to a Tax Attribute that arose from a Specified Election in an amount equal to the excess of (x) the amount of such Tax Attribute claimed as being subject to the application of Section 168(k)(5) (or any similar provision of state income Tax law, if applicable) over (y) the amount of such Tax Attribute not claimed as being subject to the application of Section 168(k)(5) (or any similar provision of state income Tax law, if applicable).

"**SpinCo**" shall have the meaning provided in the first sentence of this Agreement.

"**SpinCo Capital Stock**" means all classes or series of capital stock of SpinCo, including (i) the SpinCo Common Stock, (ii) all options, warrants and other rights to acquire such capital stock and (iii) all instruments properly treated as stock in SpinCo for U.S. federal income tax purposes.

"**SpinCo Carried Item**" means any net operating loss, net capital loss, excess tax credit, or other similar Tax item of any member of the SpinCo Group which may or must be carried from one Tax Period to another prior Tax Period, or carried from one Tax Period to another subsequent Tax Period, under the Code or other applicable Tax Law.

"**SpinCo Common Stock**" has the meaning given to HART Common Stock in the Separation and Distribution Agreement.

"**SpinCo Federal Attribute**" shall have the meaning set forth in Section 2.02(a)(ii).

"**SpinCo Federal Consolidated Income Tax Return**" shall mean any United States federal Income Tax Return for the affiliated group (as that term is defined in Section 1504 of the Code) of which SpinCo is the common parent.

"**SpinCo Full Taxpayer**" means the assumption that the SpinCo Group (a) is subject to the highest marginal regular statutory income Tax rate that would be applicable to SpinCo if it filed Tax Returns on a standalone basis, (b) has sufficient taxable income to permit the realization or receipt of the relevant Tax Benefit at the earliest possible time, and (c) is not subject to the alternative minimum tax.

"**SpinCo Group**" means SpinCo and its Affiliates, as determined immediately after the Distribution.

"**SpinCo Group Attributes**" shall have the meaning set forth in Section 2.03(a)(ii).

"**SpinCo Separate Return**" means any Separate Return of SpinCo or any member of the SpinCo Group.

"**SpinCo State Attribute**" shall have the meaning set forth in Section 2.03(a)(ii).

"**State Income Tax**" means any Tax imposed by any State of the United States or the District of Columbia or by any political subdivision of any such State or the District of Columbia which is imposed on or measured by net income, including state and local franchise or similar Taxes measured by net income, and any interest, penalties, additions to tax, or additional amounts in respect of the foregoing.

"**State Other Tax**" means any Tax imposed by any State of the United States or the District of Columbia or by any political subdivision of any such State or the District of Columbia other than any State Income Taxes, and any interest, penalties, additions to tax, or additional amounts in respect of the foregoing.

"**State Tax**" means any State Income Taxes or State Other Taxes.

"**Straddle Period**" means any Tax Period that begins on or before and ends after the Deconsolidation Date.

"**Supplemental Ruling**" means any ruling issued by the IRS in connection with the spin-off other than a ruling in response to Distributing's initial request for a private letter ruling.

"**Tax**" or "**Taxes**" means any income, gross income, gross receipts, profits, capital stock, franchise, withholding, payroll, social security, workers compensation, unemployment, disability, property, *ad valorem*, stamp, excise, severance, occupation, service, sales, use, license, lease, transfer, import, export, value added, alternative minimum, estimated or other tax (including any fee, assessment, or other charge in the nature of or in lieu of any tax) imposed by any governmental entity or political subdivision thereof, and any interest, penalties, additions to tax, or additional amounts in respect of the foregoing.

"**Tax Attribute**" shall mean a net operating loss, net capital loss, unused investment credit, unused foreign tax credit, excess charitable contribution, general business credit or any other Tax Item that could reduce a Tax.

"**Tax Authority**" means, with respect to any Tax, the governmental entity or political subdivision thereof that imposes such Tax, and the agency (if any) charged with the collection of such Tax for such entity or subdivision.

"**Tax Benefit**" means any refund, credit, or other reduction in otherwise required Tax payments.

"**Tax Contest**" means an audit, review, examination, or any other administrative or judicial proceeding with the purpose or effect of redetermining Taxes (including any administrative or judicial review of any claim for refund).

"**Tax Control**" means the definition of "control" set forth in Section 368(c) of the Code (or in any successor statute or provision), as such definition may be amended from time to time.

"**Tax Dispute**" shall have the meaning set forth in Section 14 of this Agreement.

"**Tax-Free Status**" means the qualification of the Contribution and Distribution, taken together, each (a) as a reorganization described in Sections 355(a) and 368(a)(1)(D) of the Code, (b) as a transaction in which the stock distributed thereby is "qualified property" for purposes of Sections 355(d), 355(e) and 361(c) of the Code and (c) as a transaction in which Distributing, SpinCo, and the shareholders of Distributing recognize no income or gain for U.S. federal income tax purposes pursuant to Sections 355, 361 and 1032 of the Code, other than, in the case of Distributing and SpinCo, intercompany items or excess loss accounts taken into account pursuant to the Treasury Regulations promulgated pursuant to Section 1502 of the Code.

“**Tax Item**” means any item of income, gain, loss, deduction, credit, recapture of credit or any other item which increases or decreases Taxes paid or payable.

“**Tax Law**” means the law of any governmental entity or political subdivision thereof relating to any Tax.

“**Tax Opinions/Rulings**” means the opinion or opinions of Tax Advisors deliverable to Distributing in connection with the Contribution and the Distribution and/or the Ruling or Rulings.

“**Tax Period**” means, with respect to any Tax, the period for which the Tax is reported as provided under the Code or other applicable Tax Law.

“**Tax Records**” means any Tax Returns, Tax Return workpapers, documentation relating to any Tax Contests, and any other books of account or records (whether or not in written, electronic or other tangible or intangible forms and whether or not stored on electronic or any other medium) required to be maintained under the Code or other applicable Tax Laws or under any record retention agreement with any Tax Authority.

“**Tax-Related Losses**” means (i) all federal, state and local Taxes (including interest and penalties thereon) imposed pursuant to any settlement, Final Determination, judgment or otherwise; (ii) all accounting, legal and other professional fees, and court costs incurred in connection with such Taxes; and (iii) all costs, expenses and damages associated with stockholder litigation or controversies and any amount paid by Distributing (or any Distributing Affiliate) or SpinCo (or any SpinCo Affiliate) in respect of the liability of shareholders, whether paid to shareholders or to the IRS or any other Tax Authority, in each case, resulting from the failure of the Contribution and the Distribution, taken together, to have Tax-Free Status.

“**Tax Return**” or “**Return**” means any report of Taxes due, any claim for refund of Taxes paid, any information return with respect to Taxes, or any other similar report, statement, declaration, or document required to be filed under the Code or other Tax Law, including any attachments, exhibits, or other materials submitted with any of the foregoing, and including any amendments or supplements to any of the foregoing.

“**Third Party Indemnifying Party**” shall have the meaning set forth in Section 5.02(b) of this Agreement.

“**Transactions**” means the Contribution, the Distribution and the other transactions contemplated by the Separation and Distribution Agreement.

“**Transition Services Agreement**” means the Transition Services Agreement, dated as of the date hereof, by and between Distributing and SpinCo.

“**Treasury Regulations**” means the regulations promulgated from time to time under the Code as in effect for the relevant Tax Period.

“**Unqualified Tax Opinion**” means an unqualified “will” opinion of a Tax Advisor, which Tax Advisor is acceptable to Distributing, on which Distributing may rely to the effect that a transaction will not affect the Tax-Free Status. Any such opinion must assume that the Contribution and Distribution, taken together, would have qualified for Tax-Free Status if the transaction in question did not occur.

Section 2. Allocation of Tax Liabilities.

Section 2.01 Distributing Liability.

(a) Distributing shall be liable for, and shall indemnify and hold harmless the SpinCo Group from and against any liability for, Taxes which are allocated to Distributing under this Section 2.

(b) SpinCo Liability. SpinCo shall be liable for, and shall indemnify and hold harmless the Distributing Group from and against any liability for, Taxes which are allocated to SpinCo under this Section 2.

Section 2.02 Allocation of United States Federal Income Tax and Federal Other Tax. Except as provided in Section 2.05, Federal Income Tax and Federal Other Tax shall be allocated as follows:

(a) Allocation of Tax Relating to Distributing Federal Consolidated Income Tax Returns. For the Tax Periods ending on or before the Deconsolidation Date, Distributing shall be responsible for any and all Federal Income Taxes attributable to the Tax Items of the SpinCo Group (whether as a result of a Final Determination or otherwise) and attributable to the Tax Items of the Distributing Group (whether as a result of a Final Determination or otherwise).

(b) Allocation of Tax Relating to Federal Separate Income Tax Returns. (i) For the Tax Periods ending after the Deconsolidation Date, Distributing shall be responsible for any and all Federal Income Taxes due with respect to or required to be reported on any Distributing Separate Return (including any increase in such Tax as a result of a Final Determination)(ii) For the Tax Periods ending after the Deconsolidation Date, SpinCo shall be responsible for any and all Federal Income Taxes due with respect to or required to be reported on any SpinCo Separate Return (including any increase in such Tax as a result of a Final Determination).

(c) Allocation of Federal Other Tax.

(i) For the Tax Periods ending after the Deconsolidation Date, SpinCo shall be responsible for any and all Federal Other Taxes attributable to the Tax Items, or imposed on a member of, of the SpinCo Group.

(ii) For the Tax Periods ending after the Deconsolidation Date Distributing shall be responsible for any and all Federal Other Taxes attributable to the Tax Items of the Distributing Group.

Section 2.03 Allocation of State Income and State Other Taxes. Except as provided in Section 2.05, State Income Tax and State Other Tax shall be allocated as follows:

(a) Allocation of Tax Relating to Distributing State Combined Income Tax Returns.

(i) For the Tax Periods ending on or before the Deconsolidation Date, Distributing shall be responsible for any and all State Income Taxes, attributable to the Tax Items of the Distributing Group (whether as a result of a Final Determination or otherwise) and for any and all State Income Taxes, attributable to the Tax Items of the SpinCo Group (whether as a result of a Final Determination or otherwise). For the Tax Periods ending after the Deconsolidation Date, SpinCo shall be responsible for any and all State Income Taxes (calculated on the basis that SpinCo is a SpinCo Full Taxpayer) attributable to the Tax Items of the SpinCo Group (whether as a result of a Final Determination or otherwise). For the Tax Periods ending after the Deconsolidation Date, Distributing shall be responsible for any and all State Income Taxes, attributable to the Tax Items of the Distributing Group (whether as a result of a Final Determination or otherwise).

(ii) For the Tax Periods ending on or before the Deconsolidation Date, Distributing shall be responsible for any and all State Income Taxes (calculated on the basis that Distributing is a Distributing Full Taxpayer) attributable to any Tax Items of the Distributing Group which Taxes result from a reduction in any Tax Attributes of the SpinCo Group (any such Tax Attribute, a "**SpinCo State Attribute**," and together with any SpinCo Federal Attribute, the "**SpinCo Group Attributes**") relative to the amount of such Tax Attributes reflected on the original Tax Return in respect of such Tax Attributes (whether such reduction occurs as a result of a Final Determination or otherwise).

(b) Allocation of Tax Relating to State Separate Income Tax Returns. (i) For the Tax Periods ending after the Deconsolidation Date, Distributing shall be responsible for any and all State Income Taxes due with respect to or required to be reported on any Distributing Separate Return (including any increase in such Tax as a result of a Final Determination); (ii) For the Tax Periods ending after the Deconsolidation Date SpinCo shall be responsible for any and all State Income Taxes due with respect to or required to be reported on any SpinCo Separate Return (including any increase in such Tax as a result of a Final Determination).

(c) Allocation of State Other Tax.

(i) For the Tax Periods ending on or before the Deconsolidation Date, Distributing shall be responsible for any and all State Other Taxes attributable to the Tax Items of the Distributing Group and all State Other Taxes attributable to the Tax Items of the SpinCo Group.

(ii) For the Tax Periods ending after the Deconsolidation Date, SpinCo shall be responsible for any and all State Other Taxes attributable to the Tax Items of the SpinCo Group.

(iii) For the Tax Periods ending after the Deconsolidation Date, Distributing shall be responsible for any and all State Other Taxes attributable to the Tax Items of the Distributing Group.

Section 2.04 *Allocation of Foreign Taxes*. Except as provided in Section 2.05, Foreign Income Tax and Foreign Other Tax shall be allocated as follows:

(a) Allocation of Tax Relating to Separate Returns. (i) Distributing shall be responsible for any and all Foreign Income Taxes due with respect to or required to be reported on any Distributing Separate Return, including Foreign Income Tax of Distributing or any member of the Distributing Group imposed by way of withholding by a member of the SpinCo Group (and including any increase in such Foreign Income Tax as a result of a Final Determination); (ii) For the Tax Periods ending after the Deconsolidation Date, SpinCo shall be responsible for any and all Foreign Income Taxes due with respect to or required to be reported on any SpinCo Separate Return, including Foreign Income Tax of SpinCo or any member of the SpinCo Group imposed by way of withholding by a member of the Distributing Group (and including any increase in such Foreign Income Tax as a result of a Final Determination).

(b) Allocation of Foreign Other Tax.

(i) For the Tax Periods ending on or before the Deconsolidation Date, Distributing shall be responsible for any and all Foreign Other Taxes attributable to the Tax Items of the Distributing Group and SpinCo Group.

(ii) For the Tax Periods ending after the Deconsolidation Date, SpinCo shall be responsible for any and all Foreign Other Taxes attributable to the Tax Items of the SpinCo Group.

(iii) For the Tax Periods ending after the Deconsolidation Date, Distributing shall be responsible for any and all Foreign Other Taxes attributable to the Tax Items of the Distributing Group.

Section 2.05 *Certain Transaction and Other Taxes*.

(a) SpinCo Liability. SpinCo shall be liable for, and shall indemnify and hold harmless the Distributing Group from and against any liability for:

(i) Any stamp, sales and use, gross receipts, value-added or other transfer Taxes imposed by any Tax Authority on any member of the SpinCo Group (if such member is primarily liable for such Tax) on the transfers occurring pursuant to the Transactions;

(ii) any Tax resulting from a breach by SpinCo of any covenant in this Agreement, the Separation and Distribution Agreement or any Ancillary Agreement; and

(iii) any Tax-Related Losses for which SpinCo is responsible pursuant to Section 7.05 of this Agreement.

(b) Distributing Liability. Distributing shall be liable for, and shall indemnify and hold harmless the SpinCo Group from and against any liability for:

(i) Any stamp, sales and use, gross receipts, value-added or other transfer Taxes imposed by any Tax Authority on any member of the Distributing Group (if such member is primarily liable for such Tax) on the transfers occurring pursuant to the Transactions; and

(ii) any Tax resulting from a breach by Distributing of any covenant in this Agreement, the Separation and Distribution Agreement or any Ancillary Agreement.

in the case of each of (i) and (ii), such amounts to be calculated on the basis that SpinCo is a SpinCo Full Taxpayer.

(c)Additional Restrictions. SpinCo agrees not to take any action after the Deconsolidation Date that would adversely impact the tax liability of Distributing prior to the Deconsolidation Date. Distributing agrees not to take any action after the Deconsolidation Date that would adversely impact the tax liability of SpinCo prior to the Deconsolidation Date.

Section 2.06 *SpinCo Group Attributes*. For the avoidance of doubt (but without prejudice to the provisos set forth in Sections 2.02(a)(i) and (ii)), except as set forth in Section 6.01, SpinCo shall not be entitled to receive payment from Distributing in respect of any SpinCo Group Attributes or for any reduction of any Taxes (or increase in Tax Attributes) or any Tax Benefit (whether such Tax Attributes, Tax Benefits or reduction in Taxes are reported on an original Tax Return, arise pursuant to a Final Determination or otherwise).

Section 3. Proration of Taxes.

(a) General Method of Proration. Tax Items shall be apportioned between Pre-Deconsolidation Periods and Post-Deconsolidation Periods in accordance with the principles of Treasury Regulation Section 1.1502-76(b) as reasonably interpreted and applied by Distributing. If the Deconsolidation Date is not an Accounting Cutoff Date (and provided an election under Treasury Regulation Section 1.1502-76(b)(2)(ii)(D) is not made), the provisions of Treasury Regulation Section 1.1502-76(b)(2)(iii) will be applied to ratably allocate the items (other than extraordinary items) for the month which includes the Deconsolidation Date. At Distributing's election, in its sole discretion, an election under Treasury Regulation Section 1.1502-76(b)(2)(ii)(D) (relating to ratable allocation of a year's items) shall be made.

(b) Transaction Treated as Extraordinary Item. In determining the apportionment of Tax Items between Pre-Deconsolidation Periods and Post-Deconsolidation Periods, any Tax Items relating to the Transactions shall be treated as extraordinary items described in Treasury Regulation Section 1.1502-76(b)(2)(ii)(C) and shall (to the extent occurring on or prior to the Deconsolidation Date) be allocated to Pre-Deconsolidation Periods, and any Taxes related to such items shall be treated under Treasury Regulation Section 1.1502-76(b)(2)(iv) as relating to such extraordinary item and shall (to the extent occurring on or prior to the Deconsolidation Date) be allocated to Pre-Deconsolidation Periods.

Section 4. Preparation and Filing of Tax Returns.

Section 4.01 General. Except as otherwise provided in this Section 4, Tax Returns shall be prepared and filed when due (including extensions) by the person obligated to file such Tax Returns under the Code or applicable Tax Law. The Companies shall provide, and shall cause their Affiliates to provide, assistance and cooperation to one another in accordance with Section 8 with respect to the preparation and filing of Tax Returns, including providing information required to be provided in Section 8.

Section 4.02 *Distributing's Responsibility*. Distributing has the exclusive obligation and right to prepare and file, or to cause to be prepared and filed:

(a) Distributing Federal Consolidated Income Tax Returns for any Tax Periods ending on, before or after the Deconsolidation Date;

(b) Distributing State Combined Income Tax Returns and any other Joint Returns which Distributing reasonably determines are required to be filed (or which Distributing chooses to be filed) by the Companies or any of their Affiliates for Tax Periods ending on, before or after the Deconsolidation Date; *provided*, *however*, that Distributing shall use commercially reasonable efforts to provide written notice to SpinCo of such determination to file a Distributing State Combined Income Tax Return or other Joint Return if such a Tax Return has never for such type of Tax in such jurisdiction been filed in a prior Tax Period; and

(c) SpinCo Separate Returns relating to Income Taxes and Distributing Separate Returns which Distributing reasonably determines are required to be filed by the Companies or any of their Affiliates (or which Distributing chooses to be filed) for Tax Periods ending on, before or after the Deconsolidation Date (limited, in the case of SpinCo Separate Returns relating to Income Taxes, to such Returns as are required to be filed (or which Distributing chooses to be filed) for Tax Periods beginning prior to the Deconsolidation Date);

provided, *however*, that to the extent any Tax Returns described in clauses (b), (c) or (d) relate to SpinCo, the preparation and filing of such Tax Returns by Distributing shall be treated as a Service pursuant to the Transition Services Agreement, and SpinCo shall pay to Distributing the applicable Service Charge as provided in the Transition Services Agreement.

Section 4.03 *SpinCo's Responsibility*. SpinCo shall prepare and file, or shall cause to be prepared and filed, all Tax Returns required to be filed by or with respect to members of the SpinCo Group other than those Tax Returns which Distributing is required, or chooses, to prepare and file under Section 4, provided that SpinCo shall not file any SpinCo Separate Returns for a Tax Period in a jurisdiction and for a type of Tax where Distributing files a Joint Return. The Tax Returns required to be prepared and filed by SpinCo under this Section 4.03 shall include (a) any SpinCo Federal Consolidated Income Tax Return for Tax Periods ending after the Deconsolidation Date, (b) SpinCo Separate Returns relating to Income Taxes required to be filed for Tax Periods beginning on or after the Deconsolidation Date, and (c) SpinCo Separate Returns relating to Other Taxes.

Section 4.04 *Tax Accounting Practices*.

(a) General Rule. With respect to any Tax Return that SpinCo has the obligation and right to prepare and file, or cause to be prepared and filed, under Section 4.03, for any Pre-Deconsolidation Period or any Straddle Period (or any taxable period beginning after the Deconsolidation Date to the extent items reported on such Tax Return might reasonably be expected to affect items reported on any Tax Return that Distributing has the obligation or right to prepare and file, or chooses to be prepared and filed, under Section 4.03), except as provided in Section 4.04(b) such Tax Return shall be prepared in accordance with past practices, accounting methods, elections or conventions ("**Past Practices**") used with respect to the Tax Returns in question (unless there is no reasonable basis for the use of such Past Practices or unless there is no adverse effect to Distributing), and to the extent any items are not covered by Past Practices (or in the event that there is no reasonable basis for the use of such Past Practices or there is no adverse effect to Distributing), in accordance with reasonable Tax accounting practices selected by SpinCo. Except as provided in Section 4.04(b), Distributing shall prepare any Tax Return which it has the obligation and right to prepare and file, or cause to be prepared and filed, under Section 4.02, in accordance with reasonable Tax accounting practices selected by Distributing.

(b) Reporting of Transactions. The Tax treatment reported on any Tax Return relating to the Transactions shall be consistent with the treatment thereof in the Ruling Requests and the Tax Opinions/Rulings, unless there is no reasonable basis for such Tax treatment. The Tax treatment reported on any Tax Return for which SpinCo is the Responsible Party shall be consistent with that on any Tax Return filed or to be filed by Distributing or any member of the Distributing Group or caused to be filed by Distributing, in each case with respect to periods prior to the Distribution Date or with respect to Straddle Periods ("**Distributing Group Transaction Returns**"), unless there is no reasonable basis for such Tax treatment. To the extent there is a Tax treatment relating to the Transactions which is not covered by the Ruling Requests, the Tax Opinions/Rulings or Distributing Group Transaction Returns, the Companies shall agree on the Tax treatment to be reported on any Tax Return. For this purpose, the Tax treatment shall be determined by the Responsible Company with respect to such Tax Return and shall be agreed to by the other Company unless either (i) there is no reasonable basis for such Tax treatment, or (ii) such Tax treatment is inconsistent with the Tax treatment contemplated in the Ruling Requests, the Tax Opinions/Rulings and/or the Distributing Group Transaction Returns. Such Tax Return shall be submitted for review pursuant to Section 4.06(a), and any dispute regarding such proper Tax treatment shall be referred for resolution pursuant to Section 14, sufficiently in advance of the filing date of such Tax Return (including extensions) to permit timely filing of the Tax Return.

(c) Bonus Depreciation. Notwithstanding anything to the contrary herein, Distributing shall be entitled, in its sole discretion, to elect whether SpinCo shall take "bonus depreciation" described in Section 168(k) of the Code for any federal income tax purposes for any tax year of SpinCo that includes the Deconsolidation Date (or the day following the Deconsolidation Date), irrespective of whether Distributing is responsible for filing the Tax Return to which such election relates under this Agreement.

Section 4.05 *Consolidated or Combined Tax Returns*. At Distributing's election, in its sole discretion, SpinCo will elect and join, and will cause its respective Affiliates to elect and join, in filing any Distributing State Combined Income Tax Returns and any Joint Returns that Distributing determines are required to be filed or that Distributing chooses to file pursuant to Section 4.02(b). With respect to any SpinCo Separate Returns relating to any Tax Period (or portion thereof) ending on or prior to the Deconsolidation Date, SpinCo will elect and join, and will cause its respective Affiliates to elect and join, in filing consolidated, unitary, combined, or other similar joint Tax Returns, to the extent reasonably determined by Distributing.

Section 4.06 *Right to Review Tax Returns*. The Responsible Company with respect to any Tax Return shall make such Tax Return and related workpapers available for review by the other Company, if requested, to the extent (i) such Tax Return relates to Taxes for which the requesting party would reasonably be expected to be liable, (ii) such Tax Return relates to Taxes and the requesting party would reasonably be expected to be liable in whole or in part for any additional Taxes owing as a result of adjustments to the amount of such Taxes reported on such Tax Return, (iii) such Tax Return relates to Taxes for which the requesting party would reasonably be expected to have a claim for Tax Benefits under this Agreement, or (iv) the requesting party reasonably determines that it must inspect such Tax Return to confirm compliance with the terms of this Agreement. The Responsible Company shall use its reasonable best efforts to make such Tax Return available for review as required under this paragraph at least fifteen (15) days prior to the due date for filing of such Tax Return to provide the requesting party with a meaningful opportunity to analyze and comment on such Tax Return.

Section 4.07 *SpinCo Carrybacks, Carryforwards and Claims for Refund*. SpinCo hereby agrees that Distributing shall be entitled to determine in its sole discretion whether (x) any Adjustment Request with respect to any Joint Return shall be filed to claim in any Pre-Deconsolidation Period any SpinCo Carried Item, and (y) any available elections shall be made to waive the right to claim in any Pre-Deconsolidation Period with respect to any Joint Return any SpinCo Carried Item, and whether any affirmative election shall be made to claim any such SpinCo Carried Item.

Section 4.08 *Apportionment of Earnings and Profits and Tax Attributes*. Distributing shall in good faith advise SpinCo as soon as reasonably practicable in writing of the portion, if any, of any earnings and profits, Tax Attribute, overall foreign loss or other consolidated, combined or unitary attribute which Distributing determines shall be allocated or apportioned to the SpinCo Group under applicable Tax law. SpinCo and all members of the SpinCo Group shall prepare all Tax Returns in accordance with such written notice. In the event of an adjustment to the earnings and profits or any Tax Attributes determined by Distributing, Distributing shall promptly notify SpinCo in writing of such adjustment. For the absence of doubt, Distributing shall not be liable to SpinCo or any member of the SpinCo Group for any failure of any determination under this Section 4.08 to be accurate under applicable law and regulations and in good faith.

Section 5. Tax Payments.

Section 5.01 *Payment of Separate Company Taxes*. Each Company shall pay, or shall cause to be paid, to the applicable Tax Authority when due all Taxes owed by such Company or a member of such Company's Group with respect to a Separate Return.

Section 5.02 *Indemnification Payments*.

(a) If any Company (the "**Payor**") is required under applicable Tax Law to pay to a Tax Authority a Tax that another Company (the "**Required Party**") is liable for under this Agreement, the Required Party shall reimburse the Payor within eight (8) days of delivery by the Payor to the Required Party of an invoice for the amount due, accompanied by evidence of payment and a statement detailing the Taxes paid and describing in reasonable detail the particulars relating thereto.

(b) If any Company (the "**Third Party Indemnifying Party**") is required under the terms of an agreement to which it is a party (or with respect to which it has agreed to guarantee the obligations thereunder) to pay to a third party a Tax that another Company (the "**Company Indemnifying Party**") is liable for under this Agreement, the Company Indemnifying Party shall reimburse the Third Party Indemnifying Party within eight (8) days of delivery by the Third Party Indemnifying Party to the Company Indemnifying Party of an invoice for the amount due, accompanied by evidence of payment and a statement detailing the Taxes paid and describing in reasonable detail the particulars relating thereto.

(c) All indemnification payments under this Agreement shall be made by Distributing directly to SpinCo and by SpinCo directly to Distributing; *provided*, *however*, that if the Companies mutually agree with respect to any such indemnification payment, any member of the Distributing Group, on the one hand, may make such indemnification payment to any member of the SpinCo Group, on the other hand, and vice versa.

Section 6. Tax Benefits.

Section 6.01 *Tax Benefits*.

(a) Distributing shall be entitled to any refund (and any interest thereon received from the applicable Tax Authority) of Taxes received by any member of the Distributing Group or the SpinCo Group, other than any refund to which SpinCo is entitled pursuant to Section 6.01(d). SpinCo shall not be entitled to any refund (or any interest thereon received from the applicable Tax Authority), except as set forth in Section 6.01(d). A Company receiving a refund to which another Company is entitled hereunder shall pay over such refund to such other Company within five (5) Business Days after such refund is received.

(b) If a member of the SpinCo Group would be expected to realize a Tax Benefit as a result of an adjustment pursuant to a Final Determination to any Taxes for which a member of the Distributing Group would otherwise be liable hereunder (or an adjustment pursuant to a Final Determination to any Tax Attribute of a member of the Distributing Group) and such Tax Benefit would not have arisen but for such adjustment (determined on a "with and without" basis assuming the SpinCo Group is a SpinCo Full Taxpayer), SpinCo shall make a payment to Distributing within five (5) Business Days following such Final Determination, in an amount equal to the Taxes for which the Distributing Group would otherwise be, or would otherwise be reasonably expected to be, liable as a result of such adjustment *provided*, *however*, that to the extent the Tax Benefit resulting from the Final Determination would be expected to be realized in a Pre-Deconsolidation Period, SpinCo shall instead be responsible under this Section 6.01(b) for an amount equal to the excess of (x) the amount of Taxes for which a member of the Distributing Group is liable as a result of the adjustment (for the avoidance of doubt, including any interest payable in respect thereof) over (y) the amount of such Tax Benefit (for the avoidance of doubt, including any interest owed in respect thereof) (such amounts to be calculated on the basis that Distributing is a Distributing Full Taxpayer), and *provided, further, however,* that SpinCo shall not be required to make a payment to Distributing pursuant to this Section 6.01(b) to the extent of any Specified Excess Tax Benefit. For purposes of determining the amount of Taxes for which the Distributing Group is, or is reasonably be expected to be, liable as a result of an adjustment pursuant to a Final Determination, the Distributing Group shall be deemed (i) not to utilize any Tax Attributes available to the Distributing Group and (ii) to be a Distributing Full Taxpayer.

(c) No later than five (5) Business Days following a Final Determination described in Section 6.01(b), Distributing shall provide SpinCo with a written calculation of the amount payable to Distributing by SpinCo pursuant to this Section 6. In the event that SpinCo disagrees with any such calculation described in this Section 6.01(c), SpinCo shall so notify Distributing in writing within thirty (30) days of receiving the written calculation set forth above in this Section 6.01(c). Distributing and SpinCo shall endeavor in good faith to resolve such disagreement, and, failing that, the amount payable under Section 6.01(b) shall be determined in accordance with the disagreement resolution provisions of Section 14 as promptly as practicable.

(d) Without prejudice to Section 6.01(b), SpinCo shall be entitled to any refund (and any interest thereon received from the applicable Tax Authority) of Taxes reported on (i) a SpinCo Separate Return for a Post-Deconsolidation Period or (ii) a SpinCo Separate Return of Other Taxes for any Tax period that ends after the Deconsolidation Date. For the avoidance of doubt, Distributing, and not SpinCo, shall be entitled to any refund or Tax Benefit that results from a SpinCo Carried Item, other than any refund to which SpinCo is entitled pursuant to the first sentence of this Section 6.01(d).

Section 6.02 <u>Distributing and SpinCo Income Tax Deductions in Respect of Certain Equity Awards and Incentive Compensation</u>.

(a)Except as provided in clauses (b)-(f) below, solely the member of the Group by which the relevant individual is currently employed at the time of the vesting, exercise, disqualifying disposition, payment or other relevant taxable event, as appropriate, in respect of the equity awards and other incentive compensation described in Article VIII of the Separation and Distribution Agreement, or, if such individual is not currently employed at such time by a member of the Group, the member of the Group by which the relevant individual was most recently employed, shall be entitled to claim, in a Post-Deconsolidation Period, any Income Tax deduction in respect of such equity awards and other incentive compensation on its respective Tax Return associated with such event.

(b) Notwithstanding clause (a) or anything to the contrary in the Separation and Distribution Agreement, in each of the following instances, Distributing, and not SpinCo, will be entitled to any tax deduction available in respect of such option or award described below:

(i) in the event that an employee or director of SpinCo exercises the portion of any Distributing stock option that was vested at the time of the Distribution (or any SpinCo stock option that was issued in connection with the requisite adjustment to such vested Distributing stock option as part of the Distribution),

(ii) in the event that an employee or director of Distributing exercises any Distributing stock option (whether vested or unvested at the time of Distribution), or any SpinCo stock option that was issued in connection with the requisite adjustment to any vested Distributing stock option as part of the Distribution,

(iii) any restricted stock units issued by Distributing that were unvested at the time of the Distribution (and any restricted stock units issued by SpinCo in connection with the requisite adjustment to such unvested Distributing restricted stock units as part of the Distribution), in each case that vest while the individual is an employee or director of Distributing.

(c) Notwithstanding clause (a) or anything to the contrary in the Separation and Distribution Agreement, and subject to clause (d) below, in each of the following instances, SpinCo, and not Distributing, will be entitled to any tax deduction available in respect of such option or award:

(i) in the event that an employee or director of SpinCo exercises the portion of any Distributing stock option that was unvested at the time of the Distribution (or any SpinCo stock option that was issued in connection with the requisite adjustment to such unvested Distributing stock option as part of the Distribution),

(ii) any restricted stock units issued by Distributing that were unvested at the time of the Distribution (and any restricted stock units issued by SpinCo in connection with the requisite adjustment to such unvested Distributing restricted stock units as part of the Distribution), in each case that vest while the individual is an employee or director of SpinCo.

(d) Notwithstanding the above or anything to then contrary in the Separation and Distribution Agreement, with respect to the allocation of the deductions as provided above in clause (c), the portion of the available deduction shall be split such that Distributing shall be entitled to a portion of the deduction for the Vesting Accrual (as defined below) pertaining to such option or award unvested at the time of Distribution (or adjustment option or award issued in connection therewith) and SpinCo shall be entitled to the remainder of the deduction with regard to rights that vest after the Distribution. “Vesting Accrual” shall be determined by Distributing, in good faith and in accordance with the Code and applicable accounting principles, and refers to the portion of such unvested option or award attributable to the period time that had elapsed since issuance (if the entire award was unvested) or since the last vesting was achieved (if a portion of an award had vested) through the Distribution Date. Subject to compliance with the Code and applicable accounting principles, it is intended that such calculation be based on a pro rata calculation of the requisite vesting days elapsed divided by the entire amount of the related vesting period.

(e) The provisions of (b) through (d) above shall be applicable to Incentive Stock Options only in the event of a disqualifying disposition following the Distribution.

(f) With respect to the withholding and reporting responsibilities pertaining to the options and restricted stock units referenced above in clauses (b)-(e) (including withholding taxes, remitting and W-2 reporting), a party shall promptly notify the other party of any exercises by such notifying parties’ employees or directors that would result in a related deduction belonging to the other party, and such party entitled to the deduction shall be responsible for the reporting and withholding obligations pertaining to such deduction.

Section 7. Tax-Free Status.

Section 7.01 Tax Opinions/Rulings and Representation Letters. Each of SpinCo and Distributing hereby represents and agrees that (A) it has examined the Ruling Documents and the Representation Letters prior to the date hereof and (B) subject to any qualifications therein, all information contained in such Ruling Documents or Representation Letters that concerns or relates to such Company or any member of its Group is and, to the extent such information relates to future events or circumstances, will be, true, correct and complete.

Section 7.02 Restrictions on SpinCo.

(a) SpinCo agrees that it will not take or fail to take, or permit any SpinCo Affiliate to take or fail to take, any action where such action or failure to act would be inconsistent with or cause to be untrue any material, information, covenant or representation in any Representation Letters or Tax Opinions/Rulings. SpinCo agrees that it will not take or fail to take, or permit any SpinCo Affiliate to take or fail to take, any action which prevents or could reasonably be expected to prevent (A) the Tax-Free Status, or (B) any transaction contemplated by the Separation and Distribution Agreement which is intended by the parties to be tax-free from so qualifying, including, in the case of SpinCo, issuing any SpinCo Capital Stock that would prevent the Distribution from qualifying as a tax-free distribution within the meaning of Section 355 of the Code.

(b) Pre-Distribution Period. During the period from the date hereof until the completion of the Distribution, SpinCo shall not take any action (including the issuance of SpinCo Capital Stock) or permit any SpinCo Affiliate directly or indirectly controlled by SpinCo to take any action if, as a result of taking such action, SpinCo could have a number of shares of SpinCo Capital Stock (computed on a fully diluted basis or otherwise) issued and outstanding, including by way of the exercise of stock options (whether or not such stock options are currently exercisable) or the issuance of restricted stock, that could cause Distributing to cease to have Tax Control of SpinCo.

(c) SpinCo agrees that, from the date hereof until the first day after the two-year anniversary of the Distribution Date, it will (i) maintain its status as a company engaged in the Active Trade or Business for purposes of Section 355(b)(2) of the Code, and (ii) not engage in any transaction that would result in it ceasing to be a company engaged in the Active Trade or Business for purposes of Section 355(b)(2) of the Code, in each case, taking into account Section 355(b)(3) of the Code.

(d) SpinCo agrees that, from the date hereof until the first day after the two-year anniversary of the Distribution Date, it will not (i) enter into any Proposed Acquisition Transaction or, to the extent SpinCo has the right to prohibit any Proposed Acquisition Transaction, permit any Proposed Acquisition Transaction to occur (whether by (a) redeeming rights under a shareholder rights plan, (b) finding a tender offer to be a "permitted offer" under any such plan or otherwise causing any such plan to be inapplicable or neutralized with respect to any Proposed Acquisition Transaction, or (c) approving any Proposed Acquisition Transaction, whether for purposes of Section 203 of the DGCL or any similar corporate statute, any "fair price" or other provision of SpinCo's charter or bylaws or otherwise), (ii) merge or consolidate with any other Person or liquidate or partially liquidate, (iii) in a single transaction or series of transactions sell or transfer (other than sales or transfers of inventory in the ordinary course of business) all or substantially all of the assets that were transferred to SpinCo pursuant to the Contribution or sell or transfer 60% or more of the gross assets of the Active Trade or Business or 60% or more of the consolidated gross assets of SpinCo and its Affiliates (such percentages to be measured based on fair market value as of the Distribution Date), (iv) redeem or otherwise repurchase (directly or through a SpinCo Affiliate) any SpinCo stock, or rights to acquire stock, except to the extent such repurchases satisfy Section 4.05(1)(b) of Revenue Procedure 96-30 (as in effect prior to the amendment of such Revenue Procedure by Revenue Procedure 2003-48), (v) amend its certificate of incorporation (or other organizational documents), or take any other action, whether through a stockholder vote or otherwise, affecting the voting rights of SpinCo Capital Stock (including, without limitation, through the conversion of one class of SpinCo Capital Stock into another class of SpinCo Capital Stock) or (vi) take any other action or actions (including any action or transaction that would be reasonably likely to be inconsistent with any representation made in the Representation Letters or the Tax Opinions/Rulings) which in the aggregate (and taking into account any other transactions described in this subparagraph (d)) would be reasonably likely to have the effect of causing or permitting one or more persons (whether or not acting in concert) to acquire directly or indirectly stock representing a Fifty-Percent or Greater Interest in SpinCo or otherwise jeopardize the Tax-Free Status, unless prior to taking any such action set forth in the foregoing clauses (i) through (vi), (A) SpinCo shall have requested that Distributing obtain a Ruling in accordance with Section 7.04(b) and (d) of this Agreement to the effect that such transaction will not affect the Tax-Free Status and Distributing shall have received such a Ruling in form and substance satisfactory to Distributing in its sole and absolute discretion, which discretion shall be exercised in good faith solely to preserve the Tax-Free Status (and in determining whether a Ruling is satisfactory, Distributing may consider, among other factors, the appropriateness of any underlying assumptions and management's representations made in connection with such Ruling), or (B) SpinCo shall provide Distributing with an Unqualified Tax Opinion in form and substance satisfactory to Distributing in its sole and absolute discretion, which discretion shall be exercised in good faith solely to preserve the Tax-Free Status (and in determining whether an opinion is satisfactory, Distributing may consider, among other factors, the appropriateness of any underlying assumptions and management's representations if used as a basis for the opinion and Distributing may determine that no opinion would be acceptable to Distributing) or (C) Distributing shall have waived the requirement to obtain such Ruling or Unqualified Tax Opinion.

(e) Certain Issuances of SpinCo Capital Stock. If SpinCo proposes to enter into any Section 7.02(e) Acquisition Transaction or, to the extent SpinCo has the right to prohibit any Section 7.02(e) Acquisition Transaction, proposes to permit any Section 7.02(e) Acquisition Transaction to occur, in each case, during the period from the date hereof until the first day after the two-year anniversary of the Distribution Date, SpinCo shall provide Distributing, no later than ten (10) days following the signing of any written agreement with respect to the Section 7.02(e) Acquisition Transaction, with a written description of such transaction (including the type and amount of SpinCo Capital Stock to be issued in such transaction) and a certificate of the Board of Directors of SpinCo to the effect that the Section 7.02(e) Acquisition Transaction is not a Proposed Acquisition Transaction or any other transaction to which the requirements of Section 7.02(d) apply (a "**Board Certificate**").

(f) SpinCo Internal Restructuring. SpinCo shall not engage in, cause or permit any internal restructuring (including by making or revoking any election under Treasury Regulation Section 301.7701-3) involving SpinCo and/or any of its subsidiaries or any contribution, sale or other transfer of any of the assets directly or indirectly contributed to SpinCo as part of the Contribution to SpinCo or any of its subsidiaries (any such action, an "**Internal Restructuring**") during or with respect to any Tax Period (or portion thereof) ending on or prior to the Distribution Date without obtaining the prior written consent of Distributing (such prior written consent not to be unreasonably withheld). SpinCo shall provide written notice to Distributing describing any Internal Restructuring proposed to be taken during or with respect to any Tax Period (or portion thereof) beginning after the Distribution Date and ending on or prior to the two-year anniversary of the Distribution Date and shall consult with Distributing regarding any such proposed actions reasonably in advance of taking any such proposed actions and shall consider in good faith any comments from Distributing relating thereto.

(g) Distributions by Foreign SpinCo Subsidiaries. Until January 1st of the calendar year immediately following the calendar year in which the Distribution occurs, SpinCo shall neither cause nor permit any foreign subsidiary of SpinCo to enter into any transaction or take any action that would be considered under the Code to constitute the declaration or payment of a dividend (including pursuant to Section 304 of the Code) without obtaining the prior written consent of Distributing (such prior written consent not to be unreasonably withheld).

Section 7.03 Restrictions on Distributing. Distributing agrees that it will not take or fail to take, or permit any member of the Distributing Group to take or fail to take, any action where such action or failure to act would be inconsistent with or cause to be untrue any material, information, covenant or representation in any Representation Letters or Tax Opinions/Rulings. Distributing agrees that it will not take or fail to take, or permit any member of the Distributing Group to take or fail to take, any action which prevents or could reasonably be expected to prevent (A) the Tax-Free Status, or (B) any other transaction contemplated by the Separation and Distribution Agreement which is intended by the parties to be tax-free from so qualifying; *provided, however*, that this Section 7.03 shall not be construed as obligating Distributing to consummate the Distribution without the satisfaction or waiver of all conditions set forth in Section 4.3 of the Separation and Distribution Agreement nor shall it be construed as preventing Distributing from terminating the Separation and Distribution Agreement pursuant to Article XI thereof.

Section 7.04 Procedures Regarding Opinions and Rulings.

(a) If SpinCo notifies Distributing that it desires to take one of the actions described in clauses (i) through (vi) of Section 7.02(d) (a "**Notified Action**"), Distributing and SpinCo shall reasonably cooperate to attempt to obtain the Ruling or Unqualified Tax Opinion referred to in Section 7.02(d), unless Distributing shall have waived the requirement to obtain such Ruling or Unqualified Tax Opinion.

(b) Rulings or Unqualified Tax Opinions at SpinCo's Request. Distributing agrees that at the reasonable request of SpinCo pursuant to Section 7.02(d), Distributing shall cooperate with SpinCo and use its reasonable best efforts to seek to obtain, as expeditiously as possible, a Ruling from the IRS or an Unqualified Tax Opinion for the purpose of permitting SpinCo to take the Notified Action. Further, in no event shall Distributing be required to file any Ruling Request under this Section 7.04(b) unless SpinCo represents that (A) it has read the Ruling Request, and (B) all information and representations, if any, relating to any member of the SpinCo Group, contained in the Ruling Request documents are (subject to any qualifications therein) true, correct and complete. SpinCo shall reimburse Distributing for all reasonable costs and expenses incurred by the Distributing Group in obtaining a Ruling or Unqualified Tax Opinion requested by SpinCo within ten (10) Business Days after receiving an invoice from Distributing therefor.

(c) Rulings or Unqualified Tax Opinions at Distributing's Request. Distributing shall have the right to obtain a Ruling or an Unqualified Tax Opinion at any time in its sole and absolute discretion. If Distributing determines to obtain a Ruling or an Unqualified Tax Opinion, SpinCo shall (and shall cause each Affiliate of SpinCo to) cooperate with Distributing and take any and all actions reasonably requested by Distributing in connection with obtaining the Ruling or Unqualified Tax Opinion (including, without limitation, by making any representation or covenant or providing any materials or information requested by the IRS or Tax Advisor; *provided* that SpinCo shall not be required to make (or cause any Affiliate of SpinCo to make) any representation or covenant that is inconsistent with historical facts or as to future matters or events over which it has no control). Distributing and SpinCo shall each bear its own costs and expenses in obtaining a Ruling or an Unqualified Tax Opinion requested by Distributing.

(d) SpinCo hereby agrees that Distributing shall have sole and exclusive control over the process of obtaining any Ruling, and that only Distributing shall apply for a Ruling. In connection with obtaining a Ruling pursuant to Section 7.04(b), (A) Distributing shall keep SpinCo informed in a timely manner of all material actions taken or proposed to be taken by Distributing in connection therewith; (B) Distributing shall (1) reasonably in advance of the submission of any Ruling Request documents provide SpinCo with a draft copy thereof, (2) reasonably consider SpinCo's comments on such draft copy, and (3) provide SpinCo with a final copy; and (C) Distributing shall provide SpinCo with notice reasonably in advance of, and SpinCo shall have the right to attend, any formally scheduled meetings with the IRS (subject to the approval of the IRS) that relate to such Ruling. Neither SpinCo nor any SpinCo Affiliate directly or indirectly controlled by SpinCo shall seek any guidance from the IRS or any other Tax Authority (whether written, verbal or otherwise) at any time concerning the Transactions (including the impact of any transaction on the Transactions) or any transaction listed on Schedule 7.02(a).

Section 7.05 Liability for Tax-Related Losses.

(a) Notwithstanding anything in this Agreement or the Separation and Distribution Agreement to the contrary, SpinCo shall be responsible for, and shall indemnify and hold harmless Distributing and its Affiliates and each of their respective officers, directors and employees from and against, one hundred percent (100%) of any Tax-Related Losses that are attributable to or result from any one or more of the following: (A) the direct or indirect acquisition (other than pursuant to the Contribution, or the Distribution) of all or a portion of SpinCo's stock and/or its or its subsidiaries' stock or assets by any means whatsoever by any Person, (B) any negotiations, understandings, agreements or arrangements by SpinCo with respect to transactions or events (including, without limitation, stock issuances, pursuant to the exercise of stock options or otherwise, option grants, capital contributions or acquisitions, or a series of such transactions or events) that cause the Distribution to be treated as part of a plan pursuant to which one or more Persons acquire directly or indirectly stock of SpinCo representing a Fifty-Percent or Greater Interest therein, (C) any action or failure to act by SpinCo after the Distribution (including, without limitation, any amendment to SpinCo's certificate of incorporation (or other organizational documents), whether through a stockholder vote or otherwise) affecting the voting rights of SpinCo stock (including, without limitation, through the conversion of one class of SpinCo Capital Stock into another class of SpinCo Capital Stock), (D) any act or failure to act by SpinCo or any SpinCo Affiliate described in Section 7.02 (regardless whether such act or failure to act is covered by a Ruling, Unqualified Tax Opinion or waiver described in clause (A), (B) or (C) of Section 7.02(d), a Board Certificate described in Section 7.02(e) or a consent described in Section 7.02(f) or (g)) or (E) any breach by SpinCo of its agreement and representation set forth in Section 7.01(a).

(b) SpinCo shall pay Distributing the amount of any Tax-Related Losses for which SpinCo is responsible under this Section 7.05 (calculated on the basis that Distributing is a Distributing Full Taxpayer): (A) in the case of Tax-Related Losses described in clause (i) of the definition of Tax-Related Losses no later than two (2) Business Days after receipt by SpinCo of notice of the settlement, Final Determination, judgment or other action imposing the Taxes described in such clause (i) with respect to the Tax Return for the year of the Contribution or Distribution, as applicable (*provided* that if such Tax-Related Losses arise pursuant to a Final Determination described in clause (a), (b) or (c) of the definition of "Final Determination," then SpinCo shall pay Distributing no later than two (2) Business Days after receipt by SpinCo of notice of such Final Determination) and (B) in the case of Tax-Related Losses described in clause (ii) or (iii) of the definition of Tax-Related Losses, no later than two (2) Business Days after the date on which SpinCo receives notice from Distributing evidencing Distributing's payment of such Tax-Related Losses.

Section 8. Assistance and Cooperation.

Section 8.01 *Assistance and Cooperation.*

(a) The Companies shall cooperate (and cause their respective Affiliates to cooperate) with each other and with each other's agents, including accounting firms and legal counsel, in connection with Tax matters relating to the Companies and their Affiliates including (i) preparation and filing of Tax Returns, (ii) determining the liability for and amount of any Taxes due (including estimated Taxes) or the right to and amount of any refund of Taxes, (iii) examinations of Tax Returns, and (iv) any administrative or judicial proceeding in respect of Taxes assessed or proposed to be assessed. Such cooperation shall include making all information and documents in their possession relating to the other Company and its Affiliates available to such other Company as provided in Section 9. Each of the Companies shall also make available to the other, as reasonably requested and available, personnel (including officers, directors, employees and agents of the Companies or their respective Affiliates) responsible for preparing, maintaining, and interpreting information and documents relevant to Taxes, and personnel reasonably required as witnesses or for purposes of providing information or documents in connection with any administrative or judicial proceedings relating to Taxes.

(b) Any information or documents provided under this Section 8 shall be kept confidential by the Company receiving the information or documents, except as may otherwise be necessary in connection with the filing of Tax Returns or in connection with any administrative or judicial proceedings relating to Taxes. Notwithstanding any other provision of this Agreement or any other agreement, (i) neither Distributing nor any Distributing Affiliate shall be required to provide SpinCo or any SpinCo Affiliate or any other Person access to or copies of any information or procedures (including the proceedings of any Tax Contest) other than information or procedures that relate solely to SpinCo, the business or assets of SpinCo or any SpinCo Affiliate and (ii) in no event shall Distributing or any Distributing Affiliate be required to provide SpinCo, any SpinCo Affiliate or any other Person access to or copies of any information if such action could reasonably be expected to result in the waiver of any Privilege. In addition, in the event that Distributing determines that the provision of any information to SpinCo or any SpinCo Affiliate could be commercially detrimental, violate any law or agreement or waive any Privilege, the parties shall use reasonable best efforts to permit compliance with its obligations under this Section 8 in a manner that avoids any such harm or consequence.

Section 8.02 *Income Tax Return Information.*

(a) SpinCo and Distributing acknowledge that time is of the essence in relation to any request for information, assistance or cooperation made by Distributing or SpinCo pursuant to Section 8.01 or this Section 8.02. SpinCo and Distributing acknowledge that failure to conform to the deadlines set forth herein or reasonable deadlines otherwise set by Distributing or SpinCo could cause irreparable harm.

(b) Each Company shall provide to the other Company information and documents relating to its Group required by the other Company to prepare Tax Returns. Any information or documents the Responsible Company requires to prepare such Tax Returns shall be provided in such form as the Responsible Company reasonably requests and in sufficient time for the Responsible Company to file such Tax Returns on a timely basis.

Section 9. Tax Records.

Section 9.01 *Retention of Tax Records*. Each Company shall preserve and keep all Tax Records exclusively relating to the assets and activities of its Group for Pre-Deconsolidation Periods, and Distributing shall preserve and keep all other Tax Records relating to Taxes of the Groups for Pre-Deconsolidation Tax Periods, for so long as the contents thereof may become material in the administration of any matter under the Code or other applicable Tax Law, but in any event until the later of (i) the expiration of any applicable statutes of limitations, or (ii) seven years after the Deconsolidation Date (such later date, the "**Retention Date**"). After the Retention Date, each Company may dispose of such Tax Records upon ninety (90) days' prior written notice to the other Company. If, prior to the Retention Date, (a) a Company reasonably determines that any Tax Records which it would otherwise be required to preserve and keep under this Section 9 are no longer material in the administration of any matter under the Code or other applicable Tax Law and the other Company agrees, then such first Company may dispose of such Tax Records upon ninety (90) days' prior notice to the other Company. Any notice of an intent to dispose given pursuant to this Section 9.01 shall include a list of the Tax Records to be disposed of describing in reasonable detail each file, book, or other record accumulation being disposed. The notified Company shall have the opportunity, at its cost and expense, to copy or remove, within such 90-day period, all or any part of such Tax Records. If, at any time prior to the Retention Date, SpinCo determine to decommission or otherwise discontinue any computer program or information technology system used to access or store any Tax Records, then SpinCo may decommission or discontinue such program or system upon ninety (90) days' prior notice to Distributing and Distributing shall have the opportunity, at its cost and expense, to copy, within such 90-day period, all or any part of the underlying data relating to the Tax Records accessed by or stored on such program or system.

Section 9.02 *Access to Tax Records.* The Companies and their respective Affiliates shall make available to each other for inspection and copying during normal business hours upon reasonable notice all Tax Records (and, for the avoidance of doubt, any pertinent underlying data accessed or stored on any computer program or information technology system) in their possession and shall permit the other Company and its Affiliates, authorized agents and representatives and any representative of a Taxing Authority or other Tax auditor direct access during normal business hours upon reasonable notice to any computer program or information technology system used to access or store any Tax Records, in each case to the extent reasonably required by the other Company in connection with the preparation of Tax Returns or financial accounting statements, audits, litigation, or the resolution of items under this Agreement.

Section 10. Tax Contests.

Section 10.01 *Notice*. Each of the Companies shall provide prompt notice to the other Company of any written communication from a Tax Authority regarding any pending or threatened Tax audit, assessment or proceeding or other Tax Contest of which it becomes aware related to Taxes for Tax Periods for which it is indemnified by the other Company hereunder, provided, however, that the indemnifying Company shall not be relieved of its obligations hereunder by reason of any failure by the indemnified Company to so notify except to the extent such failure materially prejudices the indemnifying Company. Such notice shall attach copies of the pertinent portion of any written communication from a Tax Authority and contain factual information (to the extent known) describing any asserted Tax liability in reasonable detail and shall be accompanied by copies of any notice and other documents received from any Tax Authority in respect of any such matters.

Section 10.02 *Control of Tax Contests.*

(a) Separate Company Taxes.

(i) In the case of any Tax Contest with respect to any Separate Return relating to Income Taxes for Tax Periods beginning prior to the Deconsolidation Date, Distributing shall have exclusive control over the Tax Contest, including exclusive authority with respect to any settlement of such Tax liability, subject to Sections 10.02(c) and (d) below. SpinCo shall bear reasonable, out of pocket expenses incurred by Distributing in connection with the control of any Tax Contest described in this Section 10.02(a)(i) provided that any outside counsel, accountants or other advisors shall be mutually selected by Distributing and SpinCo.

(ii) In the case of any Tax Contest with respect to any Separate Return (other than a Separate Return that is subject to Section 10.02(a)(i)), if any, the Company having liability for the Tax shall have exclusive control over the Tax Contest including exclusive authority with respect to any settlement of such Tax liability, subject to Sections 10.02(c) and (d) below.

(b) Joint Returns and Certain Other Returns. In the case of any Tax Contest with respect to any Distributing Federal Consolidated Income Tax Return or Distributing State Combined Income Tax Return, Distributing shall have exclusive control over the Tax Contest, including exclusive authority with respect to any settlement of such Tax liability, subject to Sections 10.02(c) and (d) below.

(c) Settlement Rights. The Controlling Party shall have the sole right to contest, litigate, compromise and settle any Tax Contest without obtaining the prior consent of the Non-Controlling Party. Unless waived by the parties in writing, in connection with any potential adjustment in a Tax Contest as a result of which adjustment the Non-Controlling Party may reasonably be expected to become liable to make any indemnification payment (or any payment under Section 6) to the Controlling Party under this Agreement: (i) the Controlling Party shall keep the Non-Controlling Party informed in a timely manner of all actions taken or proposed to be taken by the Controlling Party with respect to such potential adjustment in such Tax Contest; (ii) the Controlling Party shall provide the Non-Controlling Party copies of any written materials relating to such potential adjustment in such Tax Contest received from any Tax Authority; (iii) the Controlling Party shall timely provide the Non-Controlling Party with copies of any correspondence or filings submitted to any Tax Authority or judicial authority in connection with such potential adjustment in such Tax Contest; and (iv) the Controlling Party shall consult with the Non-Controlling Party and offer the Non-Controlling Party a reasonable opportunity to comment before submitting any written materials prepared or furnished in connection with such potential adjustment in such Tax Contest. The failure of the Controlling Party to take any action specified in the preceding sentence with respect to the Non-Controlling Party shall not relieve the Non-Controlling Party of any liability and/or obligation which it may have to the Controlling Party under this Agreement except to the extent that the Non-Controlling Party was actually harmed by such failure, and in no event shall such failure relieve the Non-Controlling Party from any other liability or obligation which it may have to the Controlling Party. In the case of any Tax Contest described in Section 10.02(a) or (b), "**Controlling Party**" means the Company entitled to control the Tax Contest under such Section and "**Non-Controlling Party**" means the other Company.

(d) Tax Contest Participation. Unless waived by the parties in writing, the Controlling Party shall provide the Non-Controlling Party with written notice reasonably in advance of, and the Non-Controlling Party shall have the right to request to attend, any formally scheduled meetings with Tax Authorities or hearings or proceedings before any judicial authorities in connection with any potential adjustment in a Tax Contest pursuant to which the Non-Controlling Party may reasonably be expected to become liable to make any indemnification payment (or any payment under Section 6) to the Controlling Party under this Agreement. The failure of the Controlling Party to provide any notice specified in this Section 10.02(d) to the Non-Controlling Party shall not relieve the Non-Controlling Party of any liability and/or obligation which it may have to the Controlling Party under this Agreement except to the extent that the Non-Controlling Party was actually harmed by such failure, and in no event shall such failure relieve the Non-Controlling Party from any other liability or obligation which it may have to the Controlling Party.

(e) Power of Attorney. Each member of the SpinCo Group shall execute and deliver to Distributing (or such member of the Distributing Group as Distributing shall designate) any power of attorney or other similar document reasonably requested by Distributing (or such designee) in connection with any Tax Contest (as to which Distributing is the Controlling Party) described in this Section 10.

Section 11. Effective Date; Termination of Prior Intercompany Tax Allocation Agreements. This Agreement shall be effective as of the date hereof. As of the date hereof, (i) all prior intercompany Tax allocation agreements or arrangements shall be terminated, and (ii) amounts due under or contemplated by such agreements or arrangements as of the date hereof shall be settled as of the date hereof. Upon such termination and settlement, no further payments by or to Distributing or by or to SpinCo, with respect to such agreements or arrangements shall be made, and all other rights and obligations resulting from such agreements or arrangements between the Companies and their Affiliates shall cease at such time. Any payments pursuant to such agreements or arrangements shall be disregarded for purposes of computing amounts due under this Agreement.

Section 12. Survival of Obligations. The representations, warranties, covenants and agreements set forth in this Agreement shall be unconditional and absolute and shall remain in effect without limitation as to time.

Section 13. Treatment of Payments; Tax Gross Up.

Section 13.01 Treatment of Tax Indemnity and Tax Benefit Payments. In the absence of any change in Tax treatment under the Code or other applicable Tax Law any payments made under this Agreement (and any deemed distributions or contributions relating to Taxes or Tax Attributes) shall be reported for Tax purposes by the payor and the recipient as occurring immediately before the Contribution.

Section 13.02 Tax Gross Up. If notwithstanding the manner in which Tax indemnity payments and Tax Benefit payments were reported, there is an adjustment to the Tax liability of a Company as a result of its receipt of a payment pursuant to this Agreement, such payment shall be appropriately adjusted so that the amount of such payment, reduced by the amount of all Income Taxes payable as a Full Taxpayer with respect to the receipt thereof (but taking into account all correlative Tax Benefits resulting from the payment of such Income Taxes), shall equal the amount of the payment which the Company receiving such payment would otherwise be entitled to receive pursuant to this Agreement.

Section 13.03 Interest Under This Agreement. Anything herein to the contrary notwithstanding, to the extent one Company ("**Indemnitor**") makes a payment of interest to another Company ("**Indemnitee**") under this Agreement with respect to the period from the date that the Indemnitee made a payment of Tax to a Tax Authority to the date that the Indemnitor reimbursed the Indemnitee for such Tax payment, the interest payment shall be treated as interest expense to the Indemnitor (deductible to the extent provided by law) and as interest income by the Indemnitee (includible in income to the extent provided by law). The amount of the payment shall not be adjusted under Section 2.02 to take into account any associated Tax Benefit to the Indemnitor or increase in Tax to the Indemnitee.

Section 14. Disagreements. The Companies mutually desire that friendly collaboration will continue between them. Accordingly, they will try, and they will cause their respective Group members to try, to resolve in an amicable manner all disagreements and misunderstandings connected with their respective rights and obligations under this Agreement, including any amendments hereto. In furtherance thereof, in the event of any dispute or disagreement (a "**Tax Dispute**") between any member of the Distributing Group and any member of the SpinCo Group as to the interpretation of any provision of this Agreement or the performance of obligations hereunder, the Tax departments of the Companies shall negotiate in good faith to resolve the Tax Dispute. If such good faith negotiations do not resolve the Tax Dispute within thirty (30) days after the initial written notice of the Tax Dispute (or such longer period that the parties hereto agree to), then the matter shall be resolved pursuant to the procedures set forth in Article IX of the Separation and Distribution Agreement, *provided, however*, that upon the request of either Company, the arbitrator selected by each of the parties pursuant to Article IX shall be a recognized tax professional, such as a United States tax counsel or accountant of recognized national standing. Nothing in this Section 14 will prevent either Company from seeking injunctive relief if any delay resulting from the efforts to resolve the Tax Dispute through the procedures set forth in Article IX of the Separation and Distribution Agreement could result in serious and irreparable injury to either Company. Notwithstanding anything to the contrary in this Agreement, the Separation and Distribution Agreement or any Ancillary Agreement, Distributing and SpinCo are the only members of their respective Group entitled to commence a dispute resolution procedure under this Agreement, and each of Distributing and SpinCo will cause its respective Group members not to commence any dispute resolution procedure other than through such party as provided in this Section 14.

Section 15. Reserved.

Section 16. Expenses. Except as otherwise provided in this Agreement, each party and its Affiliates shall bear their own expenses incurred in connection with preparation of Tax Returns, Tax Contests, and other matters related to Taxes under the provisions of this Agreement.

Section 17. General Provisions.

Section 17.01 Addresses and Notices. Each party giving any notice required or permitted under this Agreement will give the notice in writing and use one of the following methods of delivery to the party to be notified, at the address set forth below or another address of which the sending party has been notified in accordance with this Section 17.01: (a) personal delivery; (b) facsimile or telecopy transmission with a reasonable method of confirming transmission; (c) commercial overnight courier with a reasonable method of confirming delivery; or (d) pre-paid, United States of America certified or registered mail, return receipt requested. Notice to a party is effective for purposes of this Agreement only if given as provided in this Section 17.01 and shall be deemed given on the date that the intended addressee actually receives the notice.

If to Distributing:

Harvard Bioscience, Inc.
84 October Hill Road
Holliston, Massachusetts 01746
Attention: Chief Financial Officer

If to SpinCo:

Harvard Apparatus Regenerative Technology, Inc.
84 October Hill Road
Holliston, Massachusetts 01746
Attention: Chief Financial Officer

A party may change the address for receiving notices under this Agreement by providing written notice of the change of address to the other parties.

Section 17.02 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

Section 17.03 Waiver. The parties may waive a provision of this Agreement only by a writing signed by the party intended to be bound by the waiver. A party is not prevented from enforcing any right, remedy or condition in the party's favor because of any failure or delay in exercising any right or remedy or in requiring satisfaction of any condition, except to the extent that the party specifically waives the same in writing. A written waiver given for one matter or occasion is effective only in that instance and only for the purpose stated. A waiver once given is not to be construed as a waiver for any other matter or occasion. Any enumeration of a party's rights and remedies in this Agreement is not intended to be exclusive, and a party's rights and remedies are intended to be cumulative to the extent permitted by law and include any rights and remedies authorized in law or in equity.

Section 17.04 Severability. If any provision of this Agreement is determined to be invalid, illegal or unenforceable, the remaining provisions of this Agreement remain in full force, if the essential terms and conditions of this Agreement for each party remain valid, binding and enforceable.

Section 17.05 Authority. Each of the parties represents to the other that (a) it has the corporate or other requisite power and authority to execute, deliver and perform this Agreement, (b) the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate or other action, (c) it has duly and validly executed and delivered this Agreement, and (d) this Agreement is a legal, valid and binding obligation, enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and general equity principles.

Section 17.06 Further Action. The parties shall execute and deliver all documents, provide all information, and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement, including the execution and delivery to the other parties and their Affiliates and representatives of such powers of attorney or other authorizing documentation as is reasonably necessary or appropriate in connection with Tax Contests (or portions thereof) under the control of such other parties in accordance with Section 10.

Section 17.07 Integration. This Agreement, together with each of the exhibits and schedules appended hereto, constitutes the final agreement between the parties, and is the complete and exclusive statement of the parties' agreement on the matters contained herein. All prior and contemporaneous negotiations and agreements between the parties with respect to the matters contained herein are superseded by this Agreement, as applicable. In the event of any inconsistency between this Agreement and the Separation and Distribution Agreement, or any other agreements relating to the transactions contemplated by the Separation and Distribution Agreement, with respect to matters addressed herein, the provisions of this Agreement shall control.

Section 17.08 Construction. The language in all parts of this Agreement shall in all cases be construed according to its fair meaning and shall not be strictly construed for or against any party. The captions, titles and headings included in this Agreement are for convenience only, and do not affect this Agreement's construction or interpretation. Unless otherwise indicated, all "Section" references in this Agreement are to sections of this Agreement.

Section 17.09 No Double Recovery. No provision of this Agreement shall be construed to provide an indemnity or other recovery for any costs, damages, or other amounts for which the damaged party has been fully compensated under any other provision of this Agreement or under any other agreement or action at law or equity. Unless expressly required in this Agreement, a party shall not be required to exhaust all remedies available under other agreements or at law or equity before recovering under the remedies provided in this Agreement.

Section 17.10 Counterparts. The parties may execute this Agreement in multiple counterparts, each of which constitutes an original as against the party that signed it, and all of which together constitute one agreement. This Agreement is effective upon delivery of one executed counterpart from each party to the other party. The signatures of the parties need not appear on the same counterpart. The delivery of signed counterparts by facsimile or email transmission that includes a copy of the sending party's signature is as effective as signing and delivering the counterpart in person.

Section 17.11 Governing Law. The internal laws of the Commonwealth of Massachusetts (without reference to its principles of conflicts of law) govern the construction, interpretation and other matters arising out of or in connection with this Agreement and each of the exhibits and schedules hereto and thereto (whether arising in contract, tort, equity or otherwise).

Section 17.12 Jurisdiction. If any dispute arises out of or in connection with this Agreement, except as expressly contemplated by another provision of this Agreement, the parties irrevocably (and the parties will cause each other member of their respective Group to irrevocably) (a) consent and submit to the exclusive jurisdiction of federal and state courts located in Commonwealth of Massachusetts, (b) waive any objection to that choice of forum based on venue or to the effect that the forum is not convenient, and (c) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO TRIAL OR ADJUDICATION BY JURY.

Section 17.13 Amendment. Except as otherwise expressly provided herein with respect to the Schedules hereto, the parties may amend this Agreement only by a written agreement signed by each party to be bound by the amendment and that identifies itself as an amendment to this Agreement.

Section 17.14 SpinCo Subsidiaries. If, at any time, SpinCo acquires or creates one or more subsidiaries that are includable in the SpinCo Group, they shall be subject to this Agreement and all references to the SpinCo Group herein shall thereafter include a reference to such subsidiaries.

Section 17.15 Successors. This Agreement shall be binding on and inure to the benefit of any successor by merger, acquisition of assets, or otherwise, to any of the parties hereto (including but not limited to any successor of Distributing or SpinCo succeeding to the Tax Attributes of either under Section 381 of the Code), to the same extent as if such successor had been an original party to this Agreement.

Section 17.16 Injunctions. The parties acknowledge that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with its specific terms or were otherwise breached. The parties hereto shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically the terms and provisions hereof in any court having jurisdiction, such remedy being in addition to any other remedy to which they may be entitled at law or in equity.

[signatures on following page]

IN WITNESS WHEREOF, each party has caused this Agreement to be executed on its behalf by a duly authorized officer on the date first set forth above.

"Distributing"

Harvard Bioscience, Inc., a Delaware corporation

By: /s/ Jeffrey A. Duchemin

Name: Jeffrey A. Duchemin
Title: Chief Executive Officer

"SpinCo"

Harvard Apparatus Regenerative Technology, Inc., a Delaware corporation, for itself and on behalf of each member of the SpinCo Group

By: /s/ David Green

Name: David Green
Title: Chief Executive Officer

EXHIBIT 10.4

TRANSITION SERVICES AGREEMENT

DATED AS OF OCTOBER 31, 2013

BY AND BETWEEN

HARVARD BIOSCIENCE, INC.

AND

HARVARD APPARATUS REGENERATIVE TECHNOLOGY, INC.

This TRANSITION SERVICES AGREEMENT, dated as of October 31, 2013 (this "Agreement"), is by and between HARVARD BIOSCIENCE, INC., a Delaware corporation ("HBIO"), and HARVARD APPARATUS REGENERATIVE TECHNOLOGY, INC., a Delaware corporation ("HART").

RECITALS

WHEREAS, HBIO and HART have entered into a Separation and Distribution Agreement, dated as of the date hereof (as amended, modified or supplemented from time to time in accordance with its terms, the "Separation Agreement");

WHEREAS, in connection with the Separation Agreement, the Parties (as defined below) agreed that (a) HBIO (and/or its Affiliates on the date of this Agreement immediately after giving effect to the Separation, collectively referred to as the "HBIO Entities") shall provide or cause to be provided to HART (and/or its Affiliates on the date of this Agreement immediately after giving effect to the Separation (as defined in the Separation Agreement), collectively referred to as the "HART Entities") certain services, use of facilities and other assistance on a transitional basis, and (b) the HART Entities shall provide or cause to be provided to the HBIO Entities certain services, use of facilities and other assistance on a transitional basis, each in accordance with the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, the Separation Agreement requires execution and delivery of this Agreement by HBIO and HART on or prior to the Separation Date (as defined in the Separation Agreement).

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained in this Agreement, the Parties hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01. Certain Defined Terms.

(a) Unless otherwise defined in this Agreement, all capitalized terms used in this Agreement shall have the same meaning as in the Separation Agreement.

(b) The following capitalized terms used in this Agreement shall have the meanings set forth below:

"Additional Services" shall have the meaning set forth in Section 2.03(a).

"Agreement" shall have the meaning set forth in the Preamble.

"Dispute" shall have the meaning set forth in Section 9.01(a).

"Distribution Date" shall have the meaning set forth in the Separation Agreement.

"Force Majeure" means, with respect to a Party, any acts of God, storms, floods, riots, fires, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities or other national or international calamity or one or more acts of terrorism or failure of energy sources or distribution facilities, that are beyond the control of such Party (or any Person acting on its behalf), which by its nature could not have been reasonably foreseen by such Party (or such Person), or, if it could have been reasonably foreseen, was unavoidable.

"HART" shall have the meaning set forth in the Preamble.

"HART Entities" shall have the meaning set forth in the Recitals.

"HART Services" shall have the meaning set forth in Section 2.01.

"HART Services Manager" shall have the meaning set forth in Section 2.05(b).

"HBIO" shall have the meaning set forth in the Preamble.

"HBIO Entities" shall have the meaning set forth in the Recitals.

"HBIO Materials" shall have the meaning set forth in Section 3.01(a).

"HBIO Services" shall have the meaning set forth in Section 2.01.

"HBIO Services Manager" shall have the meaning set forth in Section 2.05(a).

"Interest Payment" shall have the meaning set forth in Section 6.01(c).

"New Services" shall have the meaning set forth in Section 2.04(a).

"Party" means either HBIO or HART individually (as the case may be), and "Parties" means HBIO and HART collectively, and, in each case, their permitted successors and assigns.

"Provider" means the Party or its Subsidiary or Affiliate providing a Service under this Agreement.

"Provider Indemnified Party" shall have the meaning set forth in Section 8.05.

"Recipient" means the Party or its Subsidiary or Affiliate to whom a Service under this Agreement is being provided.

"Recipient Indemnified Party" shall have the meaning set forth in Section 8.04.

"Representative" of a Person means any director, officer, employee, agent, consultant, accountant, auditor, attorney or other representative of such person.

"Schedule(s)" shall have the meaning set forth in Section 2.02.

"Separation Agreement" shall have the meaning set forth in the Preamble.

"Service Charges" shall have the meaning set forth in Section 6.01(a).

"Service Extension" shall have the meaning set forth in Section 10.01(d).

"Service Increases" shall have the meaning set forth in Section 2.03(b).

"Services" shall have the meaning set forth in Section 2.01.

ARTICLE II
SERVICES, DURATION AND SERVICES MANAGERS

Section 2.01. Services. Subject to the terms and conditions of this Agreement, (a) HBIO shall provide (or cause to be provided by the HBIO Entities or otherwise) to the HART Entities the services listed on Schedule A to this Agreement (the "HBIO Services") and (b) HART shall provide (or cause to be provided by the HART Entities or otherwise) to the HBIO Entities the services listed on Schedule B to this Agreement (the "HART Services," and, collectively with the HBIO Services, any Additional Services, any Service Increases and any New Services, the "Services"). All of the Services shall be for the sole use and benefit of the respective Recipient and its Party.

Section 2.02. Duration of Services. Subject to the terms of this Agreement, commencing on the Distribution Date, each of HBIO and HART shall provide or cause to be provided to the respective Recipients each Service until the earlier to occur of, with respect to each such Service, (i) the expiration of the period of the maximum duration for such Service as set forth on Schedule A or Schedule B (each, a "Schedule", and collectively, the "Schedules") or (ii) the date on which such Service is terminated under Section 10.01(b); *provided*, *however*, that each Recipient shall use its commercially reasonable efforts to transition itself to a stand-alone entity with respect to each Service during the period for such Service as set forth in the respective Schedules; and *provided*, *further*, to the extent that a Provider's ability to provide a Service is dependent on the continuation of either a HBIO Service or a HART Service (and such dependence has been made known to the other Party), as the case may be, the Provider's obligation to provide such dependent Service shall terminate automatically with the termination of such supporting HBIO Service or supporting HART Service, as the case may be.

Section 2.03. Additional Unspecified Services. (a) After the date of this Agreement, if HART or HBIO (i) identifies a service that (x) the HBIO Entities provided to the HART Business prior to the Distribution Date that HART reasonably needs in order for the HART Business to continue to operate in substantially the same manner in which the HART Business operated prior to the Distribution Date, and such service was not included on Schedule A (other than because the Parties agreed such service shall not be provided), or (y) the HART Entities provided to HBIO or its Affiliates prior to the Distribution Date that HBIO reasonably needs in order for the HBIO Business to continue to operate in substantially the same manner in which the HBIO Business operated prior to the Distribution Date, and such service was not included on Schedule B (other than because the Parties agreed such service shall not be provided), and (ii) provides written notice to the other Party within one hundred twenty (120) days following the Distribution Date requesting such additional services, then such other party shall use its commercially reasonable efforts to provide such requested additional services (such additional services, the "Additional Services"); *provided, however*, that no Party shall be obligated to provide any Additional Service if it does not, in its reasonable judgment, have adequate resources to provide such Additional Service or if the provision of such Additional Service would significantly disrupt the operation of its businesses. Notwithstanding the foregoing, the Provider shall promptly notify the Recipient if it deems itself unable to provide such Additional Service, and will use commercially reasonable efforts to cooperate with the Recipient to identify and engage a third party to provide comparable services to the Recipient, the payment for which will be negotiated directly between the Recipient and such third party. In connection with any request for Additional Services in accordance with this Section 2.03(a), the HBIO Services Manager and the HART Services Manager shall in good faith negotiate the terms of a supplemental Schedule, which terms shall be consistent with the terms of, and the pricing methodology used for, similar Services provided under this Agreement. The Parties shall agree to the applicable Service Charge and the supplemental Schedule shall describe in reasonable detail the nature, scope, service period(s), termination provisions and other terms applicable to such Additional Services. Each supplemental Schedule, as agreed to in writing by the Parties, shall be deemed part of this Agreement as of the date of such agreement and the Additional Services set forth therein shall be deemed "Services" provided under this Agreement, in each case subject to the terms and conditions of this Agreement.

(b) After the date of this Agreement, if (i) (x) a Recipient requests or (y) a Provider reasonably determines that the Recipient's business requires, the Provider to increase, relative to historical levels prior to the Distribution Date, the volume, amount, level or frequency, as applicable, of any Service provided by such Provider and (ii) such increase is reasonably determined by the Recipient as necessary for the Recipient to operate its businesses (such increases, the "Service Increases"), then such Provider shall use its commercially reasonable efforts to provide the Service Increases in accordance with such request; *provided, however,* that the Provider shall not be obligated to provide any Service Increase if it does not, in its reasonable judgment, have adequate resources to provide such Service Increase or if the provision of such Service Increase would significantly disrupt the operation of its businesses. Notwithstanding the foregoing, the Provider shall promptly notify the Recipient if it deems itself unable to provide such Service Increase, and will use commercially reasonable efforts to cooperate with the Recipient to identify and engage a third party to provide comparable services to the Recipient, the payment for which will be negotiated directly between the Recipient and such third party. In connection with any request for Service Increases in accordance with this Section 2.03(b), the HBIO Services Manager and the HART Services Manager shall in good faith negotiate the terms of an amendment to the applicable Schedule, which amendment shall be consistent with the terms of, and the pricing methodology used for, the applicable Service. Each amended Schedule, as agreed to in writing by the Parties, shall be deemed part of this Agreement as of the date of such agreement and the Service Increases set forth therein shall be deemed a part of the "Services" provided under this Agreement, in each case subject to the terms and conditions of this Agreement.

Section 2.04. New Services. (a) From time to time during the term of this Agreement, either Party may request the other Party to provide additional or different services which such other Party is not expressly obligated to provide under this Agreement (the "New Services"). The Party receiving such request shall consider such request in good faith; *provided, however,* that no Party shall be obligated to provide any New Services, including because, after negotiations between the Parties pursuant to Section 2.04(b), the Parties fail to reach an agreement with respect to the terms (including the Service Charges) applicable to the provision of such New Services.

(b) In connection with any request for New Services in accordance with Section 2.04(a), the HBIO Services Manager and the HART Services Manager shall in good faith (i) negotiate the applicable Service Charge and the terms of a supplemental Schedule, which supplemental Schedule shall describe in reasonable detail the nature, scope, Service period(s), termination provisions and other terms applicable to such New Services, and (ii) determine any costs and expenses, including any start-up costs and expenses, that would be incurred by the Provider in connection with the provision of such New Services, which costs and expenses shall be borne solely by the Recipient. Each supplemental Schedule, as agreed to in writing by the Parties, shall be deemed part of this Agreement as of the date of such agreement and the New Services set forth therein shall be deemed "Services" provided under this Agreement, in each case subject to the terms and conditions of this Agreement. The provision of New Services between the Parties may also be governed by a separate agreement if the Parties deem it necessary or desirable at such time.

Section 2.05. Transition Services Managers. (a) HBIO hereby appoints and designates the individual holding the HBIO position set forth on Exhibit I to act as its initial services manager (the "HBIO Services Manager"), who will be directly responsible for coordinating and managing the delivery of the HBIO Services and have authority to act on HBIO's behalf with respect to matters relating to this Agreement. The HBIO Services Manager will work with the personnel of the HBIO Entities to periodically address issues and matters raised by HART relating to this Agreement. Notwithstanding the requirements of Section 11.05, all communications from HART to HBIO pursuant to this Agreement regarding routine matters involving the Services set forth on the Schedules shall be made through the HBIO Services Manager, or such other individual as specified by the HBIO Services Manager in writing and delivered to HART by email or facsimile transmission with receipt confirmed. HBIO shall notify HART of the appointment of a different HBIO Services Manager, if necessary, in accordance with Section 11.05.

(b) HART hereby appoints and designates the individual holding the HART position set forth on Exhibit I to act as its initial services manager (the "HART Services Manager"), who will be directly responsible for coordinating and managing the delivery of HART Services and have authority to act on HART's behalf with respect to matters relating to this Agreement. The HART Services Manager will work with the personnel of the HART Entities to periodically address issues and matters raised by HBIO relating to this Agreement. Notwithstanding the requirements of Section 11.05, all communications from HBIO to HART pursuant to this Agreement regarding routine matters involving the Services set forth on the Schedules shall be made through the HART Services Manager or such other individual as specified by the HART Services Manager in writing and delivered to HBIO by email or facsimile transmission with receipt confirmed. HART shall notify HBIO of the appointment of a different HART Services Manager, if necessary, in accordance with Section 11.05.

Section 2.06. Personnel. (a) The Provider of any Service will make available to the Recipient of such Service such personnel as may be necessary to provide such Service (who shall be appropriately qualified for purposes of the provision of such Service by the Provider). The Provider will have the right, in its reasonable discretion, to (i) designate which personnel it will assign to perform such Service, and (ii) remove and replace such personnel at any time, so long as there is no resulting increase in costs or decrease in the level of service for the Recipient; *provided, however*, that the Provider will use its commercially reasonable efforts to limit the disruption to the Recipient in the transition of the Services to different personnel.

(b) In the event that the provision of any Service by the Provider requires, as set forth in the Schedules, the cooperation and services of the applicable personnel of the Recipient, the Recipient will make available to the Provider such personnel (who shall be appropriately qualified for purposes of the provision of such Service by the Provider) as may be necessary for the Provider to provide such Service. The Recipient will have the right, in its reasonable discretion, to (i) designate which personnel it will make available to the Provider in connection with the provision of such Service, and (ii) remove and replace such personnel at any time, so long as there is no resulting increase in costs to, or any adverse effect to the provision of such Service by, the Provider; *provided, however,* that the Recipient will use its commercially reasonable efforts to limit the disruption to the Provider in the transition of such personnel. The Provider may, in its reasonable discretion and following discussions with the Recipient, request the Recipient to remove and/or replace any such personnel from their roles in respect of the Services being provided by the Provider.

(c) No Provider shall be liable under this Agreement for any Liabilities incurred by the Recipient Indemnified Parties to the extent that they are attributable to or a consequence of any actions or inactions of the personnel of the Recipient, except for any such actions or inactions undertaken pursuant to the direction of the Provider.

ARTICLE III
HBIO MATERIALS

Section 3.01. Corporate Policies. (a) HBIO shall provide HART copies of the corporate compliance policies and manuals published on the HBIO Intranet (the "HBIO Materials"). Subject to the terms and conditions of this Agreement, HBIO grants to HART a non-exclusive, royalty-free, fully paid-up, worldwide license to create or have created materials based on the HBIO Materials for distribution to employees and suppliers of HART and use such materials in the operation of the HART Business in substantially the same manner as the HBIO Materials were used by HBIO prior to the Distribution. It is understood and agreed that HBIO makes no representation or warranty, express or implied, as to the accuracy or completeness of any of the HBIO Materials, as to whether the HBIO Materials comply with Law, as to the non-infringement of any of the HBIO Materials or as to the suitability of any of the HBIO Materials for use by HART in respect of its business, or otherwise.

(b) Notwithstanding the foregoing and except as may be expressly provided for in the Intellectual Property Matters Agreement between the Parties, the text of any materials created by or for HART, and related to, or based upon, any of the HBIO Materials, may not contain any references to HBIO (or any of HBIO's marks, names, trade dress, logos or other source or business identifiers, including the HBIO Name and HBIO Marks), HBIO's publications, HBIO's personnel (including senior management), HBIO's management structures or any other indication that such materials are based upon any of the HBIO Materials.

Section 3.02. Limitation on Rights and Obligations with Respect to the HBIO Materials. (a) HBIO shall have no obligation to (i) notify HART of any changes or proposed changes to any of the HBIO Materials, (ii) include HART in any consideration of proposed changes to any of the HBIO Materials, (iii) provide draft changes of any of the HBIO Materials to HART for review and/or comment or (iv) provide HART with any updated materials relating to any of the HBIO Materials, except as such updated materials may be necessary in order to permit HART to comply with the requirements of any corporate policy that is contained in the HBIO Materials and with which HART is otherwise required to comply. HART acknowledges and agrees that, except as expressly set forth above, HBIO reserves all rights (including all Intellectual Property rights) in, to and under the HBIO Materials and no rights with respect to ownership or use, except as otherwise expressly provided in this Agreement or the Intellectual Property Matters Agreement, shall vest in HART. The Parties acknowledge and agree that the HBIO Materials are the confidential Information of HBIO. HART shall use at least the same degree of care to prevent and restrain the unauthorized use or disclosure of any materials created by or for HART that are based upon any of the HBIO Materials as it uses for its other confidential Information of a like nature, but in no event less than a reasonable degree of care. HART will allow HBIO reasonable access to personnel and information as reasonably necessary to determine HART's compliance with the provisions set forth above; *provided, however*, such access shall not unreasonably interfere with any of the business or operations of HART. Subject to Section 9.01, in the event that HBIO determines that HART has not materially complied with some or all of its obligations with respect to any or all of the HBIO Materials, and such failure to comply shall continue uncured for a period of thirty (30) days after receipt by HART of a written notice of such failure from HBIO, HBIO may terminate HART's rights with respect to such HBIO Materials upon written notice to HART and, in such case, HBIO shall be entitled to require such HBIO Materials to be returned to HBIO or destroyed and any materials created by or for HART that are based upon such HBIO Materials to be destroyed (with such destruction certified by HART in writing to HBIO promptly after such termination).

(b) If HART determines to cease to avail itself of any of the HBIO Materials or upon expiration or termination of any period during which HART is permitted to use any of the HBIO Materials, HBIO and HART shall cooperate in good faith to take reasonable and appropriate actions to effectuate such determination, expiration or termination, to arrange for the return to HBIO or destruction of such HBIO Materials and to protect HBIO's rights and interests in such HBIO Materials.

ARTICLE IV
OTHER ARRANGEMENTS

Section 4.01. Software and Software Licenses.

(a) If and to the extent requested by HART, HBIO shall use commercially reasonable efforts to assist HART in its efforts to obtain licenses (or other appropriate rights) to use, duplicate and distribute, as necessary and applicable, certain computer software necessary for HBIO to provide, or HART to receive, HBIO Services (which shall include providing HART the opportunity to receive a copy of, or participate in, any communication between HBIO and the applicable third-party licensor in connection therewith); *provided, however*, that HBIO and HART shall identify the specific types and quantities of any such software licenses; *provided*, *further*, that HBIO shall not be required to pay any fees or other payments or incur any obligations or liabilities to enable HART to obtain any such license or rights; *provided*, *further*, that HBIO shall not be required to seek broader rights or more favorable terms for HART than those applicable to HBIO or HART, as the case may be, prior to the date of this Agreement or as may be applicable to HBIO from time to time hereafter; and, *provided*, *further*, that HART shall bear only those costs that relate solely and directly to obtaining such licenses (or other appropriation rights) in the ordinary course. The Parties acknowledge and agree that there can be no assurance that HBIO's efforts will be successful or that HART will be able to obtain such licenses or rights on acceptable terms or at all and, where HBIO enjoys rights under any enterprise or site license or similar license, the Parties acknowledge that such license typically precludes partial transfers or assignments or operation of a service bureau on behalf of unaffiliated entities. In the event that HART is unable to obtain such software licenses, the Parties shall work together using commercially reasonable efforts to obtain an alternative software license to allow HBIO to provide, or HART to receive, such HBIO Services, and the Parties shall negotiate in good faith an amendment to the applicable Schedule to reflect any such new arrangement, which amended Schedule shall not require HART to pay for any fees, expenses or costs relating to the software license that HART was unable to obtain pursuant to the provisions of this Section 4.01(a).

(b) If and to the extent requested by HBIO, HART shall use commercially reasonable efforts to assist HBIO in its efforts to obtain licenses (or other appropriate rights) to use, duplicate and distribute, as necessary and applicable, certain computer software necessary for HART to provide, or HBIO to receive, HART Services (which assistance shall include providing HBIO the opportunity to receive a copy of, or participate in, any communication between HART and the applicable third party licensor in connection therewith); *provided*, *however*, that HBIO and HART shall identify the specific types and quantities of any such software licenses; *provided, further,* that HART shall not be required to pay any fees or other payments or incur any obligations or liabilities to enable HBIO to obtain any such license or rights; *provided, further*, that HART shall not be required to seek broader rights or more favorable terms for HBIO than those applicable to HBIO or HART, as the case may be, prior to the date of this Agreement or as may be applicable to HART from time to time hereafter; and, *provided, further*, that HBIO shall bear only those costs that relate solely and directly to obtaining such licenses (or other appropriation rights) in the ordinary course. The Parties acknowledge and agree that there can be no assurance that HART's efforts will be successful or that HBIO will be able to obtain such licenses or rights on acceptable terms or at all and, where HART enjoys rights under any enterprise or site license or similar license, the Parties acknowledge that such license typically precludes partial transfers or assignments or operation of a service bureau on behalf of unaffiliated entities. In the event that HBIO is unable to obtain such software licenses, the Parties shall work together using commercially reasonable efforts to obtain an alternative software license to allow HART to provide, or HBIO to receive, such HART Services, and the Parties shall negotiate in good faith an amendment to the applicable Schedule to reflect any such new arrangement, which amended Schedule shall not require HBIO to pay for any fees, expenses or costs relating to the software license that HBIO was unable to obtain pursuant to the provisions of this Section 4.01(b).

(c) In the event that there are any costs associated with obtaining software licenses in accordance with Section 4.01 that (i) would not be payable in the ordinary course in connection with a third-party demand to resolve an issue that is unrelated to the Recipient or the license that the Recipient is seeking to obtain, and (ii) would not have been payable by the Recipient absent the need for a consent or waiver in connection with the license that the Recipient is seeking to obtain, such costs shall be split 50/50 between the Provider and the Recipient.

(d) For the avoidance of doubt, the terms of this Section 4.01 shall apply only to commercially available software obtained by the Parties in the ordinary course of business.

ARTICLE V
ADDITIONAL AGREEMENTS

Section 5.01. HBIO Computer-Based and Other Resources. From and after the date of this Agreement, HART and its Affiliates shall cause all of their personnel having access to the HBIO Intranet or such other computer software, networks, hardware, technology or computer based resources pursuant to the Separation Agreement, or any Ancillary Agreement, or in connection with performance, receipt or delivery of a Service, to comply with all security guidelines (including physical security, network access, internet security, confidentiality and personal data security guidelines) of HBIO and its Affiliates (of which HBIO provides HART notice). HART shall ensure that the access contemplated by this Section 5.01 shall be used by such personnel only for the purposes contemplated by, and subject to the terms of, this Agreement.

Section 5.02. Access to Facilities.

(a) HART shall, and shall cause its Subsidiaries to, allow HBIO and its Representatives reasonable access to the facilities of HART necessary for HBIO to fulfill its obligations under this Agreement.

(b) HBIO shall, and shall cause its Subsidiaries to, allow HART and its Representatives reasonable access to the facilities of HBIO necessary for HART to fulfill its obligations under this Agreement.

Notwithstanding the other rights of access of the Parties under this Agreement, each Party shall, and shall cause its Subsidiaries to, afford the other Party, its Subsidiaries and Representatives, following not less than five (5) business days' prior written notice from the other Party, reasonable access during normal business hours to the facilities, information, systems, infrastructure, and personnel of the relevant Providers as reasonably necessary for the other Party to verify the adequacy of internal controls over information technology, reporting of financial data and related processes employed in connection with the Services, including in connection with verifying compliance with Section 404 of the Sarbanes-Oxley Act of 2002; *provided, however*, such access shall not unreasonably interfere with any of the business or operations of such Party or its Subsidiaries.

(c) Except as otherwise permitted by the other Party in writing, each Party shall permit only its authorized Representatives, contractors, invitees or licensees to access the other Party's facilities.

5.03 Cooperation. It is understood that it will require the significant efforts of both Parties to implement this Agreement and to ensure performance of this Agreement by the Parties at the agreed upon levels in accordance with all of the terms and conditions of this Agreement. The Parties will cooperate, acting in good faith and using commercially reasonable efforts, to effect a smooth and orderly transition of the Services provided under this Agreement from the Provider to the Recipient (including repairs & maintenance Services and the assignment or transfer of the rights and obligations under any third-party contracts relating to the Services); *provided, however*, that this Section 5.03 shall not require either Party to incur any out-of-pocket costs or expenses unless and except as expressly provided in this Agreement or otherwise agreed to in writing by the Parties.

ARTICLE VI
COSTS AND DISBURSEMENTS

Section 6.01. Costs and Disbursements. (a) Except as otherwise provided in this Agreement or in the Schedules to this Agreement, a Recipient of Services shall pay to the Provider of such Services a monthly fee for the Services (or category of Services, as applicable) (each fee constituting a "Service Charge" and, collectively, "Service Charges"), which Service Charges shall be agreed to by the Parties from time to time and generally determined in a manner consistent with the methodology used by HBIO for assessing fees with respect to the HART Business; provided further that to the extent the Service Charge for a particular Service is accrued on an hourly basis, such Service Charge shall be paid monthly by the Recipient and include the aggregate amount of the hourly charges for the immediate preceding month. During the term of this Agreement, the amount of a Service Charge for any Services (or category of Services, as applicable) may increase to the extent of: (i) any increases mutually agreed to by the Parties, (ii) any Service Charges applicable to any Additional Services or New Services, and (iii) any increase in the rates or charges imposed by any third-party provider that is providing Services. Together with any monthly invoice for Service Charges, the Provider shall provide the Recipient with documentation to support the calculation of such Service Charges.

(b) Recipient shall reimburse Provider for all reasonable out-of-pocket costs and expenses incurred by Provider or its Affiliates in connection with providing the Services to the extent that such costs and expenses are not reflected in the Service Charge for such Services; *provided, however*, that any such cost or expense not consistent with historical practice between the Parties and exceeding $2,500 per month, for any Service (including business travel and related expenses) shall require advance approval of the Recipient. Any authorized travel-related expenses incurred in performing the Services shall be incurred and charged to Recipient in accordance with Provider's then applicable business travel policies.

(c) The Recipient shall pay the amount of each such invoice by wire transfer (or such other method of payment as may be agreed between the Parties) to the Provider within thirty (30) days of the receipt of each such invoice, including appropriate documentation as described herein, as instructed by the Provider. In the absence of a timely notice of billing dispute in accordance with the provisions of Article IX of this Agreement, if the Recipient fails to pay such amount by the due date, the Recipient shall be obligated to pay to the Provider, in addition to the amount due, interest at an annual default interest rate of three percent (3%), or the maximum legal rate whichever is lower (the "Interest Payment"), accruing from the date the payment was due through the date of actual payment.

(d) Subject to the confidentiality provisions set forth in Section 11.03, each Party shall, and shall cause their respective Affiliates to, provide, upon ten (10) days' prior written notice from the other Party, any information within such Party's or its Affiliates' possession that the requesting Party reasonably requests in connection with any Services being provided to such requesting Party by an unaffiliated third-party provider, including any applicable invoices, agreements documenting the arrangements between such third-party provider and the Provider and other supporting documentation; *provided, however*, that each Party shall make no more than one such request during any fiscal quarter.

Section 6.02. Taxes. (a) Without limiting any provisions of this Agreement, the Recipient shall bear any and all sales, use, transaction and transfer taxes and other similar charges (and any related interest and penalties) imposed on, or payable with respect to, any fees or charges, including any Service Charges, payable by it pursuant to this Agreement; *provided, however*, that any applicable gross receipts taxes shall be borne by the Provider unless the Provider is required by law to obtain, or allowed to separately invoice for and obtain, reimbursement of such taxes from the Recipient.

(b) Notwithstanding anything to the contrary in this Section 6.02, or elsewhere in this Agreement, the Recipient shall be entitled to withhold from any payments to the Provider any such taxes that Recipient is required by law to withhold and shall pay over such taxes to the applicable taxing authority.

ARTICLE VII
STANDARD FOR SERVICE

Section 7.01. Standard for Service. Except where the Provider is restricted by an existing contract with a third party or by Law, the Provider agrees (i) to perform the Services with substantially the same nature, quality, standard of care and service levels at which the same or similar services were performed by or on behalf of the Provider prior to the Distribution Date or, if not so previously provided, then substantially similar to that which are applicable to similar services provided to the Provider's Affiliates or other business components; (ii) upon receipt of written notice from the Recipient identifying any outage, interruption or other failure of any Service, to respond to such outage, interruption or other failure of any Service in a manner that is substantially similar to the manner in which such Provider or its Affiliates responded to any outage, interruption or other failure of the same or similar services prior to the Distribution Date. The Parties acknowledge that an outage, interruption or other failure of any Service shall not be deemed to be a breach of the provisions of this Section 7.01 so long as the applicable Provider complies with the foregoing clause (ii). As of, or following, the date of this Agreement, if the Provider is or becomes aware of any restriction on the Provider by an existing contract with a third-party that would restrict the nature, quality, standard of care or service levels applicable to delivery of the Services to be provided by the Provider to the Recipient, the Provider shall promptly notify the Recipient of any such restriction (which notice shall in any event precede any change to, or reduction in, the nature, quality, standard of care or service levels applicable to delivery of the Services resulting from such restriction) and use commercially reasonable efforts in good faith to provide such Services in a manner as closely as possible to the standards described in this Section 7.01, and the Parties shall negotiate in good faith an amendment to the applicable Schedule to reflect any such new arrangement.

Section 7.02. Disclaimer of Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE PARTIES ACKNOWLEDGE AND AGREE THAT THE SERVICES ARE PROVIDED AS-IS, THAT THE RECIPIENTS ASSUME ALL RISKS AND LIABILITY ARISING FROM OR RELATING TO ITS USE OF AND RELIANCE UPON THE SERVICES AND EACH PROVIDER MAKES NO REPRESENTATION OR WARRANTY WITH RESPECT THERETO. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, PROVIDERS HEREBY EXPRESSLY DISCLAIM ALL REPRESENTATIONS AND WARRANTIES REGARDING THE SERVICES, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY REPRESENTATION OR WARRANTY IN REGARD TO QUALITY, PERFORMANCE, NONINFRINGEMENT, COMMERCIAL UTILITY, MERCHANTABILITY OR FITNESS OF THE TRANSITION SERVICES FOR A PARTICULAR PURPOSE.

Section 7.03. Compliance with Laws and Regulations. Each Party shall be responsible for its own compliance with any and all Laws applicable to its performance under this Agreement. No Party will knowingly take any action in violation of any such applicable Law that results in Liability being imposed on the other Party.

ARTICLE VIII
LIMITED LIABILITY AND INDEMNIFICATION

Section 8.01. Consequential and Other Damages. Notwithstanding anything to the contrary contained in the Separation Agreement, any other Ancillary Agreement or this Agreement, except with respect to its obligations to provide indemnity under Section 8.04, the Provider shall not be liable to the Recipient or any of its Affiliates or Representatives, whether in contract, tort (including negligence and strict liability) or otherwise, at law or equity, for any special, indirect, incidental, punitive or consequential damages whatsoever (including lost profits or damages calculated on multiples of earnings approaches), which in any way arise out of, relate to or are a consequence of, the performance or nonperformance by the Provider (including any Affiliates and Representatives of the Provider and any third-party providers, in each case, providing the applicable Services) under this Agreement or the provision of, or failure to provide, any Services under this Agreement, including with respect to loss of profits, business interruptions or claims of customers.

Section 8.02. Limitation of Liability. Except with respect to its obligations to provide indemnity under Section 8.04, the Liabilities of each Provider and its Affiliates and Representatives, collectively, under this Agreement for any act or failure to act in connection herewith (including the performance or breach of this Agreement), or from the sale, delivery, provision or use of any Services provided under or contemplated by this Agreement, whether in contract, tort (including negligence and strict liability) or otherwise, shall not exceed the total aggregate Service Charges (excluding any third-party costs and expenses included in such Service Charges) actually paid to such Provider by the Recipient pursuant to this Agreement.

Section 8.03. Obligation To Reperform; Liabilities. In the event of any breach of this Agreement by any Provider with respect to the provision of any Services (with respect to which the Provider can reasonably be expected to re-perform in a commercially reasonable manner), the Provider shall (a) promptly correct in all material respects such error, defect or breach or re-perform in all material respects such Services at the request of the Recipient and at the sole cost and expense of the Provider and (b) subject to the limitations set forth in Sections 8.01 and 8.02, reimburse the Recipient and its Affiliates and Representatives for Liabilities attributable to such breach by the Provider. The remedy set forth in this Section 8.03 shall be the sole and exclusive remedy of the Recipient for any such breach of this Agreement, except to the extent that Provider is also required to indemnify any Recipient Indemnified Party pursuant to Section 8.04 as a result of such breach. Any request for re-performance in accordance with this Section 8.03 by the Recipient must be in writing and specify in reasonable detail the particular error, defect or breach, and such request must be made no more than one (1) month from the date that Recipient became aware that such breach occurred.

Section 8.04. Provider Indemnity. Each Provider hereby agrees to indemnify, defend and hold harmless each applicable Recipient and its Affiliates and Representatives (each a "Recipient Indemnified Party"), from and against any and all Liabilities from third-party claims brought against a Recipient Indemnified Party arising from, relating to, or in connection with the provision of any Services by such Provider or any of its Affiliates, Representatives or other Persons providing such Services pursuant to or contemplated by this Agreement, except to the extent that such Liabilities arise out of, relate to or are a consequence of the applicable Recipient's bad faith, gross negligence or willful misconduct.

Section 8.05. Recipient Indemnity. Each Recipient hereby agrees to indemnify, defend and hold harmless each applicable Provider and its Affiliates and Representatives (each a "Provider Indemnified Party"), from and against any and all Liabilities from third-party claims brought against a Provider Indemnified Party arising from, relating to, or in connection with the negligence, or intentional or willful misconduct of Recipient or any of its Affiliates, Representatives or other Persons in their use of any Services pursuant to or contemplated by this Agreement, except to the extent that such Liabilities arise out of, relate to or are a consequence of the applicable Provider's bad faith, gross negligence or willful misconduct.

Section 8.06. Indemnification Procedures. The applicable provisions of Article V of the Separation Agreement shall govern the procedure for claims for indemnification under this Agreement.

Section 8.07. Liability for Payment Obligations. Nothing in this Article VIII shall be deemed to eliminate or limit, in any respect, HBIO's or HART's express obligation in this Agreement to pay Termination Charges or Service Charges for Services rendered in accordance with this Agreement.

Section 8.08. Exclusion of Other Remedies. The provisions of Sections 8.03, 8.04, and 8.05 of this Agreement shall be the sole and exclusive remedies of the Recipient Indemnified Parties and Provider Indemnified Parties, as applicable, for any claim, loss, damage, expense or liability, whether arising from statute, principle of common or civil law, principles of strict liability, tort, contract or otherwise under this Agreement.

ARTICLE IX
DISPUTE RESOLUTION

Section 9.01. Dispute Resolution.

(a) In the event of any dispute, controversy or claim arising out of or relating to the transactions contemplated by this Agreement, or the validity, interpretation, breach or termination of any provision of this Agreement, or calculation or allocation of the costs of any Service, including claims seeking redress or asserting rights under any Law (each, a "Dispute"), HBIO and HART agree that the HBIO Services Manager and the HART Services Manager (or such other persons as HBIO and HART may designate) shall negotiate in good faith in an attempt to resolve such Dispute amicably. If such Dispute has not been resolved to the mutual satisfaction of HBIO and HART within thirty (30) days after the initial written notice of the Dispute (or such longer period as the Parties may agree), then such Dispute shall be resolved in accordance with the dispute resolution process referred to in Article IX of the Separation Agreement; *provided*, *however*, that such dispute resolution process shall not modify or add to the remedies available to the Parties under this Agreement. Nothing in this Article IX will prevent either HBIO or HART from seeking injunctive relief if any delay resulting from the efforts to resolve the Dispute through the procedures set forth in Article IX of the Separation Agreement could result in serious and irreparable injury to either company.

(b) In any Dispute regarding the amount of a Service Charge, if such Dispute is finally resolved pursuant to the dispute resolution process set forth or referred to in Section 9.01(a) and it is determined that the Service Charge that the Provider has invoiced the Recipient, and that the Recipient has paid to the Provider, is greater or less than the amount that the Service Charge should have been, then (a) if it is determined that the Recipient has overpaid the Service Charge, the Provider shall within five (5) business days after such determination reimburse the Recipient an amount of cash equal to such overpayment, plus the Interest Payment, accruing from the date of payment by the Recipient to the time of reimbursement by the Provider; and (b) if it is determined that the Recipient has underpaid the Service Charge, the Recipient shall within five (5) business days after such determination reimburse the Provider an amount of cash equal to such underpayment, plus the Interest Payment, accruing from the date such payment originally should have been made by the Recipient to the time of payment by the Recipient.

ARTICLE X
TERM AND TERMINATION

Section 10.01. Term and Termination. (a) This Agreement shall commence immediately upon the Distribution Date and shall terminate upon the earlier to occur of: (i) the last date on which either Party is obligated to provide any Service to the other Party in accordance with the terms of this Agreement or (ii) the mutual written agreement of the Parties to terminate this Agreement in its entirety.

(b) A Recipient may from time to time terminate this Agreement with respect to the entirety of any individual Service but not a portion thereof:

(i) for any reason or no reason, upon providing at least thirty (30) days' prior written notice to the Provider; or

(ii) without prejudice to a Recipient's rights with respect to a *Force Majeure*, if the Provider of such Service has failed to perform any of its material obligations under this Agreement with respect to such Service, and such failure shall continue to exist thirty (30) days after receipt by the Provider of written notice of such failure from the Recipient.

A Provider may terminate this Agreement with respect to one or more Services, in whole but not in part, at any time upon prior written notice to the Recipient if the Recipient has failed to perform any of its material obligations under this Agreement relating to such Services, including making payment of Service Charges when due, and such failure shall continue uncured for a period of thirty (30) days after receipt by the Recipient of a written notice of such failure from the Provider. The relevant Schedule shall be updated to reflect any terminated Service. In the event that any Service is terminated other than at the end of a month, the Service Charge associated with such Service shall be pro-rated appropriately. The Parties acknowledge that there may be interdependencies among the Services being provided under this Agreement that are not identified on the applicable Schedules and agree that, if the Provider's ability to provide a particular Service in accordance with this Agreement is materially and adversely affected by the termination of another Service in accordance with Section 10.01(b)(i) prior to the expiration of the period of the maximum duration for such Service, then the Parties shall negotiate in good faith to amend the Schedule relating to such impacted continuing Service, which amendment shall be consistent with the terms of, and the pricing methodology used for, comparable Services.

(c) A Recipient may from time to time request a reduction in part of the scope or amount of any Service that is identified on the applicable Schedule as being subject to the provisions of this Section 10.01(c). If requested to do so by Recipient, the Provider agrees to discuss in good faith appropriate reductions to the relevant Service Charges in light of all relevant factors including the costs and benefits to the Provider of any such reductions. If, after such discussions, the Recipient and the Provider do not agree to any requested reduction of the scope or amount of any Service and the relevant Service Charges in connection therewith, then there shall be no change to the scope or amount of any Services or Service Charges under this Agreement. In the event that a Recipient and a Provider agree to any reduction of a Service and the relevant Service Charges, the relevant Schedule shall be updated to reflect such reduced Service. Each amended Schedule, as agreed to in writing by the Parties, shall be deemed part of this Agreement as of the date of such agreement and any such reduced Service shall be deemed "Services" provided under this Agreement, in each case subject to the terms and conditions of this Agreement. In the event that any Service is reduced other than at the end of a month, the Service Charge associated with such Service for the month in which such Service is reduced shall be pro-rated appropriately.

(d) In connection with the termination of any Service other than the Services identified on the Schedules as not being subject to the provisions of this Section 10.01(d), if the Recipient reasonably determines that it will require such Service to continue beyond the date on which such Service is scheduled to terminate (either in accordance with any termination notice provided pursuant to Section 10.01(b)(i) or the termination date specified in the applicable Schedule), the Recipient may request the other Provider to extend such Service for a specified period beyond the scheduled termination of such Service (which period shall in no event be longer than ninety (90) days, a "Service Extension") by written notice to the Provider no less than thirty (30) days prior to the date of such scheduled termination, and the Provider shall use commercially reasonable efforts to comply with such Service Extension; *provided, however*, that (i) there shall be no more than one (1) Service Extension with respect to each Service and (ii) the Provider shall not be obligated to provide such Service Extension if a third-party consent is required and cannot be obtained by the Provider following reasonable efforts to obtain the same. Within five (5) days following either Party's receipt of a written notice requesting a Service Extension, the HBIO Services Manager and the HART Services Manager shall in good faith (x) negotiate the terms of an amendment to the applicable Schedule, which amendment shall be consistent with the terms of, and the pricing methodology used for, the applicable Service, and (y) determine the costs and expenses (which shall not include any Service Charges payable under this Agreement), if any, that would be incurred by the Provider or the Recipient, as the case may be, in connection with the provision of such Service Extension, which costs and expenses shall be borne solely by the Party requesting the Service Extension. Each amended Schedule, as agreed to in writing by the Parties, shall be deemed part of this Agreement as of the date of such agreement and any Services provided pursuant to such Service Extensions shall be deemed "Services" provided under this Agreement, in each case subject to the terms and conditions of this Agreement.

Section 10.02. Effect of Termination. Upon termination of any Service pursuant to this Agreement, the Provider of the terminated Service will have no further obligation to provide the terminated Service, and the relevant Recipient will have no obligation to pay any future Service Charges relating to any such Service; *provided, however*, that the Recipient shall remain obligated to the relevant Provider for the Service Charges owed and payable in respect of Services provided prior to the effective date of termination. In connection with termination of any Service, the provisions of this Agreement not relating solely to such terminated Service shall survive any such termination, and in connection with a termination of this Agreement, Article I, Article VIII (including liability in respect of any indemnifiable Liabilities under this Agreement arising or occurring on or prior to the date of termination), Article IX, Article X, Article XI, all confidentiality obligations under this Agreement and liability for all due and unpaid Service Charges, shall continue to survive indefinitely.

Section 10.03. Force Majeure. (a) Neither Party shall be deemed to be in default of this Agreement for failure to fulfill any obligation (other than a payment obligation) under this Agreement so long as and to the extent to which the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of *Force Majeure*; *provided, however*, that (i) such Party (or Person acting on its behalf) shall have exercised commercially reasonable efforts to minimize the effect of *Force Majeure* on its obligations; and (ii) the nature, quality and standard of care that the Provider shall provide in delivering a Service after a *Force Majeure* shall be substantially the same as the nature, quality and standard of care that the Provider provides to its Affiliates and its other business components with respect to such Service. In the event of an occurrence of a *Force Majeure*, the Party whose performance is affected thereby shall give notice of suspension as soon as reasonably practicable to the other stating the date and extent of such suspension and the cause thereof, and such Party shall resume the performance of such obligations as soon as reasonably practicable after the removal of such cause.

(b) During the period of a *Force Majeure*, the Recipient shall be entitled to seek an alternative service provider with respect to such Service(s) and shall be entitled to permanently terminate such Service(s) (and shall be relieved of the obligation to pay Service Charges for such Services(s) throughout the duration of such *Force Majeure*) if a *Force Majeure* shall continue to exist for more than fifteen (15) consecutive days, it being understood that Recipient shall not be required to provide any advance notice of such termination to Provider.

ARTICLE XI
GENERAL PROVISIONS

Section 11.01. No Agency. Nothing in this Agreement shall be deemed in any way or for any purpose to constitute any party an agent of another unaffiliated party in the conduct of such other party's business. A Provider of any Service under this Agreement shall act as an independent contractor and not as the agent of the Recipient in performing such Service, maintaining control over its employees, its subcontractors and their employees and complying with all withholding of income at source requirements, whether federal, state, local or foreign.

Section 11.02. Subcontractors. A Provider may hire or engage one or more subcontractors to perform any or all of its obligations under this Agreement; *provided, however*, that (i) such Provider shall use the same degree of care in selecting any such subcontractor as it would if such contractor was being retained to provide similar services to the Provider and (ii) such Provider shall in all cases remain primarily responsible for all of its obligations under this Agreement with respect to the scope of the Services, the standard for services as set forth in Article VII and the content of the Services provided to the Recipient.

Section 11.03. Treatment of Information.

(a) Each Party shall, and shall cause all other persons providing or receiving Services or having access to Information of the other Party to, (i) maintain the confidentiality of the disclosing Party's Information in accordance with Article VII of the Separation Agreement, and (ii) comply with all other applicable provisions of Article VII of the Separation Agreement in the performance of its duties and obligations under this Agreement.

(b) Each Party shall comply with all applicable state, federal and foreign privacy and data protection Laws that are or that may in the future be applicable to the provision of Services under this Agreement.

Section 11.04. Further Assurances. Each Party covenants and agrees that, without any additional consideration, it shall execute and deliver any further legal instruments and perform any acts that are or may become necessary to effectuate this Agreement.

Section 11.05. Notices. Except with respect to routine communications by the HBIO Services Manager and HART Services Manager under Section 2.05, all notices, requests, claims, demands and other communications under this Agreement shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, by facsimile or electronic transmission with receipt confirmed (followed by delivery of an original via overnight courier service) or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 11.05):

(i) if to HBIO:

Harvard Bioscience, Inc.
84 October Hill Road
Holliston, Massachusetts 01746
Attention: Chief Financial Officer

(ii) if to HART:

Harvard Apparatus Regenerative Technology, Inc.
84 October Hill Road
Holliston, Massachusetts 01746
Attention: Chief Financial Officer

Section 11.06. Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced under any Law or as a matter of public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated by this Agreement is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

Section 11.07. Entire Agreement. Except as otherwise expressly provided in this Agreement, this Agreement, the Separation Agreement and the other Ancillary Agreements constitute the entire agreement of the Parties with respect to the subject matter of this Agreement and supersede all prior agreements and undertakings, both written and oral, between or on behalf of the Parties with respect to the subject matter of this Agreement.

Section 11.08. No Third-Party Beneficiaries. Except as provided in Article VIII with respect to Provider Indemnified Parties and Recipient Indemnified Parties, this Agreement is for the sole benefit of the Parties and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person, including any union or any employee or former employee of HBIO or HART, any legal or equitable right, benefit or remedy of any nature whatsoever, including any rights of employment for any specified period, under or by reason of this Agreement.

Section 11.09. Governing Law. This Agreement (and any claims or disputes arising out of or related to this Agreement or to the transactions contemplated by this Agreement or to the inducement of any Party to enter into this Agreement or the transactions contemplated by this Agreement, whether for breach of contract, tortious conduct or otherwise and whether predicated on common law, statute or otherwise) shall in all respects be governed by, and construed in accordance with, the Laws of the Commonwealth of Massachusetts, including all matters of construction, validity and performance, in each case without reference to any conflict of Law rules that might lead to the application of the Laws of any other jurisdiction.

Section 11.10. Amendment. No provision of this Agreement, including any Schedules to this Agreement, may be amended, supplemented or modified except by a written instrument making specific reference to this Agreement or any such Schedules to this Agreement, as applicable, signed by all the Parties.

Section 11.11. Rules of Construction. Interpretation of this Agreement shall be governed by the following rules of construction: (a) words in the singular shall be held to include the plural and vice versa, and words of one gender shall be held to include the other gender as the context requires; (b) references to the terms Article, Section, paragraph and Schedule are references to the Articles, Sections, paragraphs and Schedules of this Agreement unless otherwise specified; (c) references to "$" shall mean U.S. dollars; (d) the word "including" and words of similar import when used in this Agreement shall mean "including without limitation," unless otherwise specified; (e) the word "or" shall not be exclusive; (f) references to "written" or "in writing" include in electronic form; (g) provisions shall apply, when appropriate, to successive events and transactions; (h) the headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement; (i) HBIO and HART have each participated in the negotiation and drafting of this Agreement and if an ambiguity or question of interpretation should arise, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or burdening either Party by virtue of the authorship of any of the provisions in this Agreement or any interim drafts of this Agreement; (j) a reference to any Person includes such Person's successors and permitted assigns; (k) any reference to "days" means calendar days unless business days are expressly specified; and (l) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded, if the last day of such period is not a business day, the period shall end on the next succeeding business day.

Section 11.12. Counterparts. This Agreement may be executed in one or more counterparts, and by each Party in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or portable document format (PDF) shall be as effective as delivery of a manually executed counterpart of this Agreement.

Section 11.13. Assignability. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and thereto, respectively, and their respective successors and permitted assigns; provided, however, that no Party hereto or thereto may assign its respective rights or delegate its respective obligations under this Agreement without the express prior written consent of the other Party hereto (which consent may be withheld in such Party's sole and absolute discretion) and any assignment or attempted assignment in violation of the foregoing will be null and void. Notwithstanding the preceding sentence, a Party may assign this Agreement in connection with a merger transaction in which such Party is not the surviving entity or the sale by such Party of all or substantially all of its Assets, and upon the effectiveness of such assignment the assigning Party shall be released from all of its obligations under this Agreement if the surviving entity of such merger or the transferee of such Assets shall agree in writing, in form and substance reasonably satisfactory to the other Party, to be bound by all terms of this Agreement as if named as a "Party" hereto. Any and all costs and expenses incurred by either Party in connection with such assignment referenced in the prior sentence shall be borne solely by the assigning Party

Section 11.14. Waiver of Jury Trial. EACH PARTY TO THIS AGREEMENT WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY (I) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER; AND (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTY TO THIS AGREEMENT HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER TRANSACTION AGREEMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 11.14.

Section 11.15. Non-Recourse. No past, present or future director, officer, employee, incorporator, member, partner, stockholder, Affiliate, agent, attorney or representative of either HBIO or HART or their Affiliates shall have any liability for any obligations or liabilities of HBIO or HART, respectively, under this Agreement or for any claims based on, in respect of, or by reason of, the transactions contemplated by this Agreement.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the date first written above by their respective duly authorized officers.

Harvard Bioscience, Inc.

By: /s/ Jeffrey A. Duchemin
Name: Jeffrey A. Duchemin
Title: Chief Executive Officer

Harvard Apparatus Regenerative Technology, Inc.

By: /s/ David Green
Name: David Green
Title: Chief Executive Officer

Schedule A
HBIO Services

Unless otherwise specified below, upon the request of HART, for the periods commencing on the Distribution Date and ending on the respective end-dates specified below, Harvard Bioscience, Inc. ("HBIO") will provide the following services to Harvard Apparatus Regenerative Technology, Inc. ("HART"), at the monthly Service Charge described in Article VI of this Agreement, with such increases or reductions thereto, or such additional fees and expenses, as may be agreed upon by the parties.

SERVICE	DESCRIPTION OF SERVICE	CHARGES AFTER DISTRIBUTION DATE	END DATE
Information Technology			
Network Access	HBIO Intranet on HBIO Servers and internet access on fiber optic line	If HART continues to use HBIO systems and support, it will be charged for fully loaded staff time based on time spent and a percentage of license and maintenance fees reflective of the number of users. Another fee for infrastructure allocation (servers, lines, IT room, etc.) will also have to be charged.	One Year After Distribution Date
Email	HBIO Servers with Minecast Security, Annual Licenses & Maint. Fees		
ERP	Old Version of MK from Infor, Annual Licenses & Maint. Fees		
CRM	Old Version of Goldmine, Annual Licenses & Maint. Fees		
Financial Reporting	Clarity, Annual License & Maint. Fees		
Desktop Support, Report Writing	Service Provided by HBIO Staff		
Paper, Toner, Copiers, Printers, Supplies, Laptops, Desktops	HART employees use various copiers, printers and computers and related supplies. We will transfer all laptops, desktops, phones used by HART employees to HART.	HBIO will charge HART for all supplies requisitioned by HART employees and will pass on any rental/maintenance fees. These will all be itemized on a monthly invoice.	One Year After Distribution Date
Phones			
Switchboard	All calls to main lines handled by receptionist.	If HART continues to use these services, the expenses will be itemized and charged on a monthly basis.	One Year After Distribution Date

Accounting			
G/L, Payables, A/R, Collection, Credit, Inventory Processing, Cash Management, Audit, Reporting, Tax	Accounting administration assistance.	Will charge fully loaded staff time.	One Year After Distribution Date
Payroll and Benefit Admin	HBIO's subsidiary employees re: HART in Germany and Sweden will provide services for HART until hired by HART's applicable subsidiaries	Will charge fully loaded staff time.	One Year After Distribution Date
Operations			
Shipping & Receiving	All handled by HBIO.	Will charge fully loaded cost based on time reported.	One Year After Distribution Date
Purchasing	HBIO employee purchasing all HART components.	Employee will become a HART employee or we will charge for time on a fully loaded basis.	One Year After Distribution Date
Engineering			
Electronics, Mechanical, Software, Documentation, Management	Employees hired for HART activities are charged to HART cost center.	Any shared HBIO employees will allocate their time and HART will be charged on a monthly basis their fully loaded cost.	One Year After Distribution Date
Equipment Use	Model Maker, Oscilliscope	Will charge for use on an hourly basis.	One Year After Distribution Date
Marketing			
Website Development & Maint.	Currently being handled by HBIO staff with content being provided by HART employees.	HART will be charged for all direct expenses and with a fully loaded cost for any HBIO staff time.	One Year After Distribution Date
Printed Materials, Mailings			
Electronic Marketing Campaigns			

Schedule B

HART Services

Unless otherwise specified below, upon the request of HBIO, for the periods commencing on the Distribution Date and ending on the respective end-dates specified below, HART will provide the following services to HBIO, at the monthly Service Charge described in Article VI of this Agreement, with such increases or reductions thereto, or such additional fees and expenses, as may be agreed upon by the parties.

SERVICE	DESCRIPTION OF SERVICE	CHARGES AFTER DISTRIBUTION DATE	END DATE
Management			
David Green and Tom McNaughton	Consulting services to assist HBIO in transition with respect to new chief executive officer and new chief financial officer	HBIO will be charged on a monthly basis for a fully loaded cost of such services.	On or before three (3) months from the Distribution Date.

Exhibit I
Services Managers

1. **Initial HART Services Manager:**
   Thomas McNaughton, Chief Financial Officer

2. **Initial HBIO Services Manager:**
   Walter DiGiusto, President - Harvard Apparatus

EXHIBIT 10.5

WAIVER RELATING TO AMENDED AND RESTATED EMPLOYMENT AGREEMENT BETWEEN

DAVID GREEN
AND
HARVARD BIOSCIENCE, INC.

This Waiver Relating to the Amended and Restated Employment Agreement between Harvard Bioscience, Inc. and David Green ("Waiver") is made as of this 31st day of October, 2013, between Harvard Bioscience, Inc., a Delaware corporation ("Company"), and David Green ("Executive").

WHEREAS, the Amended and Restated Employment Agreement between the Company and the Executive ("Employment Agreement") shall terminate upon the date that Harvard Bioscience, Inc. no longer beneficially owns at least 50% of the total voting power of Harvard Apparatus Regenerative Technology, Inc.'s ("HART") outstanding capital stock (the "Spin-Off"); and

WHEREAS, the Executive shall be employed by HART at the time of the Spin-Off; and

WHEREAS, the Company and Executive do not intend that the Executive's severance of employment with the Company, and his employment with HART at the time of the Spin-Off, should constitute a violation of any term of his Employment Agreement or a termination of the Executive's employment with the Company for good reason or cause,

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. At the time of the Spin-Off of HART, the Employment Agreement shall terminate and Executive's employment with the Company shall end and such event shall constitute neither a termination by the Company of Executive's employment for Cause under section 6(c) of the Employment Agreement, nor a termination by Executive of Executive's employment for Good Reason under section 6(e) of the Employment Agreement.

2. In connection with such termination of the Employment Agreement, the Company shall, through the date of such termination, pay Executive (i) his accrued and unpaid base salary at the rate in effect at the time of such termination plus (ii) his then accrued and unpaid incentive compensation, if any, plus (iii) whatever applicable law may require in such circumstances, and thereafter, the Company shall have no further obligations to Executive under the Employment Agreement, including any severance (which is hereby expressly released by the Executive), provided that for avoidance of doubt, such termination and this waiver shall not adversely affect or alter Executive's rights (i) as a stockholder of the Company, (ii) with respect to any indemnification obligation of the Company to the Executive, whether via an indemnification agreement, director & officer insurance, by-laws, charter or otherwise, or (iii) under any employee benefit plan of the Company in which Executive, at the time of such termination, has an interest or any rights under any awards under the Company's equity-based incentive plans held by Executive at the time of such termination (it being understood that for purposes of vesting in and/or exercisability of such Company awards held by the Executive, the terms of such awards have been amended or will be amended to provide that service for HART shall constitute service for the Company).

3. Executive’s services to and on behalf of HART after the Spin-Off, including in performing his role as an officer, director and employee of HART, shall not constitute a breach of Executive’s covenant not to compete under section 5 of the Employment Agreement and shall not in and of themselves, constitute a breach of any other duties the Executive may have to the Company.

4. Notwithstanding anything to the contrary contained herein, the terms of the Employment Agreement shall remain in full force and effect until terminated at the time of the Spin-Off as provided above.

So agreed by the Parties.

HARVARD BIOSCIENCE, INC.	**DAVID GREEN**
By: /s/ Jeffrey A. Duchemin Name: Jeffrey A. Duchemin Title: Chief Executive Officer	/s/ David Green
Date: October 31, 2013	**Date**: October 31, 2013

EXHIBIT 10.6

WAIVER RELATING TO EMPLOYMENT AGREEMENT BETWEEN

THOMAS MCNAUGHTON
AND
HARVARD BIOSCIENCE, INC.

This Waiver Relating to the Employment Agreement between Harvard Bioscience, Inc. and Thomas McNaughton ("Waiver") is made as of this 31st day of October, 2013, between Harvard Bioscience, Inc., a Delaware corporation ("Company"), and Thomas McNaughton ("Executive").

WHEREAS, the employment agreement between the Company and the Executive ("Employment Agreement") shall terminate upon the date that Harvard Bioscience, Inc. no longer beneficially owns at least 50% of the total voting power of Harvard Apparatus Regenerative Technology, Inc.'s ("HART") outstanding capital stock (the "Spin-Off"); and

WHEREAS, the Executive shall be employed by HART at the time of the Spin-Off; and

WHEREAS, the Company and Executive do not intend that the Executive's severance of employment with the Company, and his employment with HART at the time of the Spin-Off, should constitute a violation of any term of his Employment Agreement or a termination of the Executive's employment with the Company for good reason or cause,

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. At the time of the Spin-Off of HART, Executive's employment with the Company shall end and such event shall constitute neither a termination by the Company of Executive's employment for Cause under section 6(c) of the Employment Agreement, nor a termination by Executive of Executive's employment for Good Reason under section 6(e) of the Employment Agreement.

2. In connection with such termination of the Employment Agreement, the Company shall, through the date of such termination, pay Executive (i) his accrued and unpaid base salary at the rate in effect at the time of such termination plus (ii) his then accrued and unpaid incentive compensation, if any, plus (iii) whatever applicable law may require in such circumstances, and thereafter, the Company shall have no further obligations to Executive under the Employment Agreement, including any severance (which is hereby expressly released by the Executive), provided that for avoidance of doubt, such termination and this waiver shall not adversely affect or alter Executive's rights (i) as a stockholder of the Company, (ii) with respect to any indemnification obligation of the Company to the Executive, whether via an indemnification agreement, director & officer insurance, by-laws, charter or otherwise, or (iii) under any employee benefit plan of the Company in which Executive, at the time of such termination, has an interest or any rights under any awards under the Company's equity-based incentive plans held by Executive at the time of such termination (it being understood that for purposes of vesting in and/or exercisability of such Company awards held by the Executive, the terms of such awards have been amended or will be amended to provide that service for HART shall constitute service for the Company).

3. Executive's services to and on behalf of HART after the Spin-Off, including in performing his role as an officer, director and employee of HART, shall not constitute a breach of Executive's covenant not to compete under section 5 of the Employment Agreement and shall not in and of themselves, constitute a breach of any other duties the Executive may have to the Company.

4. Notwithstanding anything to the contrary contained herein, the terms of the Employment Agreement shall remain in full force and effect until terminated at the time of the Spin-Off as provided above.

So agreed by the Parties.

HARVARD BIOSCIENCE, INC.	**THOMAS MCNAUGHTON**
By: /s/ Jeffrey A. Duchemin Name: Jeffrey A. Duchemin Title: Chief Executive Officer	/s/ Thomas McNaughton
Date: October 31, 2013	**Date**: October 31, 2013

EXHIBIT 99.1

Harvard Bioscience Becomes Pure-Play Developer, Manufacturer and Marketer of Tools for Life Science Research

Spin-off of Harvard Apparatus Regenerative Technology Effective November 1, 2013

HOLLISTON, Mass., Nov. 4, 2013 (GLOBE NEWSWIRE) — Harvard Bioscience, Inc. (Nasdaq:HBIO) became a pure-play global developer, manufacturer and marketer of a broad range of tools to advance life science research on November 1, 2013. This development resulted as the previously announced spin-off of its former wholly owned regenerative medicine device subsidiary, Harvard Apparatus Regenerative Technology, or HART, was completed as of 12:01 a.m. on November 1, 2013.

The spin-off was achieved through the distribution to Harvard Bioscience's shareholders of one share of HART common stock for every four shares of Harvard Bioscience stock held at the close of business on the record date of October 21, 2013. As of November 1, 2013, each of Harvard Bioscience and HART began operating as independent public companies. Shares of HART will begin regular trading today on the NASDAQ Capital Market under the ticker symbol "HART." Harvard Bioscience's common stock will continue to trade on the NASDAQ Global Market under the ticker symbol "HBIO."

With single-minded focus, Harvard Bioscience is now well positioned to increase its industry presence with hospitals and research facilities worldwide. Currently, Harvard Bioscience products are sold to thousands of researchers in over 100 countries, primarily through its 850 page catalog, various other catalogs, its website, via its sales force and through brand name distributors including GE Healthcare, Thermo Fischer Scientific and VWR.

Jeffrey A. Duchemin, Chief Executive Officer of Harvard Bioscience, elaborated on this development: "The team at Harvard Bioscience will now be completely devoted to bolstering our core businesses, including our highly regarded instrument product line. With our initiatives unified in this way, we expect to continue the tradition of excellence and innovation which is our legacy."

In commenting on the departure of founder David Green, Mr. Duchemin said: "I would like to thank David Green for his stellar years of leadership at Harvard Bioscience as he leaves to take the leadership helm of Harvard Apparatus Regenerative Technology. David is the visionary who led Harvard Bioscience into its leadership position today within the life science and regenerative medicine tool and device sector. We all look forward to watching David's success as he continues to make dreams of regenerative medicine realities for the lives of those in need."

"We also wish Tom McNaughton our best wishes as he, too, joins Harvard Apparatus. Tom served us very well in his role as CFO and left us with excellent procedures and corporate policies which allow this to be a seamless transition," said Mr. Duchemin.

About Harvard Bioscience

Harvard Bioscience ("HBIO") is a global developer, manufacturer and marketer of a broad range of specialized products, primarily apparatus and scientific instruments, used to advance life science research and regenerative medicine. Our products are sold to thousands of researchers in over 100 countries primarily through our 850 page catalog (and various other specialty catalogs), our website, through distributors, including GE Healthcare, Thermo Fisher Scientific and VWR, and via our field sales organization. HBIO has sales and manufacturing operations in the United States, the United Kingdom, Germany, Sweden and Spain with additional facilities in France and Canada. For more information, please visit our website at www.harvardbioscience.com.

The Harvard Bioscience, Inc. logo is available at http://www.globenewswire.com/newsroom/prs/?pkgid=6426

Forward-Looking Statements

Some of the statements in this press release are "forward-looking" and are made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. These "forward-looking" statements include statements relating to, among other things, the success of the transition relating to the spin-off of HART, the availability of a market for the HART securities, and any commercialization efforts of Harvard Bioscience products as well as the success thereof. These statements involve risks and uncertainties, including among other things, market and other conditions that may cause results to differ materially from the statements set forth in this press release. There can be no assurance that such statements and information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements and information. The forward-looking statements in this press release speak only as of the date of this press release. Harvard Bioscience expressly disclaims any obligation or undertaking to release publicly any updates or revisions to such statements to reflect any change in its expectations with regard thereto or any changes in the events, conditions or circumstances on which any such statement is based.

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