

CONVERTIBLE PROMISSORY NOTE

THIS NOTE AND ANY SHARES OF STOCK ISSUABLE UPON THE CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THIS NOTE AND ANY SHARES OF STOCK ISSUABLE UPON THE CONVERSION HEREOF MAY NOT BE SOLD, OFFERED FOR SALE, MORTGAGED, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT COVERING THIS NOTE OR SUCH SHARES UNDER SAID ACT AND APPLICABLE STATE SECURITIES LAWS OR THE DELIVERY OF AN OPINION OF COUNSEL ACCEPTABLE TO EXPRO DX, INC. THAT SUCH REGISTRATION IS NOT REQUIRED. THIS NOTE IS ALSO SUBJECT TO RESTRICTIONS ON TRANSFER. SEE SECTION 6 BELOW.

COMPANY

Convertible Promissory Note

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Note No. 1

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This Convertible Promissory Note (this "Note") has been issued pursuant to Article 1 of the Note Purchase Agreement (the "Purchase Agreement") dated as of October 19, 2007, by and between **COMPANY**, a corporation (the "Company"), and the registered holder hereof (or such holder's predecessor-in-interest).

1. **Terms.** For value received, the Company hereby absolutely and unconditionally promises to pay to the order of **The University of Vermont and State Agricultural College** (the "Lender"), ON DEMAND AT ANY TIME AFTER <<date two years from execution>>(the "Maturity Date"), the principal amount of XXX Thousand Dollars (\$xxxxxx) and interest on the whole amount of said principal sum outstanding and remaining from time to time unpaid, commencing from the date hereof and continuing until payment in full of this Note or conversion as hereinafter provided, at an annual rate equal to six percent (6%). Interest shall be payable upon demand at any time after <<date two years from execution>> or upon conversion pursuant to Section 2 hereunder. Interest shall be computed on the basis of the actual number of days elapsed divided by 365. Principal and interest shall be payable in lawful money of the United States of America, at the principal place of business of the Lender or at such other place as the Lender may have designated from time to time in writing to the Company.

2. **Conversion.**

2.1 Effective as of the date on which the Company shall next consummate an offering and sale of shares of the Company's equity securities ("Equity Securities") in a "Qualifying Transaction" (as defined below), all of the then outstanding principal under this Note, together with all accrued and unpaid interest hereunder (the sum of such principal and such interest being hereinafter referred to as the "Amount Due and Payable"), shall be converted on such date into shares of the Equity Securities of the Company sold in the Qualifying Transaction at a price per share equal to ninety percent (90%) (a discount) of the lowest price per share of the Equity Securities sold in the Qualifying Transaction. The Company shall provide to the holder of this Note not less than thirty (30) days prior written notice of the contemplated closing for the Qualifying Transaction, describing in reasonable detail the material terms of such Equity Securities and of the issue and sale thereof (the "Qualifying Transaction Notice").

2.2 For purposes of this Note, the term "Qualifying Transaction" shall mean one transaction or a series of directly related transactions in the course of which the Company issues and sells Equity Securities to bona fide venture capital or strategic investors, the aggregate net proceeds of which are not less than XX Hundred Thousand Dollars (\$XXX,000), not including, for purposes of measuring attainment of such threshold, the principal amount of this Note or any other notes included in this series of note financing.

2.3 The shares of the Company's Equity Securities issuable to the Lender pursuant to this Section 2 shall be referred to as the "Shares." Upon the conversion of the Amount Due and Payable under this Note into the Shares as provided above in this Section 2, the Lender shall surrender this Note to the Company marked "paid in full," and upon such surrender the Company shall forthwith issue and deliver to the Lender, certificate(s) evidencing the Shares. No fractional share shall be issued upon such conversion. In lieu of any such fractional share, which would otherwise be issuable upon such conversion, the Company shall pay to the Lender a cash adjustment in respect thereof in an amount equal to the same fraction of that price attributable (as determined by the Company's Board of Directors) to such share of the Company's Equity Securities in the Qualifying Transaction.

3. **Prepayment.** This Note may not be prepaid in whole or in part at any time prior to the consummation of a Qualifying Transaction. Any payments received by the Lender on account of this Note shall be applied first to accrued and unpaid interest and then to the unpaid principal balance hereunder.

4. **Events of Default.**

4.1 The following shall constitute events of default (individually an "Event of Default"):

(a) default in the payment, when due or payable, of an obligation to pay interest or principal under this Note, which default is not cured by payment in full of the amount due within thirty (30) days from the date that the Company receives notice of the occurrence of such default;

(b) filing of a petition in bankruptcy or the commencement of any proceedings under any bankruptcy laws by or against the Company, which filing or proceeding, is not dismissed within ninety (90) days after the filing or commencement thereof; or

(c) failure of the Company to comply in any way with the terms, covenants or conditions contained in this Note.

4.2 If an Event of Default shall occur and be continuing, the Lender may, at its option, declare this Note to be immediately due and payable without further notice or demand, whereupon this Note shall become immediately due and payable without presentment, demand or protest, all of which are hereby waived by the Company.

5. **Covenant Regarding Dividends.** While any principal amount of this Note is outstanding, the Company shall not, without the approval of the Lender, declare or pay any dividends, purchase, redeem, retire, or otherwise acquire for value (or pay into or set aside a sinking fund for such purpose) any of its capital stock (or rights, options or warrants to purchase such shares) now or hereafter outstanding, return any capital to its shareholders as such, or make any distribution of assets to its shareholders as such, or permit any subsidiary to do any of the foregoing, except that the subsidiaries may declare and make payment of cash and stock dividends, return capital and make distributions of assets to the Company and except that nothing herein contained shall prevent the Company from:

(a) effecting a stock split or declaring or paying any dividend consisting solely of shares of any class of capital stock;

(b) complying with any specific provision of the terms of any class or series of the Company's preferred stock as may be designated from time to time (the "Preferred Stock"), relating to the payment of dividends, liquidation preferences and redemption payments on or with respect to such Preferred Stock;

(c) complying with the provisions of any anti-dilution protection afforded to shareholders of the company by agreement which dictates that additional shares of the Company's capital stock be issued to such shareholders in the event of certain issuances of such capital stock which are deemed to be dilutive; or

(d) repurchasing any shares of capital stock (or any rights, options or warrants to purchase such shares) owned by a director or an employee of the Company, which shares (or rights, options or warrants) are subject to an agreement approved by the Board of Directors of the company under which the Company has the right or obligation to repurchase the same in the event of termination of such employee's employment.

For purposes of clarification, the Company and the Lender acknowledge and agree that the provisions of this Section 5 shall immediately terminate upon the earlier of: (i) the payment in full of all obligations under this Note; or (ii) a conversion of the Amount Due and Payable under Section 2 of this Note.

6. **Transfer of Note.** This Note may not be transferred or assigned other than a transfer or assignment to an Affiliate of the Lender. As used herein, the term "Affiliate" means an entity that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Lender.

7. **Certain Waivers.** The Company hereby expressly and irrevocably waives presentment, demand, protest, notice of protest and any other formalities of any kind.

8. **Amendment, Modification or Termination.** This Note may only be modified, amended, or terminated (other than by payment in full) by an agreement in writing signed by the Company and the Lender. No waiver of any term, covenant or provision of this Note shall be effective unless given in writing by the Lender.

9. **Sealed Instrument/Governing Law.** This Note is intended to take effect as a sealed instrument. This Note and the obligations of the Company hereunder shall be governed by and interpreted and determined in accordance with the laws of the State of Vermont (excluding the laws and rules of law applicable to conflicts or choice of law).

IN WITNESS WHEREOF, this Note has been duly executed on behalf of the undersigned, Flex Biomedical, Inc. on the day and in the year first above written.

COMPANY

By: _____

The foregoing Convertible Promissory Note is hereby accepted and agreed to by the undersigned on and as of the date first above written.

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

By: _____

Ruth Farrell
Associate Vice President, Sponsored Research