

GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY

(Edition 21.11.2014)

I. General Terms

1. Principally, these general terms and conditions of sale and delivery apply to all deliveries, services and offers of the company Z-Medical® GmbH + Co. KG, Gänsäcker 38, 78532 Tuttlingen, Germany (hereinafter referred to as Seller), provided that they have not been modified or excluded expressly and in written form. We only accept orders to these conditions. In all or in particular by way of derogation from these general terms and conditions of sale and delivery we do not accept the general terms and conditions of the partner of this contract (hereinafter referred to as Buyer).
2. Our general terms and conditions of sale and delivery apply as well for further transactions with the Buyer.

II. Offers

1. Any offers of the Seller are without obligation. A contract can be only concluded if the Seller accepts the order by a written confirmation. In case the Seller has set a term of acceptance - according to the validity of quotation - at the time of the submission of the written and obliging bid, the contract is concluded, if the Buyer dispatched a written acceptance (order) before the lapse of time. This basically means, that it has to arrive within at least three days afterwards.
2. The Seller reserves retention of title and ownership for images, drawings, calculations and other documents for himself.

III. Prices, Transport Insurance, Shipping, Packaging and Packaging Cost

1. All prices are for delivery Ex Works of the Seller; cargo, insurance, packaging costs, customs and German Value Added Tax excluded. Usually, the ruling prices at the day of delivery are charged.
2. Agreed prices are based on the prevailing costs of materials, labour and energy at the time when the contract is concluded. If the mentioned costs change between the conclusion of contract and the execution, we reserve the right to alter the prices accordingly. However, if there is a change in costs, emerged by the Seller's fault because of false price calculation, the warranty ceases to apply. On request the change of costs can be proved to the Buyer.
3. The packaging shall be at Seller's option and charged. The Buyer is obliged to dispose of all packaging materials.

IV. Payments

1. The payments have to be made in a direct way to the Seller within the arranged term of payment without any deduction. All payments have to be effected in EURO without any consideration about currency fluctuations. The cash discount for prompt payment is cancelled with a due balance.
2. Arrears will be interest-bearing with the legal regulated default charges and without paying attention to the fault of the Buyer. In case of an event of default the rights of compensation for damages and rescission from the contract shall remain reserved and will be charged with 10,00 EURO dun unless higher costs were incurred.
3. Exchange (note receivable), cheques and assignments are only accepted for processing and for checking purpose. On demand, discount, bill of exchange charges and other similar charges have to be refunded by the Buyer immediately.
4. If we get to know any particular circumstances which create considerable doubts regarding the Buyer's creditworthiness, we are competent to make further order processing and delivery dependent on the condition of an appropriate bailout. In case the provision security is not delivered within the statutory period of 30 days or the Buyer comes into default with payments to the Seller, the Seller shall have the right to make all open and de-

ferred claims due immediately. As far as the Seller has received any cheques or drafts from the Buyer which are not due yet, the Seller shall have the right to return these to the buyer against immediate payment.

5. The Buyer can only suit against our demands with counterclaims, which are determined without further legal recourse or without dispute. The same applies to the enforcement of the right of retention and the right to withhold performance. The retention because of claim under these circumstances is permitted only at the appropriate rate to the occurred defect.
6. We reserve the right for ourselves to use payments for settlement of older, long overdue items on the invoice plus accrued interest and costs. The order is as follows: costs, interest, account.

V. Delivery, Payment of duty, Passing of Risk

1. All deliveries will be effected exclusively Ex Works of the Seller, unless otherwise agreed in writing, and fully at the cost and risk of the Buyer. Unless otherwise agreed, we choose a suitable mode of delivery and insure the cargo with the invoice value from warehouse to warehouse.
2. The risk of disappearance, loss or damage of the goods is automatically passed on to the Buyer at the time of dispatch Ex Works of the Seller or in case of own collection with the provision.

VI. Default, Delivery Time, Cancellation of Contract

1. Only our terms of delivery are valid. Without an explicit, alternative written agreement the terms of delivery are not valid as short selling.
2. The confirmed terms of delivery are only binding, if the Buyer performs all obligations bound by contract (esp. cooperation duties), in time and in proper form.
3. The term of delivery begins with the dispatch of the sales confirmation, however, not before supplying of the Buyer's documents, licences, permissions and other formalities and as well not before the payment of the agreed advance.
4. The term of delivery is granted, if the goods of the Seller have been delivered to the specific person who is responsible for the completion of the shipment. Or in other cases in which the goods, as per contract, should be not delivered, the term of delivery is granted if we send a notice of our delivery readiness before expiry of the term.
5. Is the delivery delayed because of circumstances which the Seller or its supplier is not responsible for (especially breakdowns like strike, lockout, force majeure or unindented, regulatory actions), the term of delivery prolongs for the duration of the interference. Is a binding delivery delayed through such an interference for more than three months and it is unforeseeable that the delivery problems will end within four months, both parties are allowed to rescind the contract. Anyway, custom-made products have to be accepted by the Buyer.
6. In case of delivery problems, the Buyer has to set an appropriate written grace of at least four weeks.
7. Is the Buyer in default of material obligations from the contractual relationship, the Seller is allowed to prolong the term of delivery as long as the event of default continues. Para VII applies accordingly.

VII. Acceptance / Returns of Goods

1. The Buyer bears the costs (safeguard measures, insurance, storage etc.) which results from the delayed acceptance of goods. Without a particular proof, the Buyer has to pay per week of delay at least 0.5% of the contract value and a maximum of 5%.
2. The Seller can fix a reasonable and written deadline for the acceptance of goods, if the Buyer doesn't except the goods at the time of delivery. The Seller is entitled to demand the full

purchasing price. After expiry of the term, the Seller is allowed to annul full or partly the contract in a written representation and to demand indemnity.

3. The return of goods is generally excluded, if it concerns custom-made products, used or opened products, soiled respectively changed packing. The Seller is entitled to refuse the return of goods, if the condition is unacceptable.
4. In all other cases the Seller charges a processing fee of 25% of the invoice value of goods at least, however, a minimum of 50 EURO. The returns of goods take place at the Buyer's risk and can be only within 14 days.

VIII. Guarantee, Claims for defects, Liability

1. The guarantee applies to our written down respites and guidelines in the direction of use or patient information leaflet. This refers to the EU Medical Devices Act.
2. After acceptance, the Buyer must examine the goods for any faults (which might arise), quantity deviation or wrong delivery without delay and to endorse on the consignment receipt. Therefore, he must observe the recognized industry standards. Defects can only be averred in written form and within one week after receipt or notice of the defect. After arrangement with the Seller, the Buyer is responsible for the securing of all proofs.
3. The proof of careful treatment and regular and dry storage of the goods devolves on the Buyer according to EU Medical Devices Act.
4. If the goods do not conform to the contract, the Seller may remedy the lack of conformity at first and at its own discretion within eight weeks after the Buyer's request and, even if the defects are substantial, by repair or compensation delivery.
5. If the removal of defects fails, the Buyer is entitled to rescind from the contract or to demand reduction (markdown of the buying price).
6. Instructions of the Seller about the further manufacturing or application of the goods must be observed by the Buyer, otherwise claims based on defects are not acknowledged.
7. The statute of limitation for claim for defects amounts twelve months from passing of risk on.
8. We are not liable for defects or damages which can emerge Ex Works through transport and following storage, inappropriate handling, misapplication, wear or other changing interventions in the guarantee of the delivered item.
9. In case of responsibility for a fundamental breach of contract, the Seller is liable, also in case of gross negligence, but only for typical contractual losses that could have been reasonably foreseen. In any case the Seller is liable, however, for gross negligence, for particularly rendered guarantees, fraud, and culpable caused damages to life and limb or health or, if there is liability regarding physical injuries or damages, to private items under German or foreign product liability laws.
10. Claims for damages of the Buyer for whatever legal basis, especially because of neglecting of duties from an obligatory relation and claim in tort, are barred.

IX. Plans, Secrecy, Sales materials

1. The Seller is not entitled to prove both if the order of custom-made products of the Buyer transgress foreign copyright and related rights (esp. trade mark rights) and if the required design causes damage according to the liability law. The responsibility / liability are only part of the Buyer. In so far, we refuse claims arising from product-related injuries.
2. All rights shall remain at the Seller, especially but not restricted to devices, drawings, designs and plans, including patent law, copyright law and innovation law. All quotation documents are not binding.

3. Both parties of the contract agree to keep all economical and technical details of their business contact private as long they have not been published before. This applies as well to the points mentioned in para IX. The Buyer is not allowed to copy any of the above mentioned confidential data without prior written consent from the Seller.

X. Retention of Title and Ownership

1. Pending payment in full, the goods remain ownership of the company Z-Medical® GmbH + Co. KG. An alienation, assignment as security or direction in favour of third parties is not permitted. In case of garnishment, the Buyer is bound by contract to refer, on demand of the invoice, to the ownership of the company Z-Medical® GmbH + Co. KG and to inform us in such a case immediately in written form.

XI. Miscellaneous

1. Place of fulfilment, jurisdiction and for all other conflicts from this contract, is exclusively our place of business, unless otherwise agreed in the written confirmation of an order.
2. For the purpose of the completion of the contract, every single agreement between the parties is written down.
3. If certain terms of the contract are not effective or contain loopholes, all the rest of the terms will be unaffected from this. Both parties commit themselves to find together an acceptable provision, which purpose is the economically best and closest compromise to the void provision – or to replace the loopholes.