CAIRE MEDICAL JAPAN CO., LTD.
Terms & Conditions of Sale

1. General. The terms and conditions contained herein, together with any additional or different terms contained in the proposal provided by CAIRE Medical Japan Co., Ltd. ("Seller"), if any, submitted to Purchaser (which proposal shall control over these terms and conditions to the extent it contains any conflicting terms and conditions) constitute the entire agreement between the parties with respect to the subject sale (the “Agreement”) and supersedes all prior communications and agreements. Acceptance by Seller of Purchaser’s order and Purchaser’s acceptance of Seller’s proposal is expressly limited to and conditioned upon Purchaser’s acceptance of these terms and conditions, which may not be changed or waived except in a writing signed by both parties. Any additional, inconsistent or different terms and conditions contained in Purchaser’s order or any other documents supplied by Purchaser are hereby expressly rejected. Unless the context otherwise requires, the term “Equipment” as used herein includes all goods, equipment, parts, and accessories sold to Purchaser by Seller. Unless the context otherwise indicates, the term “Services” as used herein shall mean labor, supervision, repair and project engineering services provided by Seller. The term “Purchaser” shall mean only the party issuing the order to Seller for Equipment and/or Services, regardless of the end user of the Equipment and/or Services.

2. Payment Terms. Unless a different payment schedule is agreed to in writing by Seller, payments for domestic sales are due net thirty (30) days and shall be made by wire transfer to the bank account designated by Seller at its discretion. For Export sales, payments are subject to a 1.5% late charge per month, calculated per diem, and Seller’s rights set forth in Section 11. Payments for export sales to be made in accordance with the payment schedule separately specified by Seller. If required by Seller, Purchaser will submit collateral satisfactory to Seller. Purchaser agrees to furnish Seller with requested credit information. Purchaser’s credit limit is set at Seller’s sole discretion and may be modified at any time based upon Purchaser’s credit risk as determined by Seller. In the event that Purchaser’s credit risk increases, Seller is entitled to modify the payment terms and require alternate payment methods.

3. Taxes. Federal, state, local, or value added, sales taxes or any other similar taxes imposed under any legal system on the price of Equipment and Services by any taxing authority are not included in the price and will be charged in addition to the price if Seller is responsible for such tax to the competent taxing authority.

4. Time Limit. All quotations are valid for a period of thirty calendar days.

5. Acceptance. Unless otherwise provided hereunder or in Limited Warranty Statement (hereinafter defined), acceptance of Equipment occurs at the point of delivery and acceptance of any Services provided hereunder occurs upon completion of the Services. Unless otherwise provided hereunder or in Limited Warranty Statement, after acceptance occurs, Purchaser may not assert any demand, claim or legal remedies regarding the accepted Equipment or Services against Seller.

6. Limited Warranty, Exclusive Remedies and Indemnity. Seller agrees to and shall provide to Purchaser a limited warranty and exclusive remedies statement relating to the Equipment sold hereunder (“Limited Warranty Statement”). Purchaser acknowledges receipt of the Limited Warranty Statement (which is available from Seller upon request) and agrees to its terms. Seller warrants its Services against defects in workmanship for a period of ninety (90) days from the date of their completion. THE REMEDIES AND WARRANTIES STATED IN THE LIMITED WARRANTY STATEMENT ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES AND REMEDIES GRANTED UNDER APPLICABLE LAW, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF QUALITY, PERFORMANCE AND DESIGNS, WRITTEN, ORAL OR IMPLIED, AND ALL OTHER WARRANTIES INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR ARISING FROM COURSE OF DEALING OR USAGE OF TRADE AND HEREBY EXPRESSLY DISCLAIMED BY SELLER AND ALL EQUIPMENT MANUFACTURERS. Purchaser agrees to defend, indemnify and hold Seller harmless from any third party claims arising out of the use, sale, lease or rental of the Equipment or Services and from all expenses, losses and other damages resulting from Purchaser’s breach of any of the terms and conditions herein.

7. Termination. No termination of this Agreement by Purchaser for default shall be effective unless, within fifteen (15) days after receipt by Seller of Purchaser’s written notice specifying such default, Seller shall have failed to initiate and pursue correction of such specified default.

8. Excusable Delays. The schedule for shipment of Equipment or performance of Services will be modified for delays resulting from causes beyond Seller’s reasonable control, including but not limited to, strikes, restrictions of the United States Government or other governments having jurisdiction, delays in transportation, or inability to obtain necessary labor, materials or manufacturing facilities.

9. Delivery. All deliveries of Equipment are Ex Works Seller’s facility with responsibilities as defined in INCOTERMS 2010 unless otherwise specified on Seller’s order acknowledgement. If Seller agrees to write to prepay transportation and insurance charges on Purchaser’s behalf, Purchaser agrees to pay Seller the same upon receipt of an invoice from Seller. Claims for shortages in delivery shall be deemed waived unless made in a writing received by Seller within ten (10) days after delivery. Delivery dates quoted are based on Seller’s best estimate of a realistic time when delivery will be made, and are subject to change due to prior sales. Delivery dates of Services performed on Seller’s acceptance of any resulting order. Seller may make early delivery or partial delivery and invoice Purchaser accordingly.

10. Laws, Codes and Standards. Except as expressly stated herein, all laws, codes, and standards affecting Equipment or Services shall apply unless otherwise agreed to in writing signed by Seller’s duly authorized representative. Field service will be provided on a per diem basis upon written authorization by Purchaser and at Seller’s rates in effect when such services are provided.

11. Title and Risk of Loss or Damage. Despite any agreement with respect to delivery terms or prepayment of transportation or insurance charges, the risk of loss or damage for Equipment shall pass to Purchaser upon the earlier of payment in full or completion of delivery, and delivery shall be deemed to be completed upon delivery to a private or common carrier or upon moving into storage, whichever occurs first, at the point of delivery. Purchaser shall insure the Equipment upon delivery and ensure that Seller’s interest in the Equipment is noted on the insurance policy. Seller shall retain title to the Equipment until all invoices for such Equipment have been paid in full. In the event of late payment, Seller reserves the right to enter onto Purchaser’s premises to repossess the Equipment until Purchaser has paid for such Equipment in full.

12. Installation and Field Service. Installation of Equipment furnished hereunder shall be made by Purchaser, unless otherwise agreed to in a writing signed by Seller’s duly authorized representative. Field service will be provided on a per diem basis upon written authorization by Purchaser and at Seller’s rates in effect when such services are provided.

13. Cancellation. Cancellation of any order must be by written notice to Seller and will be subject to Seller’s cancellation charges, including without limitation all costs incurred through the date of cancellation, cost to process such cancellation, plus a reasonable profit of Seller.

14. Intellectual Property; Confidentiality. Purchaser shall defend, indemnify and hold Seller harmless from all expenses, losses and other damages resulting from any actual or alleged infringement of patents, copyrights or trademarks arising from Seller’s compliance with Purchaser’s order or instruction. Purchaser may not, without Seller’s prior written consent, copy or disclose such information to any person. The information, data, designs, plans, standards, and specifications furnished by Seller were developed at Seller’s expense and may not,
without Seller's prior written consent, be used nor disclosed by Purchaser for any purpose other than to install, own, operate, and maintain the subject Equipment. If the Equipment is held to infringe a United States patent in effect as of the date of this Agreement, then Seller may at its option procure for Purchaser the right to use the Equipment; modify or replace it with non-infringing Equipment; refund the purchase price allocable to the infringing Equipment, or settle or otherwise terminate said actions on behalf of Purchaser. The foregoing is Seller's entire liability on patent infringements. Purchaser shall keep confidential and shall not without the prior written consent of Seller disclose to any third party any technical or commercial information which Purchaser has acquired from Seller as a result of discussion, negotiations or other communications relating to the Equipment or this order.

15. Assignment. This Agreement or any rights, duties or obligations under this Agreement may not be transferred or assigned by operation of law or otherwise by Purchaser without the prior express written consent of Seller. Any transfer or assignment of this Agreement or any rights, duties or obligations under this Agreement without Seller's consent shall be void. Seller may transfer or assign, by operation of law or otherwise, this Agreement or any rights, duties or obligations under this Agreement without the consent of Purchaser.

16. Export Sales. In no event shall Seller be required to export or deliver any technical information, data or Equipment if such export or delivery is then prohibited or restricted by any law or regulation of the U.S. Government or any other applicable governmental authority of any country having jurisdiction, and in such cases, Seller's obligations under such order shall be terminated at Seller’s option, and Seller shall be entitled to reasonable termination charges for the termination of the order. All orders hereunder are subject to applicable governmental laws, regulations and rules of the Government of the United States, including departments, agencies and sub-divisions thereof, and of the country in which the Equipment sold hereunder will be installed, used, or performed. Purchaser agrees not to transfer any Equipment, technical information or data of Seller without full compliance with applicable U.S. laws and those of any other applicable governmental authority of any country having jurisdiction, and shall cause the end user to comply with such laws. Purchaser warrants and represents that it is in full compliance with all applicable laws. Specifically, Purchaser shall not transfer, export or re-export any Equipment or components thereof supplied by Seller to a prohibited person, to a country, or for a prohibited use under the U.S. export laws and those of any other applicable governmental authority of any country having jurisdiction.

17. Limitation of Liability. TO THE FULLEST EXTENT ALLOWED UNDER APPLICABLE LAW, IN NO EVENT SHALL SELLER, ITS AFFILIATES, SUPPLIERS AND SUBCONTRACTORS BE LIABLE TO PURCHASER OR TO ANY THIRD PARTY FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, LOSS OF USE, COST OF CAPITAL, COST OF SUBSTITUTE EQUIPMENT, DOWNTIME COSTS, DELAYS NOR FOR ANY PENALTIES WHETHER ANY SUCH CLAIM FOR THE SAME IS BASED ON CONTRACT, WARRANTY, TORT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE, SELLER'S LIABILITY FOR ANY SUCH CLAIMS WHETHER IN CONTRACT, WARRANTY, NEGLIGENCE, TORT, STRICT LIABILITY, OR OTHERWISE OR FOR ANY LOSS OR DAMAGE ARISING OUT OF, CONNECTED WITH THIS AGREEMENT OR THE PERFORMANCE OR BREACH THEREOF, OR FROM ANY DESIGN, SALE, INSTALLATION, OPERATION OR USE OF THE EQUIPMENT OR PERFORMANCE OF ANY SERVICES COVERED BY THIS AGREEMENT, SHALL IN NO EVENT EXCEED THE PURCHASE PRICE PAID TO SELLER BY PURCHASER FOR THE SPECIFIC EQUIPMENT OR PART THEREOF OR FOR THE SERVICES GIVING RISE TO THE CLAIM.

18. Governing Law. This Agreement (including the Limited Warranty Statement) and any claim, controversy or dispute arising under or related to this Agreement, the relationship of the parties, and the interpretation and enforcement of the rights and duties of the parties will be governed exclusively by the laws of Japan, without regard to any conflicts of law principles. Purchaser agrees that any claim, controversy or dispute arising under or related to this Agreement shall be resolved at courts and any legal action or proceeding taken by Purchaser against Seller shall be brought in the Tokyo District Court having the exclusive jurisdiction as court of the first instance within one year of the date of the occurrence of the event giving rise to any such claim. The parties agree that the UN Convention on Contracts for the International Sale of Goods shall not apply.

19. Headings. The headings used throughout are for convenience only and shall be given no legal effect. Fax copies shall be given the full force and effect as an original.

20. Entire Agreement; Severability; Third Parties. These terms and conditions constitute the complete and exclusive agreement between Seller and Purchaser and except for the Limited Warranty Statement, there are no agreements, understandings, restrictions, warranties, or representations between Seller and Purchaser other than those set forth herein or therein provided for in the Limited Warranty Statement. The express terms and conditions of this Agreement shall apply in place of all warranties, conditions, terms, representations, statements, undertakings and obligations whether expressed or implied by statute, common law, custom, usage or otherwise, all of which are excluded to the fullest extent permitted by law. In the event of any terms and conditions herein being overridden by any statutory provisions, the remaining terms and conditions shall still have effect and the overridden provision shall be revised to meet the original intention of such provision to the fullest extent permitted by law. No term or condition is intended for the benefit of any third party, and Seller and Purchaser do not intend any term or condition should be enforceable by a third party, including without limitation any end user of Equipment or Services. References to any statutory provision, enactment, order, regulation or other similar instrument shall be construed as a reference to the statutory provision, enactment, order, regulation or instrument as amended, replaced, consolidated or re-enacted from time to time and shall include any orders, regulations, codes of practice, instruments or other subordinate legislation made under it.

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