

TERMS AND CONDITIONS FOR DIRECT SALES

ALL SALES ARE SUBJECT TO AND EXPRESSLY CONDITIONED UPON THE TERMS AND CONDITIONS CONTAINED HEREIN (“TERMS AND CONDITIONS”), WHICH ARE ACCEPTED BY THE CUSTOMER UPON PLACING AN ORDER FOR PRODUCT(S) WITH SUNMED GROUP HOLDINGS, LLC DBA AIRLIFE (“AIRLIFE”) ONCE CONFIRMED BY AIRLIFE AND CONSTITUTE THE ENTIRE AGREEMENT BETWEEN AIRLIFE AND CUSTOMER (EACH A “PARTY”, AND COLLECTIVELY, THE “PARTIES”). NO VARIATION OF THESE TERMS AND CONDITIONS WILL BE BINDING UPON AIRLIFE, UNLESS AGREED TO IN WRITING AND SIGNED BY AN AUTHORIZED EMPLOYEE.

AIRLIFE HEREBY REJECTS ANY ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS PROPOSED BY CUSTOMER, WHETHER CONTAINED IN ANY FORMS OR ON CUSTOMER’S WEBSITE, AND ANY SUCH ADDITIONAL OR DIFFERENT TERMS WILL BE OF NO EFFECT. No site usage agreement or any other click through agreement on a website will have any binding effect, regardless as to whether or not AirLife clicks on an “ok,” “I accept”, or any similar acknowledgment.

By placing a purchase order, Customer is deemed to have accepted these Terms and Conditions. These Terms and Conditions supersede any agreement or document, including terms and conditions that are part of a purchase order or other document, sent to AirLife by Customer. Notwithstanding the foregoing, if Customer’s purchase order sets forth fees or changes mandated by applicable law, AirLife shall pay such fees or charges but all other terms and conditions contained therein shall be superseded.

1. **Orders.** Customer shall comply with AirLife’s ordering instructions, which are attached hereto and incorporated herein as Exhibit A.
2. **Delivery; Risk of Loss.** Products are shipped FOB Origin, with freight charges prepaid by AirLife and added to Customer’s invoice. Title and risk of loss for Products shall pass from AirLife to Customer at the time AirLife provides the Products to the carrier at AirLife’s facility.
3. **Acceptance.** Products will be deemed accepted by Customer upon delivery, unless Customer reports any damage or defective Products within ten (10) business days from AirLife’s invoice date. All proof of delivery requests must be made within thirty (30) days of invoice date.
4. **Price.** All prices for the Products are subject to change without notice. Pricing errors may be corrected at any time. AirLife may, at any time and without obligation, suspend performance or require payment in cash, security, or require other adequate assurances satisfactory to AirLife when, in the sole opinion of AirLife, the financial circumstances of Customer warrant such action.

5. **Taxes.** Prices and fees stated for Products do not include any taxes. Customer shall pay when due any sales, property or other taxes or other assessments of any kind (other than any tax based solely on AirLife's net income) and related interest and penalties arising from Customer's acquisition or possession of the Products. If Customer is exempt from any taxes, Customer will not be relieved of its obligation to pay such taxes until Customer provides to AirLife documentation sufficient to establish Customer's tax-exempt status. Customer will immediately notify AirLife in writing of any change in its tax-exempt status.
6. **Payment Terms; Late Charge.** Customer shall pay all AirLife invoices in full within thirty (30) days from invoice date. All disputes regarding invoices must be submitted to AirLife within thirty (30) days of invoice date. Deductions on remittances are not permitted unless accompanied or referenced by a valid AirLife credit memorandum. If Customer does not pay an amount due by the due date, then AirLife may impose a late charge on the unpaid amount at the rate of one and one-half percent (1.5%) per month or the highest rate allowed by law (whichever is lower), prorated on a daily basis.
7. **Limited Warranty.** In the absence of a written Product warranty accompanying a Product or available electronically when delivered to Customer, the Products manufactured by AirLife shall perform in accordance with AirLife's material specifications for such Product (the "Limited Warranty"). If a Product fails to perform in accordance with the Limited Warranty because of a defect in workmanship or material, then, as Customer's sole remedy (not limiting any right to indemnification pursuant to Sections 10 and 11), AirLife shall promptly repair or replace, at AirLife's sole option, the Product, or any part thereof. **EXCEPT AS EXPRESSLY SET FORTH ABOVE, AIRLIFE HEREBY DISCLAIMS ANY AND ALL REPRESENTATIONS OR WARRANTIES REGARDING THE PRODUCTS, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.** The Limited Warranty does not apply to any Product that: (i) has been modified, repaired or altered, except by AirLife, (ii) has not been properly installed, used, handled, operated or maintained in accordance with any handling or operating instructions provided by AirLife, or (iii) has been subjected to physical or electrical stress, misuse, abuse, negligence, accidents or causes beyond AirLife's reasonable control. Product warranties extend only to the original Customer and are not assignable or transferable by Customer.
8. **Restriction on Use of Products.** Customer shall use each Product only: (i) for Customer's internal use and not for resale, (ii) in the manner described in the Product's accompanying documentation, and (iii) in accordance with applicable laws and regulations. Customer shall not remove or alter any tags, labels or identifying markings placed by, or on behalf of, AirLife on any Products or packaging.
9. **Returns.** Product returns and replacements are subject to AirLife's Returned Goods Policy, attached hereto and incorporated herein as Exhibit B.

- 10. Mutual Indemnification.** Each Party (“Indemnifying Party”) shall indemnify and defend the other Party (the “Indemnified Party”) against any demand, action, claim, suit or proceeding asserted against the Indemnified Party by a third party for losses, injuries, or damages caused by the Indemnifying Party’s negligent acts or omissions in connection with these Terms and Conditions.
- 11. Intellectual Property Indemnity.** AirLife shall defend Customer against any claim filed in a court of competent jurisdiction in the United States brought by a third party against Customer alleging that a Product used by Customer in accordance with these Terms and Conditions infringes any U.S. patent, copyright, trade secret or other proprietary right of a third party (each, an “Infringement Claim”). As a condition to receiving the defense, Customer will provide written notice to AirLife promptly after Customer receives actual notice of the Infringement Claim, will allow AirLife to have sole control of the defense and any related settlement negotiations, and will provide reasonable cooperation upon request. AirLife will: (i) pay any damages and costs assessed against Customer (or payable by Customer pursuant to a settlement agreement agreed to in writing by AirLife) arising out of the Infringement Claim, and (ii) reimburse Customer for its reasonable costs and expenses associated with providing reasonable cooperation. If AirLife determines that a Product might infringe a third party’s intellectual property right, then AirLife will have the option, at its expense and in its sole discretion, to: (a) replace the Product with a substantially equivalent non infringing Product, (b) modify the Product in a manner that does not substantially affect the performance of the Product, or (c) obtain a license to permit Customer to continue using the Product. This Section states Customer’s exclusive remedy and AirLife’s total liability to Customer for an Infringement Claim.
- 12. Product Recall.** Should a Product recall based on consumer safety issues or other regulatory concerns, as identified by the U.S. Food and Drug Administration, as cause for a Product recall occur, or as a result of AirLife’s willful misconduct or negligence in the manufacture of the Product (“Recalled Product”), AirLife agrees: (i) to reimburse Distributor for the Product price paid to AirLife by Distributor pursuant to this Agreement attributable to the Recalled Product; and (ii) to pay for the return shipment from any location and destruction of the Recalled Product. The decision to initiate a recall or to take some other corrective action, if any, shall be made and implemented by AirLife. AirLife shall control such recall or corrective action and Customer shall cooperate as reasonably required by AirLife. Nothing herein shall be construed to require payment by AirLife to Customer for any additional costs, fees, premiums or penalties, including but not limited to lost profits, lost market share, advertising fees, increased future costs, or compensatory, anticipatory, or other damages.
- 13. Option to Modify.** If AirLife determines that a Product might infringe any United States patent, copyright, trade secret or other proprietary right of a third party, then AirLife may, at its option, replace the Product with a substantially equivalent Product or modify the

Product in a manner that does not adversely affect the performance or functionality of the Product.

14. Limitation of Liability. NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES, (INCLUDING, WITHOUT LIMITATION, LOSS OF BUSINESS OR PROFITS), WHETHER BASED IN CONTRACT, TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE), OR OTHERWISE, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THESE LIMITATIONS OF LIABILITY WILL APPLY EVEN IF THERE IS A FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY IN THESE TERMS AND CONDITIONS. THE TOTAL LIABILITY OF AIRLIFE, IF ANY, AND CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR DAMAGES FOR ANY CLAIM OF ANY KIND WHATSOEVER, REGARDLESS OF LEGAL THEORY, WILL NOT BE GREATER THAN THE ACTUAL PURCHASE PRICE OF THE AIRLIFE PRODUCTS GIVING RISE TO SUCH CLAIM. NOTWITHSTANDING THE FOREGOING, THE LIMITATION OF LIABILITY SET FORTH HEREIN WILL NOT APPLY TO ANY DEATH, PERSONAL INJURY OR PROPERTY DAMAGE THAT IS CAUSED BY AIRLIFE'S GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR STRICT LIABILITY IN TORT IN CONNECTION WITH AIRLIFE PRODUCTS.

15. Proper Reporting of Discounts and Pricing. Product pricing and rebates (if any) may reflect "discounts or other reduction in price" as that term is used in the "safe harbor" regulations in the Medicare/Medicaid Anti-Kickback Statute, 42 C.F.R. §1001.952(h). The Parties shall: (i) comply with all applicable laws and regulations relating to the accounting, application, and proper reporting of discounts and pricing under these Terms and Conditions, including but not limited to the requirements of the discount "safe harbor" located at 42 C.F.R. §1001.952(h), (ii) properly report and appropriately reflect all prices paid under these Terms and Conditions net of all discounts as required by applicable laws and regulations, including but not limited to on Medicare, Medicaid and state agency cost reports, and (iii) retain a copy of these Terms and Conditions and all other documentation regarding these Terms and Conditions, together with the invoices for purchase of Products hereunder and shall permit representatives of the U.S. Department of Health & Human Services or any relevant state agency access to such records upon request.

16. Access to Records. For a period of four (4) years after AirLife has performed these Terms and Conditions, AirLife shall make available, upon written request of the Secretary of the Department of Health and Human Services ("Secretary"), or upon request of the Comptroller General of the United States ("Comptroller"), or any of their duly authorized representatives (collectively, the "Requesting Party"), these Terms and Conditions, any books, documents, and records necessary to certify the nature and extent of the costs paid by Customer to AirLife pursuant to these Terms and Conditions ("Access"). If AirLife pays a subcontractor more than \$10,000 over a twelve (12) month period to perform any services in connection with these Terms and Conditions, then AirLife shall obligate the subcontractor to permit Access to the Requesting Party.

17. **Confidentiality.** Customer will keep confidential any confidential information disclosed to Customer by AirLife, including without limitation Product pricing, and will not use, publish or disclose, or cause anyone else to use, publish or disclose, AirLife's confidential information without prior written consent. This obligation does not extend to any information subject to disclosure by legal process or information that Customer can demonstrate with tangible evidence was already known or independently developed by Customer, or publicly available, prior to AirLife's disclosure. In the event of a disclosure required by law, Customer agrees to provide prompt notice to AirLife prior to any such disclosure.

18. **Customer Policies.** AirLife and its employees shall comply with Customer's reasonable security rules, policies and procedures provided in writing and agreed to in advance by AirLife ("Customer Policies"). Customer will notify AirLife in writing of any material changes to Customer Policies. Any terms of the Customer Policies that are in addition to or conflict with these Terms and Conditions will have no force or effect unless adopted via a written amendment to these Terms and Conditions signed by each Party.

19. **General.**

- (a) Customer Representation. Customer represents that it is a hospital or other health care provider or third-party service provider and/or reseller located within the fifty United States or the District of Columbia.
- (b) Force Majeure. If a Party is reasonably prevented from performing an obligation of these Terms and Conditions because of fire, flood, wind, earthquake, explosion or other disaster, acts of military authorities, acts of civil authorities unrelated to any violation of law by the Party, war, riot, insurrection, act of terrorism or other cause beyond the Party's reasonable control (collectively, a "Force Majeure Event"), then that Party shall not be in breach of these Terms and Conditions during the period that Party is prevented from performing that obligation, provided that the Party: (i) promptly delivers notice to the other Party identifying the Force Majeure Event, and (ii) immediately uses best efforts to perform the obligation notwithstanding the Force Majeure Event.
- (c) Assignment. Neither Party may assign any rights or obligations under these Terms and Conditions without the other Party's prior written consent, which shall not be unreasonably withheld, conditioned or delayed, provided that AirLife may assign its rights and obligations under these Terms and Conditions without the Customer's consent: (i) to an affiliate, or (ii) incident to the transfer of all or substantially all of AirLife's business assets in connection with the subject matter of these Terms and Conditions.
- (d) Notices. Any notice from one Party to the other Party related to these Terms and Conditions shall be in writing and delivered either by hand, overnight courier or first-class mail (certified or registered, return receipt requested, postage prepaid) to the receiving Party's contact address on file with the other Party. A notice shall be deemed to be given when delivered if by hand or by overnight courier and three days after it is

mailed if by certified or registered mail. Either Party may change its Notice Address upon delivery of notice to the other Party.

- (e) Severability; Non-Waiver. If a court or other body of competent jurisdiction declares any term of these Terms and Conditions invalid or unenforceable, then the remaining terms shall continue in full force and effect. No right created by these Terms and Conditions shall be deemed waived unless specifically and expressly waived in a writing signed by the Party possessing the right.
- (f) Governing Law. These Terms and Conditions shall be governed by the laws of the state of Michigan, without regard to that state's conflicts of law provisions.
- (g) These Terms and Conditions (including all exhibits or appendixes attached hereto), constitutes the entire agreement and understanding of the parties regarding the subject matter hereof, and supersedes all prior written and oral agreements, proposals, and understandings between the parties regarding the subject matter of as provided herein.

EXHIBIT A

AirLife Ordering Instructions

Direct Purchase Orders will be confirmed within three business days from the date of receipt. The current order processing time (5-7 business days, subject to change) will be included with an email confirmation.

Expedited orders must be received by 2:30pm EST. AirLife reserves the right to deny expedite requests.

Direct orders can be placed via Email, Phone, or Fax by contacting AirLife's Customer Care. Please inquire about EDI ordering capabilities. - Customer Care: Monday–Friday, 8:00am – 5:30pm EST

info@myairlife.com

Phone: Toll Free: 800.421.0024, 800.433.2797, Local: 616.259.8400

Fax: Toll Free: 800.400.8820, Local: 760-727-1999, 616.647.3430

EXHIBIT B

Return Goods Policy: Product returns may be accepted at AirLife's sole discretion and AirLife reserves the right to refuse any product returns or to assess order cancellation, order refusal and product restocking fees, as applicable. Product returns will be accepted only to the extent that such Products were purchased directly from AirLife and are subject to the following requirements:

1. Returns will not be accepted for full credit without a Return Goods Authorization (“RGA”) issued by AirLife, including returns which are the result of a AirLifes error.

2. Request for return authorization **must include the following:**

- a) Reason for return
- b) Quantity, lot number, and product numbers; and,
- c) Original purchase order number and or original invoice number.

3. Acceptable Returns

- a) Products damaged at the time product was received, said damage attributed to manufacturing, Product damaged in transit by collect carriers is not eligible for return credit.
- b) Product must be in original sealed packaging and in original condition.
- c) Product must be in fulling UOM.
- d) Product shipped in error by AirLife.
- e) Product return request received within 90 days of invoice date.
- f) Return authorization number must be listed on return shipping label and or carton.

4. Allowances for Acceptable Returns

There will be a restocking fee of 25% applied to all authorized returns generated by an error.

5. Non-Acceptable Returns

- a) Product held over 90 days.
- b) Product which is discontinued or redesigned.
- c) Product which is private-labeled or built to order or “Customer Product”.
- d) Product with unusable condition.
- e) Product with writing or labeling on the original packaging.

All returns must have authorization from AirLife which may be requested from AirLife’s Customer Care team at 800-433-2797 or email info@myairlife.com. Upon approval, a Return Materials Authorization number (RM#) will be issued and must be clearly written on the outer carton of the Product being returned. Product returned without a RM# will not be accepted. All returned Product to be shipped to AirLife freight pre-paid by Customer.