

LFI Inc. 1 Industrial Dr. S. Smithfield, RI 0291
(401)231-4400 FAX (401)231-4674 EMAIL info@lfiinc.com WEBSITE www.LFImedical.com

TERMS AND CONDITIONS with respect to LFI Medical, quotations and acceptance of orders: This quotation is subject to change or withdrawal at any time prior to final acceptance by LFI Medical. Please reference LFI Medical's quote number on the submitted purchase order. A minimum lot value of \$500 is required within LFI Medical's billing policy. Delivery estimates are made on good faith, but must be regarded as approximate and subject to revision based upon prior acceptance of competitive orders and causes beyond LFI Medical's control or any unforeseen circumstances. Delivery required prior to estimated delivery schedule of LFI Medical or required date on customer purchase order may affect pricing due to the preemption of production activities. Should delivery requirements be less than the quoted lead time, the purchaser should contact the creator of this quotation.

All raw materials are to be supplied by the purchaser, unless LFI Medical has quoted otherwise. As the goods covered by the quotation are made to order and the raw material specifically purchased for these goods, LFI Medical is to be allowed to fabricate to the extent of the material shipped by the raw material supplier or the extent of plus or minus of the total order. Orders accepted by LFI Medical are not subject to cancellation except with LFI Medical's consent and only upon terms, which will compensate us for work accomplished and material purchased, and indemnify us for all loss.

Engineering drawings must accompany all purchase orders to expedite processing and confirm pricing. LFI Medical cannot be held to the prices herein quoted if any changes are made in the design, material, finish or other specifications either before or after an order has been received. LFI Medical warrants that the goods supplied on the purchaser's order shall be free from defects in workmanship and material. No other guarantee is expressed or implied by LFI Medical. LFI Medical is responsible for the value of its service only. Seller will have no liability for incidental or consequential damages or for labor or expenses involved in the use or the products covered by the quotation, or for consequential damages as a result of the inability of such products to perform in accordance with standards of operation or production contained in any statement, written or oral made by any representative or employee of seller in connection with the sale of product. The seller neither assumes nor authorizes any other person or firm to assume for it any other obligations or liability, in connection with its products. The above warranty comprises seller's sole and entire warranty obligation and liability in connection with products sold hereunder. All other warranties, express or implied, including but not limited to warranties of merchantability and fitness, are expressly excluded. In the case of rejected goods or discrepant material, notification in writing must be given within thirty days after receipt of goods which do not meet the purchaser's specifications. No parts are to be returned to LFI Medical for any reason without LFI Medical's written permission. All tooling, whether or not charged to the purchaser, shall remain in LFI Medical's possession and shall be maintained by LFI Medical for the production of parts for not less than two years after completion of the manufacturing production order under the contract. Tooling charged to the purchaser shall be used exclusively for the production of the purchaser's orders. After a period of two years from the date of the purchaser's last



order or reorder or the liquidation of receivership, bankruptcy of the purchaser's concern, the purchaser's ownership shall cease and LFI Medical will be at liberty to make any disposition or use of the tools as seen fit, without having any liability to the purchaser. There will be a non-recurring engineering charge for any tooling modification and/or program changes requested by the purchaser. LFI Medical also reserves the right to revise this quotation in the event of any changes to the original request by the purchaser. The purchaser agrees at their own cost and expense to defend any and all lawsuits that may be instituted by any party against us and in indemnity us against any and all loss as a result of any patent infringement litigation or any damage incurred by third party due to the purchaser's product in which LFI Medical's part is used resulting from the manufacture of goods by us in accordance with the purchaser's designs or specification or from the manufacture of good especially designed by us to meet the purchaser's requirements.