

Thank you for your interest in B. Braun of Canada, Ltd. ("B. Braun") products. The following provisions set forth the terms and conditions on which B. Braun sells its products.

**Terms of Sale:** Purchase of any products sold by B. Braun shall be subject to and expressly limited by the terms and conditions contained herein. No changes to, waiver of, or addition to any of these terms and conditions shall be effective unless agreed to in writing and signed by B. Braun. Buyer acknowledges and agrees that these terms and conditions supersede the terms and conditions of any purchase order or other documentation used by Buyer and, except for delivery and billing addresses, and quantities prices and items ordered, any conflicting or additional terms are void and have no effect, but that Buyer may place orders by use of purchase orders and other documentation for its convenience purposes only. Notwithstanding the foregoing, B. Braun reserves the right at any time to amend these terms and conditions, and Buyer shall be deemed to accept such amended terms and conditions by ordering products herein offered after the date of such amendment. Additional special terms and conditions of B. Braun may be applicable with respect to certain products.

**Minimum Order Quantity:** All products must be ordered in full case quantities. Orders received with a value of less than \$250.00 CAD will be subject to a handling charge of \$40.00 CAD. Wholesalers and Distributors are subject to a handling charge of \$75.00 CAD for orders less than \$1,000.00 CAD.

**Prices:** All pricing quotes must be documented in writing and signed by B. Braun to be valid. Prices quoted, unless otherwise stated, refer to full case quantities. All prices are firm for 30 days from the date quoted. B. Braun reserves the right to change the prices and specifications of its products at any time without notice.

Products purchased from distributors will be at the prices set by those distributors and subject to the terms and conditions of sale of the distributor.

**Tax Information:** Any tax, assessment, duty, custom or other fee of any nature imposed upon the products, their sale, transportation, delivery, use or consumption shall be paid by Buyer in addition to the price quoted or invoiced. If B. Braun is required to prepay any such tax or fee, Buyer will reimburse B. Braun. Where applicable, Buyer must provide B. Braun with a resale/exemption certificate in order to avoid the withholding of applicable taxes. No refund or adjustment to previously withheld taxes will be made by B. Braun sixty (60) days after the invoice date. Where applicable, proof of certification should be mailed to: B. Braun of Canada, Ltd., c/o B. Braun Medical Inc., Tax Department, 824 Twelfth Avenue, Bethlehem, PA 18018-0027.

**Payment:** Payment terms are net 30 days from date of invoice. Credit card payments will not be accepted without prior approval from B. Braun. Buyer's obligation to pay outstanding invoices and all other amounts is absolute and unconditional and is not subject to any abatement, reduction, set-off, defense, counterclaim, interruption, deferment or recoupment for any reason whatsoever. Balances remaining unpaid at due date are subject to an interest charge of 1.5% per month or the highest rate permitted by law, whichever is lower, until paid. Any discounts, rebates, administrative fees, credits, or other fees due or owed to Buyer will be applied against delinquent balances before payment or reimbursement is made.

Any disputed amounts should be reported immediately and remitted with the undisputed amount by the payment due date. If B. Braun agrees with the billing dispute, B. Braun will credit Buyer the amount of the agreed-upon billing dispute. All billing disputes must be made within six (6) months of the applicable invoice date, or will be deemed to be waived.

B. Braun reserves the right in its sole discretion to require prepayment from any Buyer at any time and may refuse to sell and/or withhold further shipment until all overdue balances are made current. Buyer shall be liable for, and shall reimburse B. Braun for all costs and expenses it may incur in connection with collection of any amounts owed to B. Braun or enforcement of its rights, including without limitation, reasonable attorneys' fees and expenses, court costs, and costs of collection agencies.

**Returned Goods Policy:** Product returns are subject to the following conditions:

1. All returns are subject to the prior authorization of B. Braun, in its discretion. Buyer must notify Customer Support at (800) 624-2920 and complete a Return Request Form. The Return Request Form requires lot numbers, quantities and catalog numbers along with a specific reason for return. Customer Support will either authorize or deny the request for return. Only items appearing on an approved Return document are acceptable for return. Product returns will only be accepted from the original purchaser. Product returns will not be accepted from third party return companies. Unauthorized returns

will be destroyed and no credit issued. All authorized returned goods must be shipped freight prepaid to the B. Braun location indicated on the Return document, except B. Braun will pay freight costs for Product shipped-in-error.

2. All Products returned within 30 days of delivery are subject to a 25% restocking charge, except for Products shipped-in-error. Products returned after 30 days are considered excess stock and will be eligible for 50% credit. No Products will be accepted for return after 90 days from the date of delivery.
3. Subject to paragraph 2 above, credit will be issued at the net purchase price for all authorized returns provided:
  - a. Products have at least one year shelf-life remaining, or products with original expiration dating of eighteen months or less have at least six months shelf-life remaining.
  - b. Proper authorization has been obtained prior to return of products.
  - c. Products are in their original packaging.
  - d. Products are current inventory items.
  - e. The Products have been shipped and billed to Buyer by B. Braun, and Buyer has paid for said Products.
4. Certain Products **are not eligible for return**. These are:
  - a. Products that have deteriorated because of improper storage, handling, abuse or other factors.
  - b. Products that have been opened, partly used or which the labels or seals have been removed or tampered.
  - c. Products that have been involved in a special promotion sale.
  - d. Broken, damaged or opened cases. Resealed cartons are not eligible for return.
  - e. Special products made to Buyer's specification.
  - f. Sets over two (2) years old, flush syringe products, infusion systems devices, related accessories and IV poles.
5. Products that are to be returned for repair (e.g., medical device equipment) must be accompanied by an approved Repair Notification.

**Expiration Date:** On dated products, the expiration date is shown as a month and year, e.g., August 2014, 8/14. The date of expiration is the last day of the given month, e.g., August 31, 2014.

Credits for returned goods are conditioned upon B. Braun's inspection and approval of such goods upon their return. If B. Braun determines, in its discretion, that any returned goods are not eligible for return due to any of the reasons provided in paragraph 4 above, Buyer will not receive a credit, even if a Return document was issued. No advance credits will be accepted.

**Warranty:** With respect to disposable products, B. Braun warrants to the original purchaser that, at time of delivery, each standard product manufactured by B. Braun or an affiliate of B. Braun shall be free of defects in material and workmanship and, when used for the purposes and indications described on the labeling, is fit for the purposes and indications described on the labeling. All warranties for a product shall expire as of the product expiration date, or if none, after one (1) year from the date of shipment from B. Braun. B. Braun's warranty hereunder shall not apply if: (i) a product is not used in accordance with its instructions or if it is used for a purpose not indicated on the labeling; (ii) any repairs, alterations or other work has been performed by Buyer or others on such item, other than work performed with B. Braun's authorization and according to its approved procedures; or (iii) the alleged defect is a result of abuse, misuse, improper maintenance, accident or the negligence of any party other than B. Braun. The warranty set forth herein is conditioned upon proper storage, installation, use and maintenance in accordance with applicable written recommendations of B. Braun. The warranty furnished hereunder does not extend to damage to items purchased hereunder resulting in whole or in part from the use of components, accessories, parts or supplies not furnished by B. Braun.

B. Braun's sole obligation shall be to repair or replace, at B. Braun's option, any defective component or item and pay transportation expenses for such replacement. Buyer shall provide labour for the removal of the defective component or item and installation of its replacement at no charge to B. Braun. Buyer shall bear all risk of loss or damage to returned goods while in transit. In the event no defect or breach of warranty is discovered by B. Braun upon receipt of any returned item, the item will be returned to Buyer at Buyer's expense and Buyer will reimburse B. Braun for the transportation charges, labour and associated charges incurred in testing the allegedly defective item.

**Except as expressly provided herein, B. Braun hereby disclaims all other warranties or conditions of any kind, expressed or implied with respect to**

any products, parts or services provided by B.Braun including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose, use or application. Products distributed, but not manufactured, by B.Braun or an affiliate of B.Braun are not warranted by B.Braun and Customer must instead rely on the representations and warranties, if any, provided directly to the Customer by the manufacturer of such Product. The sole and exclusive remedy for breach of any warranty is limited to the remedies provided in the paragraph above.

Warranties for infusion system devices are provided in a separate warranty document.

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**Miscellaneous:**

1. Any required notices shall be given in writing, in the case of B.Braun, at the address set forth below, and in the case of Buyer, at the address designated on Buyer's purchase order or to such other address as either party may substitute by written notice to the other and shall be deemed given upon personal delivery, overnight delivery or three days following deposit in the mail.
2. Except as expressly provided herein, no changes or modifications to, or waiver of, any of these terms and conditions shall be valid or binding on either party unless in writing and signed by an authorized representative of each party. B.Braun's failure or delay to exercise or enforce any of its rights hereunder shall not constitute or be deemed to be a waiver of such rights or forfeiture of such rights, and B.Braun may, at its option, from time to time, exercise any of its rights or remedies.
3. These Terms bind Buyer and its successors and permitted assigns.
4. B.Braun will use its reasonable efforts to fill orders, but B.Braun shall not be liable for nonperformance or delays caused by a shortage of raw materials, manufacturing problems, delivery or labour problems, priorities, acts of regulatory agencies or judicial bodies, discontinuation of a product line, acts of God or third parties, infringement claims, or other causes beyond its reasonable control. Buyer agrees that in such events B.Braun may allocate products among all purchasers as it deems reasonable, without liability. B.Braun reserves the right from time to time to substitute a product with a product that has the same function as such product, or to delete a product.
5. The Products are sold subject to the laws of the Province of Ontario and the federal laws of Canada applicable therein, and all disputes or claims arising out of or relating to this Agreement or the Products ("Claims") are governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein, but not its conflict of laws. Customer expressly and unconditionally waives its rights to a jury trial in any such Claim.
6. B.Braun shall promptly deliver written notice or verbal, followed by written, notice of any recall of Product. Should the recall require Products be removed from the market, B.Braun shall, to the extent reasonably possible and at B.Braun's option, replace any such recalled Products as soon as practicable with comparable Products not subject to such recall or repair any such recalled Products and return them to Buyer.
7. Buyer may not change, adulterate, obscure, remove or deface trademarks, tradenames or labels appearing on any Product of B.Braun.
8. If the pricing offered by B.Braun to a Buyer constitutes a discount or other reduction in price under any federal, provincial or territorial legislation governing the price of the Products, and such legislation requires the disclosure of pricing information, then Buyer shall disclose the discount or reduction in price to the full extent required under any federal, provincial or territorial program which provides cost or charge based reimbursement to Buyer for the Products covered hereunder. Buyer agrees to fully and accurately report the actual purchase price paid by Buyer for the Products, net of any discounts, rebates or allowances provided to Buyer hereunder in the manner required by applicable law. Buyer may also be required, upon request, to provide documentation of the discount or other reduction in price to the applicable federal, provincial or territorial authority.
9. In all cases, all intellectual property rights in and to, and all technology relating to, the Products supplied to Buyer, their design and all improvements thereto or thereof, whether or not such Product, design or improvement is made pursuant to Buyer's specifications or at Buyer's expense, shall be and remain the exclusive property of B.Braun.

10. Any knowledge or information that Buyer may disclose to B.Braun shall not be deemed to be confidential or proprietary information, and shall be acquired by B.Braun free from any restriction.
11. B.Braun shall not in any event be liable to buyer for any indirect, incidental, special, punitive or consequential damages (including any damage for lost profits), or otherwise arising out of or in connection with furnishing of products, parts or service hereunder, or the performance, use of, or inability to use any products, parts or service, or otherwise, whether based in contract, warranty, tort, including without limitation, negligence, or any other legal or equitable theory. B.Braun's total liability for any claim or action shall not exceed the purchase price of the products out of which such claim or action arose.
12. If any of the products are medical devices, Buyer acknowledges that it is familiar with the Canadian Medical Device Regulations of the Canadian Food and Drugs Act (the "CMDR") as well as all applicable provincial product safety regulations ("PSR"), including without limitation, the Product Safety Regulations of the Ontario Electricity Act of 1998. In this regard, Buyer agrees to notify B.Braun within twenty-four (24) hours of the occurrence of any event identified in the CMDR or in any applicable PSR imposing a reporting obligation on B.Braun, and in all cases, any event involving a death or serious injury involving the use of the Products. Buyer shall maintain adequate tracking for the Products to enable B.Braun to comply with the CMDR, any applicable PSR and United States Food and Drug Administration requirements applicable to the tracking of medical devices.
13. Buyer shall purchase the products for its own use only, and shall not resell the products to any other party. Buyer represents it has examined the products and that they are acceptable and clinically suitable for its intended purposes.

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**Shipping:**

1. Freight charges will be prepaid when orders are shipped via a transportation mode and carrier selected by B.Braun. Unless otherwise stated in an agreement, shipment of infusion systems devices, related accessories and IV poles will be made F.O.B. Origin.
2. When expedited delivery, specialized service, or alternate transportation modes are requested, or if requests are inconsistent with efficient distribution practices, an additional charge to cover the premium expense will be added to the invoice. Inside deliveries are subject to additional charges based on current common carrier rates or hourly rates. Palletized deliveries are encouraged.
3. Products will be shipped on a scheduled order and delivery basis. Orders shipped outside Buyer's order and delivery schedule may be subject to a handling charge of \$75.00 CAD. B.Braun will provide proof of delivery upon request.

**Damage or Loss in Transit:** Identity of items and extent of damage or loss must be noted on Buyer's copy of the delivery document by the agent of the transportation company. If damage is discovered after receipt of shipment, notify the transportation company immediately and request that inspection be made and an inspection report rendered. Buyer must report concealed shortages or damages within palletized shipments to B.Braun Customer Support within 3 business days of delivery or credit will not be allowed. In addition, Buyer must provide B.Braun with a copy of Buyer's claim request accompanied by a delivery receipt or an inspection report upon which the transportation company has properly noted such damage or loss, and B.Braun will issue a credit for the loss or damage and file a claim with the carrier. If such information is not received within ten (10) days of delivery, no credit will be issued.

**Send copy of carrier freight bill to Customer Support indicating item and quantity damaged or not received.**

**Count and inspect your freight before carrier departs. Damaged merchandise should not be accepted.**

**Please forward all information to Attn: Customer Support, B. Braun of Canada, Ltd., 800-624-2920, c/o B. Braun Medical Inc., 901 Marcon Blvd., Allentown, PA 18109.**

**For Order Placement:** B.Braun welcomes orders by telephone, fax, mail or electronically. For telephone orders, please call (800) 624-2920. Faxed orders should be sent to (610) 849-1333. For infusion devices, call (855) 688-2771 or fax (610) 849-1336. Mail orders should be directed to Attn: Customer Support, B. Braun of Canada, Ltd., c/o B. Braun Medical Inc., 901 Marcon Blvd, Allentown, PA 18109.