

PURCHASE ORDER TERMS AND CONDITIONS FOR GOODS

1. **APPLICABILITY.** Unless otherwise expressly provided in writing with respect to a particular purchase, the following Terms and Conditions apply to all purchases by AMO (Shanghai) Medical Devices Trading Co., Ltd. ("**AMO**"). Acceptance of an order by acknowledgment, shipment of goods, or performance of services shall constitute acceptance by the Seller of these Terms and Conditions, notwithstanding that these Terms and Conditions may conflict with certain terms and conditions specified by Seller. Any terms or conditions proposed by Seller inconsistent with or in addition to these Terms and Conditions shall be void and of no effect until specifically agreed to and executed by an authorized representative of AMO in writing.

2. **PRICES.** Seller represents that the prices charged to AMO are no higher than the prices Seller currently charges to other similarly situated purchasers of similar quantities of goods of like kind and quality. Unless otherwise stated, all prices include all applicable taxes as required under applicable laws in effect on both the date of the order and the date of delivery of the goods.

3. **DELIVERY.** Each purchase order shall specify the date on which the goods must be received at AMO's designated location. Seller shall immediately notify AMO of any anticipated failure to ship the specified quantity of goods in time to meet such delivery date. If due to Seller's fault, delivery will not occur by the specified date or a replacement delivery will be necessary where AMO has rejected a prior delivery of nonconforming goods, AMO shall have the right to require air freight delivery at Seller's expense. If, for any reason including Seller's failure to make a timely shipment, Seller ships any goods by a method other than that specified in AMO's purchase order, Seller shall pay any resulting increase in the cost of freight.

4. **SHIPPING DIRECTIONS.** Unless otherwise specified on this purchase order, all shipments shall be F.O.B. destination. Title to goods released under a purchase order and risk of loss or damage shall pass from Seller to AMO upon delivery of the goods to such destination. Seller shall preserve, package, handle, and pack the goods so as to protect them from loss or damage, in conformance with good commercial practice and AMO's specifications. Seller shall be responsible for any loss or damage due to its failure to properly preserve, package, handle, or pack the goods, and AMO shall not be required to assert any claims for such loss or damage against the common carrier involved. Each container shall be marked with AMO's order number, Seller's packing list number, and the quantity and part number of contents. The container that contains the packing list must be marked "Packing List Enclosed." Time of delivery is of the essence.

5. **REJECTION, RETURN OF MATERIAL.**

5.1 If any goods is defective or does not otherwise conform with the requirements of these Terms and Conditions or of any purchase order, AMO may elect in its sole discretion to: (a) reject the nonconforming goods; (b) return the nonconforming goods at Seller's expense for repair, replacement, or credit; (c) repair the nonconforming goods and recover AMO's reasonable expenses of repair; or (d) hold the nonconforming goods pending Seller's instructions as to disposition. If, after payment, AMO subsequently rejects any goods upon discovery that they are nonconforming, AMO may deduct all or any part of said payment from any indebtedness due Seller under any outstanding order. If Seller does not repair, replace, or give credit for the nonconforming goods within ten days after return by AMO, AMO shall have the right to resort to any other remedy hereunder or at law. All purchases are subject to inspection and rejection notwithstanding prior payment.

5.2 All nonconforming goods returned by AMO shall be accompanied by a return material order issued by AMO. Transportation and storage of rejected goods shall be at Seller's risk and expense, and Seller shall reimburse AMO for all charges therefore paid by AMO.

6. **WARRANTY.**

6.1 Seller warrants that all goods shall:

- (a) conform strictly to the specifications, designs, models, drawings, samples, or other descriptions provided by AMO, or, if none are so provided, to the Seller's specifications;
- (b) be free from defects in design, material, manufacture, and workmanship;
- (c) be of merchantable quality, new and unused (unless otherwise specified in this purchase order), and shall be fit and suitable for the purposes intended by AMO.
- (d) be free and clear of all liens, encumbrances, and other claims against title.

6.2 The warranties provided for in this Section shall survive any inspection, acceptance, or payment by AMO, and shall be in addition to and not in limitation of any other warranty provided by law.

7. **CONFIDENTIAL INFORMATION.**

7.1 Any property furnished to Seller or which Seller may obtain from AMO, its subsidiaries, parents and affiliated companies, and their agents and employees (all of which shall be included for purposes of this Section in the term "AMO") or otherwise discover in the course of filling a purchase order in connection with any goods to be supplied to AMO shall remain the property of AMO. Seller shall not directly or indirectly make use of or disclose to any third party such property or any information derived there from or related thereto without AMO's express written approval.

7.2 For purposes of this Section, "property" shall include:

- (a) tools, designs, patterns, dies, machinery, and test equipment;
- (b) drawings or specifications supplied by AMO; and
- (c) "confidential information" including without limitation trademarks, trade names, labels, or imprints specified by AMO, and all information or data provided by or related to AMO (including the discovery, invention, research, improvement, development, manufacture, or sale of AMO products), or

business operations (including sales costs, profits, pricing methods, organizations, employee lists, and processes).

7.3 Upon demand by AMO, Seller shall promptly return all of AMO's property in Seller's possession and control together with all copies or reprints. All property shall be returned to AMO in good condition and at no expense to AMO.

8. INDEMNIFICATION.

8.1 GENERAL INDEMNIFICATION. Seller hereby agrees to indemnify and hold harmless AMO and AMO's officers, employees, distributors, agents, dealers, representatives, customers, and users of the goods or services from all losses, liability, damages and/or expenses which may be sustained or claimed against AMO (i) arising out of or related to any breach of these Terms and Conditions ; (ii) arising out of Seller's negligence or willful misconduct in providing goods or services to AMO hereunder; (iii) arising from injury to Seller employees while in the course of providing services or goods to AMO; or (iv) arising from Seller's use of automobiles, trucks, heavy equipment, or other vehicles in the course of providing services or goods to AMO. Seller shall at the request of AMO defend any such claim, action, or lawsuit.

8.2 INTELLECTUAL PROPERTY INDEMNIFICATION. Seller shall indemnify, hold harmless, and defend AMO, its subsidiaries, parents and affiliated companies, and their agents and employees (all of which shall be included for purposes of this Section in the term "AMO") from and against all claims or liabilities for damages (including costs of suit and attorney's fees) in any matter arising out of or resulting from any actual or claimed infringement of any patents, trademarks, or trade secrets, by reason of the manufacture, sale, or use of the goods, except to the extent, if any, to which such goods are manufactured exclusively to AMO's designs or specifications.

9. CHANGES IN ORDER.

9.1 AMO shall have the right to change the drawings, designs, or specifications, the method of shipment or packing, the place and date of delivery, and the quantity of goods to be delivered by Seller, on notice to Seller up to 30 days prior to ship date. If any such change causes an increase or decrease in the cost or the time required for performance of this order, an equitable adjustment shall be made in the price or delivery schedule, as applicable, by mutual agreement. Seller shall assert any claims for adjustment under this Section within 10 days after receipt by Seller of the notification of change.

9.2 Seller shall not make any changes in the form, fit, function, design, or appearance of the goods purchased by AMO without AMO's prior written consent, which consent will not be unreasonably withheld.

10. TERMINATION.

10.1 AMO may cancel an order, in whole or in part, without cause upon 30 days' advance notice to Seller. In the event AMO cancels this purchase order without cause, AMO shall pay Seller all documented reasonable and actual costs incurred by Seller in performance of the order up to the date of cancellation and which are properly allocable under recognized commercial accounting practices, excluding unrecovered fixed costs and unrealized profits.

10.2 AMO may cancel this order at any time after any breach by Seller upon notice to Seller, unless Seller cures the breach within 15 days after receipt of AMO's notice.

10.3 Notwithstanding anything set forth in Sections 10.1 or 10.2 above, AMO may immediately terminate this purchase order, in whole or in part, if (i) shipment or delivery is not made by the date specified on the face hereof, or (ii) required to do so in order to comply with any law, order, regulation, or request or imminent action of any governmental agency.

11. REMEDIES. In the event of breach by Seller, AMO shall have all the rights and remedies provided by these Terms and Conditions and by law, including without limitation the right to consequential damages. The remedies herein reserved to AMO shall be cumulative and in addition to any other remedies provided in law or in equity. No waiver of any provision or breach hereof shall constitute a continuing waiver or a waiver of any other provision or breach hereof.

12. PRICE PROTECTION. If during the term of this purchase order AMO is able to purchase goods of the quality and in the quantities herein specified and upon like terms and conditions at a price lower than the price stated herein, Seller upon receipt of satisfactory written evidence of same shall, at its option, meet such lower price or permit AMO to purchase the undelivered portion hereunder at such lower price. The quantity so purchased by AMO from others shall be deducted from the quantity covered by this purchase order.

13. COMPLIANCE WITH SPECIFIC LAWS.

13.1 Seller guarantees that all applicable PRC laws and regulations in relation to employment have been well observed in the production of the goods to be delivered hereunder. Such laws and regulations shall include but not limited to PRC Labor Law and PRC Employment Contract Law.

13.2 Seller warrants that all goods furnished under this purchase order, when used by AMO in the ordinary manner for which they are intended, shall not violate the applicable PRC laws and regulations in relation to occupational safety and labor protection.

13.3 Seller guarantees that no article delivered hereunder is adulterated or misbranded within the meaning of relevant PRC laws and regulations. Seller also guarantees that no article delivered hereunder is a misbranded hazardous substance or a banned hazardous substance within the meaning of relevant PRC laws and regulations.

14. DEBARMENT. Seller represents and warrants that neither Seller, nor any of Seller's employees or agents performing Services hereunder, have ever been, are currently, or are the subject of a proceeding that could lead to Seller or such employees or agents becoming, as applicable, a Debarred Entity or Individual.. Seller further covenants, represents and warrants that if, during the term of this Agreement, Seller, or any of Seller's employees or agents performing Services hereunder, become or are the subject of a proceeding that could lead to that party becoming, as applicable, a Debarred Entity or Individual, Seller shall immediately notify AMO, and AMO shall have the right to immediately terminate this purchase order. This provision shall survive

termination or expiration of this purchase order. For purposes of this provision, a "Debarred Entity or Individual" shall be an entity or individual who has been debarred by any government authority in accordance with applicable laws and regulations.

15. GOVERNING LAW AND ARBITRATION. Notwithstanding place of execution or performance, these Terms and Conditions shall be governed by and construed and enforced in accordance with the laws of the People's Republic of China, irrespective of its laws regarding choice or conflict of laws. Any dispute arising out of or relating to these Terms and Conditions shall be submitted to China International Economic and Trade Arbitration Commission (CIETAC) Shanghai Branch for arbitration in accordance with CIETAC's arbitration rules then in effect. The place of arbitration shall be Shanghai. The arbitration award shall be final and binding on the Seller and AMO.

16. ASSIGNMENT. Seller shall not assign its rights or obligations under these Terms and Conditions without AMO's prior written consent.

17. ENTIRE AGREEMENT; MODIFICATIONS. Subject to any duly executed written agreement between AMO and Seller, this purchase order contains the entire agreement of AMO and Seller concerning the goods and supersedes all other oral or written communication between them concerning its subject matter. AMO specifically disclaims any terms and conditions appearing on an invoice or similar document issued by Seller, which shall not be binding on AMO.

18. SEVERABILITY. If any provision of these Terms and Conditions, as applied to either party or to any circumstance, is declared by a court of competent jurisdiction to be illegal, unenforceable or void, the remaining provisions shall continue in full force and effect without said provision.

19. COMPLIANCE WITH REACH REGULATIONS. To the extent applicable, Supplier agrees to comply with all applicable requirements under Regulation (EC) 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), including Article 33 regarding the duty to communicate information on substances and articles.