

RAZOR MEDICAL INSTRUMENTS, INC. (RAZOR)

TERMS & CONDITIONS TO BE INCLUDED WITH RAZOR PURCHASE ORDERS

1. **ACKNOWLEDGEMENT & ACCEPTANCE:** Your acknowledgement and acceptance of this Order within two (2) business days is required. Your shipping the goods ordered or by accepting this Order is your agreement to these Terms & Conditions. RAZOR objects to any different or additional terms or conditions in your acceptance of this Order or any documentation you generate relative to this Order.
2. **INVOICES:** You shall submit an invoice within ten (10) business days of shipment of goods. RAZOR may at any time set off any amount owed by RAZOR to you against any amount owed by you or your affiliated companies to RAZOR.
3. **PACKING & SHIPMENT:** Pricing for the goods includes the goods being packed, marked and otherwise prepared for shipment by you in a manner which is (a) in accordance with good commercial practice, (b) acceptable to common carriers for shipment at the lowest rate for the particular goods, and in accordance with I.C.C. regulations, and (c) adequate to insure safe arrival of the goods at the named destination. An itemized packing sheet and appropriate certificates must accompany each shipment. Early shipments or over shipments will be held at your risk and expense. You will cooperate with any investigation on damaged or lost goods which occurs during shipping.
4. **WARRANTY:** You warrant all goods delivered under the Order (a) shall be free from defects in workmanship, material, and manufacture; (b) shall comply with the requirements of the Order including any drawings or specifications incorporated with the Order and/or of any samples furnished by you; (c) have been manufactured, stored and shipped in accordance to the Quality Agreement between the companies, under current good manufacturing practices, and all applicable laws; and, (d) where design is your responsibility, be free from defects in design. You further warrant the goods purchases shall be of merchantable quality and shall be fit and suitable for the purposes intended by RAZOR. The foregoing warranties shall constitute conditions and are in addition to all other warranties, whether express or implied, and shall survive any delivery inspection, acceptance, or payment by RAZOR. RAZOR may at its option and your expense, (d) require you to correct at any defective or nonconforming goods by repair or replacement; (e) return such defective or nonconforming goods and recover the order price of such goods, or (f) correct the defect or nonconformance of the goods. The foregoing remedies are in addition to all other remedies at law or in equity under this Order and shall not be deemed to be exclusive. All warranties provided by you shall run to RAZOR and to our customers. RAZOR's approval of your materials or design shall not relieve you of the warranties set forth above, nor shall waiver by RAZOR of any drawing or specification requirement for one or more of the goods constitute a waiver of such requirements unless so stated by RAZOR in writing.
5. **INSPECTION:** Goods shall be subject to final inspection and acceptance at RAZOR's facility. Any defective or nonconforming goods shall be, at RAZOR's sole option and your expense, (a) rejected; (b) corrected by you; or (c) accepted with an adjustment in price.
6. **CHANGES:** RAZOR, may at any time and without advance notice, suspend performance or make changes under the Order. Nothing, however, in this clause shall excuse you from proceeding with the Order as changed or amended.
7. **TERMINATION FOR DEFAULT: TIME IS OF THE ESSENCE** under the Order. RAZOR, upon its sole discretion, may terminate the Order in whole or in part if you fail to meet your obligations under the Order. You shall be liable to RAZOR for any excess costs incurred due to your default under this clause and you will follow RAZOR's instructions relative to your cure of such default..
8. **TERMINATION:** RAZOR may terminate, for convenience, work under this Order. You shall follow RAZOR's instructions relative to actions relating to transition to the termination of the Order.
9. **WAIVER:** RAZOR's failure to enforce at any time any rights under or provisions of this Order, to exercise any election of option provided, or to require at any time performance by you of any of the provisions of the Order shall in no way be construed to be a waiver of such rights or provision, nor in any way to affect the validity of this Order or any part thereof, or the right of RAZOR to enforce each and every such provision, in addition to any other remedies provided by law or under the Order.
10. **INDEMNIFICATION:** You agree to indemnify RAZOR, its agents, customer, successors and assigns ("RAZOR Indemnitees"), against any loss, damage and liability, including cost and expenses, resulting from actual or alleged claims of (a) infringements of intellectual property right by the goods; (b) defect in the goods whether latent or patent; (c) liability of royalties, mechanics liens, or other encumbrances relative to the goods; (d) of violation of warranty or representation you have made in this Order or other breach of this Order by you. Indemnification under this clause is not exclusive and is cumulative to all other rights of indemnification of RAZOR against you.
11. **COMPLIANCE WITH LAWS:** You warrant that no law, rule or regulation of the United States, of any state, or any other governmental agency has been violated in the manufacture or sale of the covered in this Order.
12. **NON-DISCLOSURE OF CONFIDENTIAL INFORMATION:** Goods purchased and information contained in this Order along with RAZOR's specifications or drawings are Confidential Information and property of RAZOR.
13. **ASSIGNMENTS/TRANSFERS:** No rights or obligations under the Order shall be assigned, subcontracted, or otherwise transferred by you without the prior written consent of RAZOR. RAZOR may assign, subcontract, or otherwise transfer this Order at any time.