

ÖSSUR AMERICAS, INC. - STANDARD TERMS & CONDITIONS OF SALE

These Standard Terms and Conditions of Sale ("Terms and Conditions" or "Agreement") apply to the sale by Össur Americas, Inc. ("Össur") of any goods and/or services sold to a buyer ("Buyer") (Össur and Buyer hereinafter respectively referred to as a "Party" or collectively the "Parties") as ordered by a Buyer without reference to a specific agreement and/or subject to a credit application or a purchase order or other form of a purchase document (collectively referred to as "Purchase Order").

1. **Offer & Acceptance.** The Purchase Order constitutes Buyer's offer to purchase from Össur the goods ("Products") and/or services ("Services") described in the Purchase Order, on the terms described therein subject to these Terms and Conditions. By signing and returning the Purchase Order, Össur acknowledges its acceptance of such an offer. In the absence of such acknowledgment, commencement of delivery of the Products and/or Services and acceptance of such delivery by Buyer shall constitute a firm contract between Buyer and Össur on the Terms and Conditions hereof.
2. **Prices & Payment.**
 - a. **Prices.** The prices for the Products and/or Services are as stated in the Purchase Order, and if applicable, any quotations, specifications, etc., approved in writing by an authorized agent of Össur, or if not applicable, on Össur's general price lists.
 - b. **Special Costs.** Buyer shall be responsible for the payment of any and all costs for handling, bulk packaging (in bags), boxes, and related costs and matters unless Össur has assumed an express obligation therefore by notification on the Purchase Order.
 - c. **Payment.** The payment terms are stated in the Purchase Order. If Össur has not received payment from Buyer prior to the expiration of thirty (30) days after Buyer's receipt of any invoice, Buyer will be deemed in default of payment. Buyer is responsible for late payment charges. The past due amounts are subject to a 1.5% finance charge per month.
3. **Packing, Shipping & Delivery.** The Products shall be packed, labeled and shipped by Össur.
 - a. **Shipping.** Buyer shall pay all related freight costs. Cost of special delivery and/or air shipments must be authorized in advance by Össur. All Products shall be shipped in their original packaging and Össur will make reasonable efforts to consolidate multiple orders in a single shipment.
 - b. **Delivery.** The delivery dates and locations are as stated in the Purchase Order. Products shall be delivered, F.O.B. Destination (shipment, handling, insurance pre-paid by Buyer) no later than the delivery date indicated on the Purchase Order.
4. **Replacement.** Any Item which does not conform to the specifications of the Products may be returned to Össur.
5. **Changes in Orders.** If, before final preparation of shipment of Products, Buyer requests to make changes in the quantities ordered, Össur will try to suggest an equitable adjustment in accordance with such changes.
6. **Warranties.**
 - a. **Liens, Claims & Encumbrances.** Össur warrants and represents that all goods shall be free and clear of any liens or encumbrances.
 - b. **Össur's Warranties.** Össur's limited warranty, hereby fully incorporated to these Terms and Conditions by reference, is available on Össur's web site www.ossur.com (for Braces & Supports Products <http://www.ossur.com/?PageID=13007> and for Prosthetics Products <http://www.ossur.com/?PageID=14493>)
7. **Independent Contractor.** None of the provisions of this Agreement are intended to create and none shall be deemed or construed to create any relationship between the Parties, other than that of independent contractor. The Parties are independent entities contracting with each other solely for the purpose of

effectuating the provisions of this Agreement. This Agreement is not intended, and shall not be construed, to create a venture, partnership, association, trustee-beneficiary relationship, principal-agent relationship, or fiduciary relationship between the Parties.

8. **Insurance.** Össur maintains policies of general liability and product liability insurance. Proof of insurance is available upon request.
9. **Accounting.** Össur and Buyer shall each maintain books and records of account pertaining to this Agreement and all transactions conducted hereunder in accordance with standard accounting principles. Össur and Buyer shall each have the right to examine such books and records at the offices of the other, during business hours, upon reasonable advance notice and in such a manner as not to unduly interfere with the other Party's operations.
10. **Notices.** All notices, requests, demands, approvals, consents, waivers, and other communications required or permitted to be given under this Agreement ("Notice") shall be in writing and shall be (a) delivered personally, (b) mailed by first-class, registered, or certified mail, return receipt requested, postage prepaid, (c) sent by next-day or overnight mail or delivery, or (d) sent by facsimile transmission, provided that the original copy is also sent by methods (b) or (c) set forth above in this Paragraph.

If to Össur: Össur Americas, Inc.
27051 Towne Centre Drive
Foothill Ranch, CA 92610

If to Buyer: To name and address indicated in the Purchase Order.

or, in each case, at such other address as may be specified in a Notice to the other Party. Any Notice shall be deemed effective and given upon delivery (or refusal to accept delivery).

11. **Use of Name.** Buyer agrees that it will not use the name of Össur or any of its affiliates in connection with this Agreement without first obtaining on each occasion the written consent of Össur.
12. **Confidentiality.** "Confidential Information" refers to any (a) technical or design information related to the Products; (b) business or financial information, including but not limited to product plans, costs or prices; and (c) any information designated by a Party as confidential or proprietary. The Parties shall hold in confidence any information designated by a Party as Confidential Information and will exercise the same degree of care to protect it from disclosure that it uses to protect its own Confidential Information of similar importance. Each Party shall only use the other Party's Confidential Information as necessary to perform its obligations hereunder and will return or destroy it at the request of the disclosing Party or upon the termination or expiration of this Agreement. Confidential Information does not include information: (a) otherwise available from a third party, without any limitations on its use, distribution or disclosure; (b) in the public domain; or (c) known to the receiving Party prior to its disclosure, as evidenced by written records. The Parties hereby covenant that they shall not disclose Confidential Information to any third party without prior written authorization of the disclosing Party; provided, however, that the Parties agree that Confidential Information may be disclosed to each Party's employees and agents for such Party's own internal purposes.
13. **Restrictions to Resale.** Buyer acknowledges and agrees not to, without Össur's prior written consent, reproduce, duplicate, copy, sell, trade, re-sell, lease, exploit or otherwise distribute or participate in distributing any Product or Service (a) outside the United States and U.S. Territories, or (b) through Internet Sales. For avoidance of doubt, the term "Internet Sales" means the sale of any Össur Product or Service that has been ordered (a) by a consumer or end-user on any internet website not authorized by Össur, or (b) as a result of any advertisement to a consumer or end-user on any internet website. Internet Sales includes the sale of any Össur Product or Service that has been ordered by a consumer via mail, phone, email, facsimile, or other electronic means if such product has been advertised or offered for sale on any internet website or

internet website advertisement owned, operated, or approved of by the seller. Internet Sales do not include (a) sales that a consumer orders in person and personally takes delivery of at the seller's physical premises; (b) sales directly to hospitals, GPOs, healthcare professionals, authorized distributors, or authorized independent resellers, unless such persons or entities are engaged in selling or advertising any Össur Product or Service on an internet website.

14. **Applicable Law: Jurisdiction.** The execution, interpretation, and performance of this Agreement shall be governed by the internal laws and judicial decisions of the State of California, without regard to conflict of laws principles. Each of the Parties (a) consents to submit itself to the personal jurisdiction of any state or federal court sitting in the State of California with respect to actions or proceedings arising out of or relating to this Agreement; (b) agrees that all claims in respect of such actions or proceedings may be heard and determined only in any such court.
15. **Binding Effect: No Assignment.** This Agreement is binding upon and inures to the benefit of the Parties, their respective heirs, executors, administrators, successors and assigns. Buyer may not assign this Agreement or subcontract any of its obligations without the prior written consent of Össur.
16. **Interpretation.** The Parties agree that this Agreement is the product of all their efforts, and that it should not be interpreted in favor of any one Party merely because of a Party's efforts in preparing it. The Parties acknowledge that each has had an opportunity to have its counsel review and revise this Agreement and that any rule of law or legal decision that would require interpretation of any claimed ambiguity against the Party drafting it shall have no application to this Agreement and is expressly waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effectuate the intent of the Parties.
17. **Conflict of Terms.** In the event of a conflict between these Terms and Conditions and the provisions and specifications of the Purchase Order, these Terms and Conditions shall govern, unless specifically overridden in writing by Össur.
18. **Waiver.** The waiver on any one occasion of a breach of any term, condition or obligation of this Agreement shall not be considered a waiver of that or any other term, condition, or obligation on any other occasion.
19. **Severability.** If any provision of this Agreement is found to be invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Agreement will remain in full force and effect in the same manner as if the invalid or illegal provisions had not been contained herein. However, if the resulting change in this Agreement materially affects the intent or purposes of the Parties in first entering into this Agreement or otherwise has a material adverse effect on either Buyer or Össur, then such affected Party may terminate this Agreement upon thirty (30) days advance written notice to the other. During this notice period, if the other Party chooses to mitigate the damage of the change so that the change is no longer material, the cause for termination will be deemed cured.
20. **Entire Agreement.** This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof and supersedes any other existing agreements, representations or promises exchanged by the Parties with respect to the same subject matter, whether verbal or written. This Agreement may not be modified except through a writing that is signed by all the Parties.
21. **Amendments.** This Agreement may be amended by mutual agreement of the Parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the Parties. No alterations in any of the terms, conditions, delivery, price, quality, quantity or specifications shall be effective unless the alteration is expressly acknowledged and accepted in writing by Össur.
22. **Binding Agreement.** By entering into this transaction, Buyer agrees to be bound by the provisions of this Standard Terms and Conditions of Sale.