

TERMS AND CONDITIONS

ACCEPTANCE

Acceptance by PL Medical of the Customer's Order is expressly conditioned on the Customer's acceptance of PL Medical's Terms and Conditions. The Customer shall be deemed to accept said Terms and Conditions if the Customer does not reject such Terms within three (3) business days by giving written notice identifying the rejected provisions and the reasons therefor.

ORDER CHANGES

Any change in pricing, quantities, or specifications must be in writing and agreed to by both parties. No change order will be binding on PL Medical unless acknowledged by an authorized representative of PL Medical. PL Medical may, at any time, by written notice, suspend performance in whole or in part of the order. OEM customers and special order product purchase orders may not be canceled once raw material has been ordered or production has begun. These orders are also non-returnable. Order date changes on these products will incur a 20% surcharge and this fee will be added to the customer's invoice.

CUSTOMER CHANGES

Any change in the Customer's contact information or shipping information must be provided in writing with at least two (2) weeks' notice prior to the effective date. This information must be sent separate from communications containing purchase orders. Any fees or delays resulting from improper notification are the responsibility of the Customer.

INSPECTION AND RETURNED ITEMS

The Customer must inspect all items immediately upon receipt and provide PL Medical written notice of any claimed defects within five (5) days after receipt. If the Customer fails to give such notice, items shall be deemed acceptable as shipped. All returns must be assigned a Return Merchandise Authorization number (RMA), by contacting PL Medical Customer Service within 30 days of receipt of merchandise along with batch/lot number information noted herein. Items must be received at PL Medical in the original packaging, unopened and fully protected for shipment, and in new and resalable condition within 30 days of RMA issuance. No used or opened items will be accepted for return. A 25% restocking fee will be charged on any standard catalog items returned. Failure to comply with any of these requirements will result in items being refused and returned to the Customer at the Customer's expense.

SHIPPING

PL Medical shipping account will be used. Ground shipment charges will be added to the invoice. All orders will ship FOB shipping point. A nominal handling charge will be added to each order to cover handling and transportation costs. Expedited orders must be received before 12:00pm (Noon) EST. Any request for expedited shipping by the Customer will be added to the invoice. If an order states "Drop Ship," or is being delivered to a location not operated by the Customer, the Drop Ship fee is implied and will be added to the invoice.

INVOICING AND PAYMENT

The standard open account terms are Net 30 Days and subject to credit approval using credit ratings and financial information. A Customer with insufficient information for open account terms may be offered alternative payment options of prepayment prior to shipment such as Visa, MasterCard, or American Express. Please note that a Convenience Fee of 3.5% applies to the total invoice when credit cards are used for payment.

Quoted pricing is based on standard terms and any deviation from these terms may result in a re-evaluation of the quote price. A service charge of 2% per month will be charged on all accounts that are 30-days past due and may result in terms being changed to "Prepay" only. Past due invoices will result in the account being placed on credit hold. No shipments will be made when an order is on credit hold status and all work in process will be stopped. If it

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becomes necessary to place an account for outside collection, the Customer will be liable for all costs of collection, including attorney fees, costs, and expenses.

PROPRIETARY RIGHTS AND CONFIDENTIALITY

The Customer represents and warrants that items supplied under the Order will not infringe any third-party patent, trade secrets, copyrights, or other intellectual property rights, and the Customer will defend., indemnify, and hold PL Medical harmless from all damages, costs, and expenses (including legal fees), from any claim to the contrary. All proprietary or confidential information obtained by the Customer from PL Medical about the Order is received in confidence, shall remain the property of PL Medical, and shall be used by the Customer only to the extent necessary for the performance of the Order.

WARRANTY/LIABILITY

PL Medical manufacturing drawings represent what is currently understood to be the Customer's complete design. The drawings incorporate any exceptions taken during the quoting process and any additional exceptions discovered during contract review. The Customer must make the final determination as to whether every item, as designed, will function for its intended use. PL Medical warrants only that items conform to the Customer's specifications. ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXCLUDED. PL Medical is not liable for any direct or consequential damages arising from any design assistance it provides or use of this product. The Customer agrees to indemnify and hold PL Medical harmless from any such claims or damages and related costs and expenses, which includes attorney fees.

CHOICE OF LAW AND FORUM

The agreement between PL Medical and the Customer is to be construed per the laws of the State of North Carolina. Exclusive jurisdiction and venue of any dispute involving this Order shall be in the Courts of Wake County, North Carolina.

GENERAL PROVISIONS

This Order, the terms of the Customer's order not inconsistent with this Order, and the Company manufacturing drawing together contain the entire and exclusive agreement between the parties and may be amended only in writing and signed by an authorized representative from PL Medical. A PL Medical waiver of any provision shall be effective only if contained in signed writing. The Customer shall not assign, delegate, or subcontract this Order or any rights hereunder without the prior written consent of PL Medical, and any attempt to the contrary shall be void and of no legal effect.