

## TERMS AND CONDITIONS

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**SALE OF GOODS:** The terms and conditions set forth below between Charter Medical, Ltd., whose name and address is shown on the face of this invoice (hereinafter referred to as "Seller"), and the party to whom this invoice is submitted (hereinafter referred to as "Buyer"), constitute an offer on the part of the Seller upon such terms and conditions. If this offer is in response to or follows any request for quotation or purchase order by Buyer which could be reasonably construed as an "offer" from Buyer and such offer contains terms and conditions different from and additional to those set forth below, then this offer shall not constitute an acceptance of Buyer's offer. Seller's acceptance of such "offer" is expressly conditioned on Buyer's assent to the terms and conditions set forth below. Buyer's own purchase order forms or any other forms provided by Buyer, before or after these Terms and Conditions, which seeks to modify, add to, is contrary to, or inconsistent with the terms herein are expressly rejected and of no force or effect. Buyer shall be deemed to agree to these Terms and Conditions upon the earlier of acceptance of Seller's quotation, acceptance of delivery of the goods or the issuance of a purchase order to Seller. As hereinafter used, "goods" shall mean the personal property (including any services) specified in this invoice. These Terms and Conditions together with the invoice is hereinafter referred to as the "Agreement."

**PRICES:** Prices quoted in this invoice are FCA Incoterms 2020 for international sales and Ex Works for domestic sales. Prices are based on commercial specifications and cover dimensions, finishes, tempers, etc. which are produced commercially and to commercial tolerances. Quoted prices do not include any federal, state or local taxes, including but not limited to sales, excise, gross income, occupation, use and similar taxes. Wherever applicable, such tax or taxes will be for the responsibility of Buyer and shall be added to the invoice as a separate charge to be paid by Buyer, except where Buyer furnishes Seller with exemption certificates acceptable to the relevant taxing authorities. Prices on any undelivered goods covered by this contact are subject to further increase due to a factor beyond Seller's control, including without limitation (a) an increase in the cost to the Seller of materials used in the manufacture of the goods, (b) as a result of new laws, restrictions, or regulations imposed on Seller under any applicable international, federal, or state law, decrees, orders, or industry standards or (c) as a result of increase in labor costs. Seller shall notify Buyer of any price increase arising for any of the foregoing reasons and within fifteen (15) days of Seller becoming aware of such reason. Buyer may notify Seller that Buyer will refuse to accept delivery at the higher price, and in such event, Seller, at its option, may rescind the contract. Prices quoted for goods to be shipped outside the continental United States are based on international currency exchange rates in effect at the time of quotation or acknowledgment. Seller reserves the right to change its prices at any time prior to shipment if exchange rates vary. Unless specifically provided otherwise in writing by Seller, any quantity discount applicable to the sale covered by this invoice shall apply to sales of goods made by Charter Medical, Ltd..

**TERMS OF PAYMENT:** Payment for the purchase of goods hereunder shall be made on the terms set forth on the face of this invoice, except that if no such terms are provided, payment shall be made net, thirty (30) days after the date of invoice. Notwithstanding the above, goods being shipped to foreign countries may be subject to a down payment with the purchase order and the remaining balance shall be secured through an irrevocable Letter of Credit established through and confirmed by a New York Bank. All invoices are payable in U.S. dollars, unless specified otherwise and approved by Seller in writing. The obligations to make payment shall continue without regard to any warranty obligations made hereunder by Seller and without regard to whether Buyer has made any inspection of the goods. A monthly finance charge of the greater of (i) one and one half percent (1 ½ %), or (ii) the maximum rate permissible under the law will be applied to any outstanding balance that remains unpaid 30 days after the date of any invoice until such outstanding balance is paid. Buyer shall pay Seller any reasonable expenses incurred by Seller for collection from Buyer of money due and unpaid, including reasonable attorney's fees and court or arbitration costs. If Buyer fails to pay any amount when due, or the financial responsibility of the Buyer becomes impaired or unsatisfactory in the reasonable judgment of Seller, Seller may, at its option and without prejudice to any other lawful remedies, suspend its performance hereunder until such outstanding invoice(s) are paid in full, or cancel all or any part of this order if such invoice(s) remain unpaid for more than five (5) days after written demand from Seller. No forbearance, course of dealing or prior payment shall affect the rights of Seller.

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Buyer agrees to authorize its creditors to disclose Seller information concerning Buyer's credit worthiness upon Seller's request. Any early payment discount provided on the face of this invoice shall be on the purchase price only, exclusive of freight or transportation, taxes and other charges.

**SHIPMENTS AND PERFORMANCE:** Shipping dates are approximate, and under no circumstances will any delivery date be deemed to represent a fixed or guaranteed delivery date in any contract created by the acceptance of this Agreement. If shipment is delayed for over one hundred and twenty (120) days, Buyer may reject the goods, but only if Buyer will sustain substantial damages as a result of such delay and can reasonably substantiate such damages. Unless otherwise expressly agreed in writing, (a) shipment for international sales shall be FCA Incoterms 2020; (b) shipment for domestic sales shall be Ex Works, (c) Seller shall have the right to make shipment in installments and (d) a delay or failure to ship, including any installment shall not relieve Buyer of its obligation to accept the shipment or any remaining installments. Where Buyer requires custom packing and Seller agrees to provide such packing in writing, the expense involved with such packing will be charged to Buyer. Orders are subject to a ten percent (10%) over-run or under-run.

**FORCE MAJEURE:** Seller shall not be held responsible for any delay or failure to perform its obligations hereunder in whole or in part due directly or indirectly, without limitations, to war, epidemic, pandemic, flood, acts of God, accidents, shortage of transportation, blockades, embargos, federal state, municipal, or any other governmental action or regulation, strikes or other labor troubles, fire damage to, or destruction in whole or in part of any goods, merchandise or manufacturing plant, lack of, or inability to obtain, materials, labor, fuel, or supplies, or any other causes, contingencies or circumstances outside of Seller's control which prevents or substantially hinders the manufacture, shipment, or delivery of the goods (each, a "Force Majeure Event"). The occurrence of a Force Majeure Event shall, without liability to Seller, excuse Seller from performance of this agreement, or at Seller's election, extend the time of performance by the time of any such Force Majeure Event, provided that Seller shall provide Buyer with notice of the Force Majeure Event and the expected duration, to the extent such information is known or can reasonably be determined. In any event, if any shipment shall be delayed six (6) or more months hereunder, either party shall have the right by written notice to the other to cancel that shipment and the balance, if any, under this contract and, in such event, neither party shall be liable to the other for any losses or damages arising out of such cancellation, except that Buyer shall be liable for any shipment or installment of a shipment of goods accepted under this Agreement.

**BUYER DELAY AND STORAGE:** In the event that Buyer is unable or unwilling to accept delivery of goods at the time of shipment, Seller shall invoice Buyer for the full purchase price as if shipment had been made. If Seller is able to store the goods in its own facilities, Seller shall the right to impose a reasonable charge on Buyer for handling and storage for the period the goods are maintained in such storage. Goods held for Buyer by Seller or another entity at Seller's request in accordance with this provision shall be held at Buyer's sole risk. Seller shall not be responsible for any loss or damage to the goods during such storage, and in no event shall Seller be liable for loss of use or for any indirect, incidental, or consequential damages resulting from any damage or loss to the goods while stored by Seller, or by any other entity at Seller's request, and on Buyer's behalf.

**WARRANTY, REMEDY AND LIMITATION OF LIABILITY:** Seller warrants that at the time of shipment to Buyer the goods shall be free of defects in workmanship and material under normal use and service and shall conform to contract specifications and be within the limits and sized published by Seller, subject to Seller's standard tolerances for variations. No sample or prior model shall that has been provided to Seller shall constitute an express warranty of any kind and all such goods manufactured based on such sample or model Seller shall have no liability to Buyer if Buyer's purchase order omits a specification and Seller fills the order using goods that substantially conform to a standard or customary specification. In no event shall Seller be liable for any defective good if examination discloses that the good has been taxed beyond its normal capacity of the defective condition of such good was caused by misuse, abuse, improper installation or application, improper maintenance or repair, alteration, accident or negligence in use, storage, transportation or handling. ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND ANY OTHER IMPLIED OBLIGATION, ARE ALL HEREBY EXCLUDED.

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Buyer agrees to inspect goods immediately upon receipt and to give written notice to Seller of the precise nature of any quantity objection or claim that the goods breach the warranty provided hereunder. Such written notice shall be given (a) within fourteen (14) days of receipt if the claim is to quantity and (b) within thirty (30) days if the claim is the breach of warranty. Upon receiving a warranty claim as detailed hereunder, Seller shall have a reasonable opportunity to inspect the goods. If Buyer shall fail to give Seller such notice or provide such opportunity to inspect, the goods shall be deemed to conform with the terms and the Agreement and Buyer shall be bound to accept and pay for the goods in accordance with the terms of the Agreement. Buyer expressly waives any rights Buyer may have to revoke or refuse acceptance after the aforesaid fourteen (14) or thirty (30) day periods as may be applicable. If Buyer provides timely notice and reasonable opportunity to inspect then (1) If the claim is the shortage in excess of ten percent (10%) of the entire order, Buyer may require Seller to make up the shortage within a reasonable time of Seller's receipt of the notice; and (2) If the claim is for breach of warranty, Seller may, at its option, either repair or replace said nonconforming goods or repay the purchase price thereof. If Seller requests the return of the nonconforming goods, the obligations hereunder for breach of warranty shall not arise unless the goods have returned to Seller within thirty (30) days after such request is made. Buyer shall bear all costs of shipping and installing any replacement goods. The aforesaid obligations of Seller to correct deficiencies in quantities in excess of ten percent (10%) and to repair or replace defective or nonconforming goods or repay the purchase price thereof is expressly agreed upon by the parties to be the limit of Seller's liability and Buyer's sole exclusive remedy for quantity deficiencies and breach of warranty. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION ANY LOSS OF REVENUE, PROFIT, BUSINESS OPPORTUNITY, GOODWILL, OR ANY OTHER DAMAGES AND REGARDLESS OF WHETHER SUCH DAMAGES ARE BASED IN TORT (INCLUDING NEGLIGENCE), CONTRACT, BREACH OF WARRANTY, OR ANY OTHER THEORY OF LIABILITY AND REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR WHETHER SELLER HAD BEEN WARNED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING WHETHER BUYERS SOLE AND EXCLUSIVE REMEDY FAILS OF ITS ESSENTIAL PURPOSE. UNDER NO CIRCUMSTANCES WILL SELLERS TOTAL CUMULATIVE LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT OF TOTAL FEES ACTUALLY PAID BY BUYER FOR THE THREE MONTHS IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE CLAIM HEREUNDER. Buyer, if a reseller, shall include in its terms and conditions of sale an effective disclaimer of warranties and limitations of liability at least as restrictive as those contained herein. In any event BUYER ASSUMES ALL RISKS AND AGREES TO FULLY DEFEND, INDEMNIFY AND HOLD SELLER, INCLUDING ITS OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AND AGENTS HARMLESS AGAINST ANY AND ALL PROCEEDINGS, CLAIMS, CAUSES OF ACTION, LAWSUITS, DEMANDS FOR DAMAGES (collectively "Claims") (INCLUDING WITHOUT LIMITATION LIABILITY BASED ON A CLAIM THAT SELLER IS NEGLIGENT OR STRICTLY LIABLE ) AND PAY ALL LIABILITIES, JUDGMENTS, ORDERS, PENALTIES, EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES AND COURT COSTS, AND OTHER COSTS (collectively "Costs"), ARISING OUT OF, IN RELATION TO, OR IN CONNECTION WITH ANY CLAIM OR COSTS THAT: (1) ANY PROPERTY MADE IN WHOLE OR IN PART FROM THE GOODS SUPPLIED UNDER THE TERMS OF THIS AGREEMENT, AND (2) AS A RESULT OF USE OR POSSESSION OF THE GOODS SUPPLIED UNDER THE TERMS OF THIS AGREEMENT. Any technical advice furnished by Seller, with respect to any use of the goods purchased hereunder by Buyer, shall not affect the limitations on the Seller's warranties or Buyers' agreement in indemnity as set forth above. Buyer acknowledges that this agreement is for the purchase of goods, not services and that Seller shall therefore have no liability to Buyer for any harm or loss caused by gratuitous advice received by Buyer from any Seller's agent or employees.

**PATENT, TRADEMARK AND UNFAIR COMPETITION INDEMNIFICATIONS:** With respect to goods manufactured by Seller solely in accordance with Seller's designs or specifications, Seller shall defend at its own Costs any Claims brought against Buyer to the extent that it is based on a claim that any such goods or any parts thereof furnished hereunder constitute an infringement of any patent, trademark, copyright or industrial design and the Seller will pay any costs and damages finally awarded against Buyer which are in any such action which are attributable to such Claim, but such defense and payment are conditioned on the following: (1) that Seller will be notified promptly in writing by Buyer of any notice of such Claim. (2) Seller will have sole control of the defense in any action of such Claim and all negotiations for its settlement and compromise, and (3) should Seller's products become, or in the Seller's opinion likely to become the subject of a claim or infringement of a patent, trademark, copyright or industrial design Buyer will permit Seller at its option to replace or modify in the same so that it becomes not infringing or to grant to Buyer a credit for such products

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as depreciated under the double declining balance method over the useful life of the product, but in any event no longer than five years, and accept its return. Buyer shall fully indemnify, defend and hold Seller harmless against any Costs resulting from any Claim brought for infringement of patents or trademarks or unfair competition (1) relating to the use or sale of any Seller's goods in any combination, method, or process owned or utilized by Buyer; or (2) arising out of compliance by Seller with Buyer's designs, specifications or instructions. The foregoing states the entire liability of Seller with respect to infringement of patents by Seller's goods or any parts thereof.

**INJURY TO BUYER'S AGENTS:** In the event that an agent or employee of Buyer sustains death or bodily personal injured while on Seller's property. Buyer agrees to fully defend, indemnify and hold Seller, including its officers, directors, employees, representatives, and agents harmless from and against any and all Claims and pay all Costs arising from, in relation to, or in connection with the incident causing the death or bodily personal injury.

**SOLVENCY OF BUYER:** By submitting any purchase order or other writing to Seller, either prior to or subsequent to the date of Seller's invoice, Buyer represents that it is solvent for the purposes of U.C.C. Section 2-702 and that it is not insolvent as defined by U.C.C. Section 1-201 (23). In the absence of written notification of insolvency, the transmission of any writing by Buyer to Seller during the course of performance of the contract will be understood to constitute a written representation of continued solvency for the purposes of U.C.C. Section 2-702(2).

**TOOLS AND OTHER ITEMS:** Unless other expressly provided for in writing, Seller shall retain title to and possession of any models, drawings, patterns, dies, molds, jigs, fixtures and tools made for or obtained for the furnishing of the contract.

**COMPLIANCE WITH LAWS; EXPORT CONTROLS:** Buyer shall comply with all applicable laws and regulations with regard to the supply, sale, transfer, export, re-transfer, or re-export of Seller Products, including: economic sanctions; export controls; and, trade embargoes ("Sanctions") and Buyer shall not cause Seller to, either directly or indirectly, risk any potential violation of any applicable Sanctions. For the avoidance of doubt, all applicable laws and regulations shall include at least those originating out of or related to United Nation's resolutions, or trade or economic sanctions, laws or regulations of the European Union, of the OSCE, or of the United States of America, including extra territorial sanctions. In addition, Buyer shall also respect Seller positions, which may go beyond the Sanctions as defined above. The list of countries to which Buyer refuses any direct or indirect sales (including transit across these countries) is as follows: Iran. This list is subject to evolutions and Seller reserves the right to regularly provide notice of such changes to Buyer.

**ASSIGNMENT AND DELEGATIONS:** Buyer shall not transfer this Agreement, assign any rights, or delegate any duties under this Agreement without the prior written consent of Seller.

**STATUTE OF LIMITATIONS:** Buyer agrees that any action of any kind by the Buyer against the Seller must be commenced on or before the first anniversary of the date on which the right, claim, demand, or cause of action shall have first arose.

**ARBITRATION:** All controversies and claims arising out of or relation to the contract, or any alleged breach thereof, shall be settled by arbitration proceedings in the City or State where Seller's place of business, as shown on the face of this invoice, is located, in accordance with the rules then pertaining of the American Arbitration Association, and judgment upon any award thereon may be entered in any court having jurisdiction thereof.

**MODIFICATION AND TERMINATION:** The contract shall not be modified or terminated and no cancellation, modification, termination or waiver of these terms and conditions shall be valid unless expressly agreed in writing. No waiver of any default hereunder shall be deemed a waiver of the obligation of future compliance, and any provision waived shall remain in full force and effect. Seller may cancel any unfulfilled

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part of the contract without any liability at once if and when Buyer files for bankruptcy or insolvency protection, otherwise makes an assignment for the benefit of creditors, or a receiver is appointed for Buyer.

NOTICE: Any notice required under this Agreement shall be in writing and delivered by certified U.S. Mail or by a nationally recognized courier to the party's address listed on the front of the invoice. Notice shall be deemed to have been received on the date such notice is delivered to the party to which it is addressed.

ENTIRE AGREEMENT: This Agreement contains the entire agreement between Seller and Buyer and is a complete and exclusive statement of the terms and conditions thereof as it concerns the subject matter herein. No other representations, understandings, conditions, or agreements have been made or relied upon in the making of this proposal other than those specifically set forth herein.

CONSTRUCTION: The contract shall be governed by and according to the laws of the State where Seller's place of business, as shown on the face of this invoice is located.