

**Rivanna Medical, Inc.**  
**Purchase Order Terms and Conditions**

1. **DEFINITIONS** - “Seller” means the party identified as the Seller in the Purchase Order. “Purchaser” means Rivanna Medical, Inc. “Purchase Order” means the purchase order issued by Purchaser to Seller that sets forth Purchaser’s order of Items. “Contract” means, collectively, the Purchase Order, all paper or electronic documents incorporated by reference under the Purchase Order, these Terms and Conditions and any confidentiality, nondisclosure or similar agreement executed by Purchaser and Seller, and all exhibits and amendments to all such documents. “Items” means the goods to be provided by Seller under the Contract. “Purchase Price” means the amount to be paid by Purchaser to Seller under the Contract for the Items.

2. **ACCEPTANCE** – By accepting any Purchase Order from Purchaser, Seller agrees to be bound by and to comply with these Terms and Conditions. Seller’s acceptance of any Purchase Order shall be expressly limited to the terms of the Contract, and Purchaser objects to any contrary term contained in any other document issued by Seller. Any terms and conditions in any acknowledgement, invoice or other paper or electronic document issued by either Seller or Purchaser are superseded by these Terms and Conditions. These Terms and Conditions supersede, replace and take precedence over any additional or alternative terms in any other documents connected with this transaction except in the event the parties to this order have negotiated and signed a supply agreement, in which event, such supply agreement shall override these Terms and Conditions. **ANY ACCEPTANCE OR ACKNOWLEDGMENT OF THE PURCHASE ORDER BY SELLER (INCLUDING WITHOUT LIMITATION BY BEGINNING PERFORMANCE OF ANY OF THE WORK OR ACTIVITIES CALLED FOR IN THE PURCHASE ORDER OR SHIPPING ITEMS) SHALL BE DEEMED AS A FULL ACCEPTANCE BY SELLER OF THE PURCHASE ORDER AND THE TERMS OF THE CONTRACT. FAILURE TO SIGN OR ACKNOWLEDGE THESE TERMS AND CONDITIONS SHALL IN NO WAY EFFECT THE BINDING NATURE OF THE PURCHASE ORDER AND/OR TERMS.**

3. **BLANKET ORDER** - If the Purchase Order is designated by Purchaser as a blanket order, Purchaser shall be obligated to purchase only those quantities of Items which it specifically requests under separate subsequent orders issued by Purchaser to Seller.

4. **PRICE** - The Purchase Price shall be that stated in the Purchase Order. If there is no price stated in the Purchase Order, the Purchase Price shall not be higher than the price last charged or quoted Purchaser for such Items by Seller.

5. **DRAWINGS AND SPECIFICATIONS** - Any specifications, drawings, notes, instructions, engineering information, or technical data furnished by Purchaser or referred to in the Contract shall be incorporated herein by reference. Seller shall be fully and solely responsible for obtaining product data adequate to design, manufacture, fabricate, construct and deliver the Items in full compliance with all requirements of the Contract. Purchaser shall retain title to all such documents which it provides or causes to be given to Seller, and Seller shall not use any of such documents or the information contained therein for any purpose other than in performance of the Contract. Seller shall not disclose such documents or information to any

party other than Purchaser or a party duly authorized by Purchaser. Upon Purchaser's request, Seller shall promptly return to Purchaser all such documents and copies thereof. Notwithstanding the foregoing, if Purchaser and Seller are parties to a confidentiality, nondisclosure, or similar agreement, the more stringent terms as between such agreement and these Terms and Conditions shall control.

6. **DELIVERY; TAXES** - The Seller shall deliver the Items to Purchaser on the date(s) indicated in the Contract. If Seller anticipates that it will not deliver the Items on the date(s) indicated, Seller shall immediately notify Purchaser by electronic transmission and overnight delivery of the anticipated failure and the anticipated actual delivery date. If Seller fails to make delivery of any part of the Items on the date(s) indicated in the Contract, the Purchaser may terminate the Contract and pursue all remedies available to it. All shipments of Items shall be delivered F.O.B. to the destination designated by Purchaser in the Contract, and title and risk of loss shall remain with Seller until such Items in a completed state are received by Purchaser, its agent or consignee regardless of whether or not Purchaser has made full payment for the Items. If expedited shipment is necessary in order for Seller to fulfill its delivery obligations, Seller shall pay the difference between express charges and the charges for the manner of shipping set forth in the Contract. Seller, or the carrier it uses to deliver the Items, whichever is applicable, shall (a) maintain at least a "satisfactory" safety rating from the U.S. Department of Transportation and shall provide Purchaser with written proof of such rating on request if the carrier is a motor carrier, and (b) shall maintain comprehensive general liability, bodily injury and property damage insurance in not less than the amount required by Section 17 of these Terms and Conditions, unless a larger amount is required by any federal, state, or local regulatory agency, in which event such larger amount shall be maintained. Unless otherwise provided by law, Seller shall pay all sales, use, excise, and other taxes, charges, and contributions now or hereafter imposed on, or with respect to or measured by the Items furnished hereunder or the compensation paid to persons employed in connection with performance hereunder and Seller shall hold Purchaser harmless and indemnify Purchaser against any liability and expense by reason of Seller's failure to pay such taxes, charges, or contributions.

7. **WARRANTY** - Seller warrants that the Items will (a) be of merchantable quality; (b) be fit for the Purchaser's particular purposes; (c) be of high quality and be free from defects in material and workmanship; (d) comply with the Purchaser's specifications, performance guarantees and requirements; (e) not infringe any intellectual property rights and (f) comply with all applicable codes and industry standards. Seller further warrants that it shall perform all work under the Contract in a diligent, careful, and workmanlike manner and shall obtain and maintain all permits and licenses required with respect to the Items. Seller also warrants that all Items shall be sold or provided by Seller to Purchaser free and clear of any liens and encumbrances. Seller's warranties and guarantees shall survive inspection, delivery and acceptance of the Items and/or payment by Purchaser. If the Items do not conform to any of these warranties, then, at Purchaser's option, Seller shall promptly repair or replace the defective Items, F.O.B. Purchaser's designated site at Seller's expense. In the event that, in the reasonable opinion of Purchaser, Seller cannot repair or replace the Items within a reasonable time, then Purchaser may take all steps necessary to have the breach cured and/or may terminate the Purchase Order and/or the Contract. In any event, Seller shall be responsible for all expenses and damages which Purchaser incurs because of the breach. The foregoing warranties and obligations shall also apply to the Items supplied by Seller in such repair, replacement or re-performance. Disclaimers

of express or implied warranties and limitations of liability in any Seller document will be of no effect unless specifically agreed to in writing by Purchaser, and even then shall not apply in the event of bad faith by the Seller in the performance of the Contract.

8. **CHANGES** – A Purchase Order may be revoked by Purchaser at any time prior to acceptance by Seller. Following acceptance by Seller of a Purchase Order, Purchaser shall have the right to make changes (including additions, reductions and/or deletions) from time to time in the Items, any specifications and/or drawings which are a part of the Contract, method of shipment or packing and/or the time and/or place of delivery. Purchaser shall give Seller written notice of any such change, which notice may include any increase or decrease in the cost of or the time required for performance of the Contract determined by Purchaser to be appropriate. Any claims by Seller for adjustments to Purchaser's change order must be asserted in writing to Purchaser not more than ten (10) calendar days after such receipt by Seller or such claim shall be null and void.

9. **PAYMENTS AND INVOICES** - The specific terms of payment for all Items are stated in the Purchase Order. Unless otherwise specified there or in a separate written instrument signed by Purchaser, no invoice shall be issued by the Seller prior to the shipment or performance of the Items covered thereby, and no payment shall be made prior to receipt of such Items and of a proper invoice for such Items. Seller shall indicate the appropriate Purchaser purchase order number on the invoice and shall deliver it to the address specified by Purchaser from time to time. All claims for money due from Purchaser shall be subject to set-off by Purchaser by reason of any claim arising out of the Contract or any other transaction with Seller.

10. **INSPECTION** - Purchaser may inspect any Items ordered hereunder during their manufacture, construction or preparation at reasonable times and shall have the right to inspect such Items at the time of their delivery and/or completion. Items furnished hereunder may at any time be rejected for defects revealed by inspection or analysis even though such Items may have previously been inspected and accepted. Such rejected Items may, at Purchaser's option, be removed and/or returned to Seller for full refund to Purchaser, including removal, shipping and transportation charges. Purchaser's failure to inspect or reject non-conforming goods or failure to detect defects by inspection shall not relieve Seller from any responsibilities or obligations hereunder.

11. **INTELLECTUAL PROPERTY** - The Seller releases and shall indemnify and hold harmless the Purchaser, its customers, contractors and agents from any and all claims for infringement of any patent, copyright or trademark, trade secret, or other form of intellectual property, whether or not registered, by reason of the design, manufacture, purchase, use or sale of the Items and shall indemnify the Purchaser for all costs, expenses, judgments, liability and damages, including attorneys' fees, which the Purchaser may incur or have rendered against it by reason of any alleged infringement. Purchaser reserves the right to be represented in any infringement proceeding without relieving Seller of any of its obligations hereunder. In the event an injunction is obtained against use of the Items, Seller shall do any or all of the following requested by Purchaser: (a) procure for Purchaser the right to continue using the Items; (b) replace the Items with equivalent or better non-infringing Items; (c) modify the Items, so that they become non- infringing, provided such Items perform in an equivalent or better manner in all respects.

12. **COMPLIANCE WITH LAWS AND REGULATIONS** - Seller warrants that neither any of the Items provided to Purchaser nor their manufacture, fabrication, construction, transportation or use shall violate or cause Purchaser to be in violation of any federal, state or local law, code, ordinance, regulation, standard, rule, requirement or order. In the event of any conflict between the provisions of any laws, codes, ordinances, regulations, standards, rules, requirements or orders described in this Section 12, the more or most stringent provisions shall apply. Seller shall promptly take, at its expense, all action necessary to make all Items comply with the applicable federal, state or local laws, codes, ordinances, regulations, rules, standards, requirements or orders after Seller receives from either the applicable agency or Purchaser a notice that a violation exists with respect to the Items. If Seller fails to promptly take such action, Purchaser may take all such action at Seller's expense. Seller shall also be liable for the payment of any penalties and/or fines imposed as a result of the failure of any Item provided by or for Seller hereunder to comply with all of the above requirements.

13. **USE OF PREMISES** – To the extent that Seller performs any work in regard to the Items on Purchaser's premises, Seller shall perform all work in such manner as to cause minimum interference with the operations of Purchaser and of other persons or entities on Purchaser's premises. Seller shall take, and cause Seller's and employees, agents, licensees and permittees to take all necessary precautions (including those required by Purchaser's safety regulations) to protect the premises and all persons and property thereon from damage or injury. Upon completion of the work, Seller shall leave Purchaser's premises clean and free of all equipment, waste materials and rubbish.

14. **LEGAL COMPLIANCE** - In performance of the Contract and every activity connected with the Contract, Seller shall fully comply with all applicable laws, ordinances, rules and regulations and when requested, shall furnish evidence satisfactory to Purchaser of such compliance. Without limiting the foregoing, Seller warrants and agrees that (a) all articles and materials furnished with respect to the Items were and shall be produced in compliance with the Fair Labor Standards Act of 1938 as amended; (b) that Seller has and shall comply with the provisions of the Occupational Safety and Health Act of 1970, as amended, and the standards and regulations issued thereunder, and in particular that standard requiring certain manufacturers and others to provide warning labels on all containers and to issue Material Safety Data Sheets to purchasers; and (c) in the event this Order involves a government contract or subcontract, the "Equal Employment Opportunity Clause" as set out in Section 202 of Executive Order 11246, as amended, is incorporated herein by specific reference.

15. **LIENS** - If at any time there shall be evidence of the existence of any such lien or claim for work done or materials or equipment furnished by Seller or any other party in connection with the Contract, Purchaser may use money then due or to become due under the Contract to discharge such lien or satisfy such claim and may credit such amounts against the amounts due or to become due to the Seller.

16. **INDEMNITY** – Seller releases and shall indemnify and hold Purchaser and its agents, consignees, employees and representatives, and their respective successors and assigns harmless from and against all expenses, costs, charges, damages, judgments, claims, suits, losses, fines, penalties or liabilities, including attorneys' fees, of every kind whatsoever by reason of, arising out of, or in any way connected with (i) its breach, default, performance, or nonperformance

under the Contract or (ii) any injury, disease, or death of persons or damage to or loss of any property (including but not limited to Purchaser's premises) or the environment resulting from or in connection with the Items or its performance or nonperformance of the Contract. This indemnification shall be in addition to the warranty obligations of the Seller.

17. **INSURANCE** - Seller shall have and maintain with a carrier or carriers acceptable to Purchaser at least the following minimum insurance at Seller's expense for the duration of the Contract (including all warranty periods thereunder) covering all of Seller's obligations under the Contract: (a) Workers' Compensation - Statutory; (b) Employer's Liability - Bodily Injury by Accident - \$1,000,000 each accident; Bodily Injury by Disease - \$1,000,000 each employee; Bodily Injury by Disease - \$1,000,000 policy limit; (c) Commercial General Liability (Bodily Injury, including premises, contractual, products liability or completed operations coverage) \$2,000,000 in the aggregate; \$1,000,000 each occurrence in the aggregate with a single excess umbrella coverage of not less than \$5,000,000 for combined bodily injury and property damage; (d) Commercial General Liability (Property Damage, including premises, contractual, products liability or completed operations coverage with the explosion, collapse and underground damage exclusions deleted) \$1,000,000 each occurrence; \$1,000,000 in the aggregate; (e) Business Automobile Liability Bodily and Property Damage, \$1,000,000 combined single injury limit and each occurrence; (f) Errors and Omissions Liability - not less than \$2,000,000 per year covering Seller's obligations under the Contract with a per claim deductible satisfactory to Purchaser. The completed operation coverage of the products liability coverage described above under the commercial general liability insurance shall be kept in effect for the longer of two years from the date of Purchaser's initial commercial use of the Items or the period stated in the first sentence of this section. None of the above insurance coverage shall be cancellable except upon thirty (30) days' prior written notice to the Purchaser and to all other insured parties, and Seller shall provide Purchaser with a copy of any such cancellation notice immediately after Seller's receipt of it. Seller shall include Purchaser as an additional insured on all liability insurance. In addition to the provisions of Section 16, in the event of a lawsuit or claim by an employee of Seller or of any of its subcontractors against Purchaser, or any of Purchaser's agents, officers, directors, or employees for any injury (including, but not limited to death) or disease arising out of, related to, or claimed to have arisen out of or to have been related to the employee's employment in the performance of the Contract, Seller, on behalf of itself and its Workers' Compensation carrier, hereby transfers and assigns to Purchaser and shall cause each of its subcontractors to transfer and assign to Purchaser any and all liens or subrogation rights that it, they or its or their insurers may have for Workers' Compensation benefits paid to such employee. Seller also waives, for itself and its insurers, all rights of recovery against Purchaser and its employees which Seller or its insurers may have for any loss related to the Items that is insured against herein. On Purchaser's request, Seller shall provide certificates of insurance and renewals evidencing such insurance coverage.

18. **TERMINATION, SUSPENSION OR DELAY** - Purchaser shall have the right at any time to terminate, suspend, or delay the Contract in whole or in part by prior written notice to Seller. In the case of termination of the Contract, Seller shall then transfer to Purchaser, in accordance with Purchaser's directions, all materials and all information accumulated, specifically prepared or acquired by Seller for use in the performance of the Contract. The Seller shall, if directed by the Purchaser and to the extent stated in the notice of termination, suspension or delay, make all efforts necessary to preserve the work in progress and to protect the Items

whether still at Seller's manufacturing facilities or in transit to Purchaser's facilities. If Seller is not then in default in the performance of any of its obligations hereunder, and if Seller has taken reasonable steps to mitigate its damages resulting from such termination, Purchaser shall pay to Seller, as Seller's sole and exclusive remedy for termination under this Section 18, to the extent not already paid to Seller, an amount equal to: (a) the reasonable and documented costs incurred by Seller in accordance with the Contract prior to Seller's receipt of notice of termination, plus, (b) the reasonable and documented costs and charges incurred by Seller in winding up its activities under the Contract prior to the effective termination date, provided, however, that the amounts listed in (a) and (b) of this Section 18 plus prior payments to Seller shall in no event exceed the Purchase Price. Before Purchaser resumes performance under the Contract following such suspension or delay, Seller and Purchaser shall negotiate in good faith on the adjustments, if any, which may be required in payments to Seller or in the Purchase Price to avoid inequities either to Seller or Purchaser.

19. **DEFAULT** - If the Seller: (a) becomes insolvent; (b) has a petition under any chapter of the bankruptcy laws filed by or against it; (c) makes a general assignment for the benefit of its creditors; (d) has a receiver requested or appointed to it; or (e) breaches, defaults, or otherwise fails to comply with any of its representations, warranties, agreements, or other obligations under the Contract, then in any such case Purchaser may, in addition to any other rights set forth in the Contract or available to Purchaser at law or in equity, at its option either cure the default at Seller's expense or terminate the Contract after first giving Seller ten (10) days written notice to cure such default, if Seller has failed to cure such default within such ten (10) day period. At any time after such termination, Purchaser may do any or all of the following: (i) take possession of the Items wherever they may be located and in whatever state of completion they may be together with all drawings and other information necessary to enable Purchaser to have the Items completed, installed, operated, maintained and/or repaired; (ii) pay to Seller any amount then due under the Contract after taking full credit for any offsets to which Purchaser may be entitled; (iii) contract with or employ any other party to finish the Items; and (iv) collect from the Seller any additional costs, expenses, losses or damages which Purchaser may suffer.

20. **PURCHASER'S RIGHT AND REMEDIES** - Any rights or remedies granted to Purchaser in any part of the Contract shall not be exclusive of, but shall be in addition to, any other rights or remedies granted in any other part of the Contract and to any other rights or remedies that Purchaser may have at law or in equity.

21. **PACKING AND MARKING** - All Items shall be packed, crated and braced to prevent damage or deterioration with no charges being paid by Purchaser for packing, crating or bracing. The contents of each shipping container shall be clearly identified on the outside of the container, and the applicable Purchase Order number for the contents shall be clearly stated on the outside of each such container.

22. **CONFIDENTIAL TREATMENT** - Seller shall not disclose in any advertisement or promotional material or in any other manner, without the prior written consent of Purchaser in each instance that Purchaser has purchased or contracted to purchase the Items ordered.

23. **ASSIGNMENT** - Seller may not assign or subcontract the Contract or any right thereunder without the prior written consent of Purchaser, provided that if Purchaser consents to

such assignment or subcontracting, Seller shall nevertheless remain fully responsible for all work performed by such assignee or subcontractor. Purchaser may assign the Contract to any of its affiliated companies or any third party who acquires the Purchaser's business to which the Contract pertains.

24. **WAIVER** - The failure of either party hereto to require strict compliance with or complete performance of any obligation of the other party hereto by such other party shall not be construed as a waiver of any subsequent breach by such other party.

25. **ENTIRE AGREEMENT** - The Contract sets forth the entire agreement between Seller and Purchaser on the subjects covered herein, and, except as otherwise provided in Section 8, no terms, conditions, understanding or agreement purporting to modify or vary the terms of the Contract shall be binding unless made in writing and signed by Seller and Purchaser. In the event of any conflict between any provision of these Terms and Conditions and any other provisions of the Contract, these Terms and Conditions shall prevail or control unless the conflicting provision in such other Contract document expressly states that it supersedes these Terms and Conditions. No course of prior dealings between the parties or any trade usage shall be used or considered to supplement or explain any term used herein.

26. **SEVERABILITY** - In the event that any words, phrase, clause, sentence or other provision of the Contract shall violate any applicable statute, ordinance or rule of law in any jurisdiction in which it is used, such provision shall be ineffective to the extent of such violation without invalidating any other provision of the Contract.

27. **GOVERNING LAW; VENUE** - The Contract and all the performance thereunder shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia without regard to its conflicts of laws principles. Any dispute or action concerning the Contract shall be determined exclusively in either the Circuit Court for the City of Charlottesville, Virginia or in the United States District Court for the Western District of Virginia. The parties exclude the application of the United Nations Convention on Contracts for the International Sale of Goods.

28. **TIME OF THE ESSENCE** – Time is of the essence regarding Seller's performance of the Contract and Purchaser's right to require strict performance by Seller shall not be affected by any waiver, forbearance, course of dealing, or force majeure event.