GENERAL CONDITIONS OF SALE

These terms and conditions ("Agreement") shall govern the provision of products and services to you by Laborie Medical Technologies Corp. or Laborie Medical Technologies Inc., as applicable ("Laborie") unless otherwise agreed upon in a separate, written agreement between you and Laborie *.

1. PRICING AND PAYMENT

1.1 All prices are in U.S. dollars unless otherwise stated on the quotation. Laborie reserves the right to change prices without notice. Prices in effect at the time your order is accepted will prevail. Pricing is subject to the terms of this Agreement and the quotation.

1.2 Prices are exclusive of, and you will pay: (a) all applicable federal, state, provincial and local taxes (including all applicable sales, use, consumption, goods and service, value added, and withholding taxes), unless you have provided Laborie with an appropriate tax exemption certificate or number, and (b) all fees and charges related to customs, duties and brokerage.

1.3 Payment terms are net thirty (30) days from the date of Laborie's invoice date. Payment shall be made in full and without deduction or set-off. Interest shall be payable on overdue amounts at the lesser of 2% per month or the maximum rate allowable by law.

2. ORDERS, DELIVERY AND SHIPPING

2.1 Laborie will make reasonable efforts to accommodate your delivery requirements; however, delivery is subject to availability of resources at the time of order placement and is dependent on your availability to provide input and to perform reviews. Laborie shall therefore not be liable in any way for any delay or damage arising from Laborie's failure to meet such delivery requirements or any delivery dates.

2.2 All orders are subject to acceptance by Laborie. All shipments shall be made FCA Laborie's facilities (Incoterms 2000) as indicated on the quotation. Risk of loss for products shall pass to you upon delivery to the carrier. You therefore assume all responsibility for claims against the carrier for loss or damage. If goods are received short or in damaged condition, you must immediately notify the carrier and insist on a notation of the loss or damage across the face of the freight bill, otherwise a claim cannot be enforced against the carrier. If you provide the carrier with a clear receipt for goods that have been visibly damaged or lost in transit, you do so at your own risk and expense.

2.3 You are responsible for examining all shipments promptly upon receipt and for preparing your facilities for installation of the products. If you discover any shortages or incorrect products in the shipment, you must notify Laborie immediately. Please check your order carefully, as no claim for shortages or deficiencies will be accepted by Laborie after one (1) day from delivery of the products. If you discover any concealed loss or damage to the products, such loss or damage is your responsibility, in accordance with Section 2.2 above. You must retain all packing materials, immediately notify the carrier and follow the requisite steps for resolution. Generally, a concealed damage report must be made within seven (7) days of delivery or the carrier will not entertain any claim for loss or damage.

2.4 Laborie reserves the right to make partial shipments unless otherwise agreed to in writing. Such partial shipments shall become due and payable in accordance with this Agreement.

3. RETURNS

3.1 Products may be returned to Laborie within ten (10) days of delivery for credit, if the products are unused, in a new and intact condition, and in their original containers, subject to Laborie's return procedures. You must obtain a valid, written Return Materials Authorization (RMA) from Laborie before products may be returned. Laborie reserves the right to refuse or return collect any products sent back without an RMA. Returned products are subject to a restocking charge which may range from 20-50%. You are also responsible for paying the full cost of refurbishing or repairing the products and all return

handling and shipping costs. Disposable/Sterile products are also subject to expiration date and compromised packaging considerations. Consult Laborie for details and RMA.

4. TITLE, INTELLECTUAL PROPERTY AND USE RESTRICTIONS

4.1 You shall not obtain title and/or any right of possession to the products sold to you until you pay all amounts due for such products. NOTWITHSTANDING THE FOREGOING, TITLE TO SOFTWARE SHALL NOT PASS TO YOU. YOUR USE OF ANY LABORIE SOFTWARE SUPPLIED TO YOU UNDER THIS AGREEMENT IS GOVERNED BY AND SUBJECT TO LABORIE'S SOFTWARE LICENSE TERMS APPLICABLE TO SUCH SOFTWARE. Use of any third party products and software under this Agreement shall be governed by and subject to your agreeing to the terms of all applicable third party agreements and licenses respecting such third party products and software.

4.2 You do not acquire any intellectual property or other proprietary rights under this Agreement, including without limitation any right, title or interest in and to patents, copyrights, trade-marks, industrial designs, confidential information, or trade secrets, whether registered or unregistered, relating to Laborie products, services, or any part thereof. Your only rights to Laborie products, services, or any part thereof shall be those rights expressly licensed or granted to you under this Agreement. Any rights not expressly granted under this Agreement are reserved.

4.3 Except to the extent expressly agreed upon in writing by you and Laborie, you shall not, and you shall not permit any third party to, copy, reproduce, distribute, modify, decompile, disassemble or reverse engineer any software or other products provided to you by Laborie, nor shall you use such products or services except to facilitate your internal business functions.

5. CHANGES

5.1 Laborie reserves the right to make changes in the design of its products or services without the obligation to make equivalent changes to products or services that have previously been supplied to you. Laborie further reserves the right to change part numbers and specifications without prior notice.

5.2 You shall not be entitled to change or cancel any order without the prior written agreement of Laborie.

6. CANCELLATION AND TERMINATION

6.1 Laborie may terminate this Agreement upon written notice to you, and may also stop any products in transit to you and suspend the delivery of products and services to you without penalty, if: (a) you commit a material breach of this Agreement and fail to remedy such breach within thirty (30) days of receiving notice of such breach, or (b) you become involved in any legal proceeding concerning your solvency, have a receiver or administrator appointed of any of your assets, cease or threaten to cease operations, or otherwise have a serious and reasonable doubt arise respecting your solvency.

6.2 Upon termination of this Agreement for your breach or insolvency: (a) all of Laborie's performance obligations hereunder shall immediately cease, (b) your license to use any software provided to you hereunder shall immediately cease, and you shall either return all such software to Laborie or have an officer of your company certify that such software has been destroyed, and (c) any payments then due to Laborie become immediately payable in full.

6.3 Except as otherwise specified herein, neither party shall be entitled to terminate or cancel this Agreement except with the prior written consent of the other party.

7. COMPLIANCE WITH LAWS

7.1 Each party shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies (including import and export laws and regulations), including federal, provincial, state, municipal and local governing bodies, of any country having jurisdiction over the products and

services or any part thereof. You agree to indemnify Laborie from any loss, claims, liability or damages arising out of your failure to comply with such laws, ordinances, codes and regulations.

8. WARRANTY

8.1 Laborie warrants that, for a period of one (1) year from the date that the products are delivered to you: (a) the products will comply with Laborie's specifications for such products, and (b) the products will be free from material defects in material, design and workmanship. Laborie does not warrant that the operation of the products or services will be uninterrupted or error-free.

8.2 If you notify Laborie of any such material defects or non-conformance with the products within such one (1) year period, Laborie will, at its option, repair or replace the products. If Laborie is unable to repair or replace such products within a reasonable timeframe, Laborie may refund you the amounts paid for such defective or non-conforming products. All shipment of such products is at your expense.

8.3 The above warranty shall not apply to defects or non-conformities resulting from: (a) improper or inadequate maintenance or installation of the products, (b) use of the products or services in combination with software, interfaces, or other materials that are not supplied or specifically authorized by Laborie, (c) unauthorized or improper use, modification maintenance or repair of the products or services, (d) abuse, negligence, accident, or other damage from external sources, or (e) improper preparation of your facilities for product installation and use.

8.4 THE WARRANTY SET FORTH IN THIS SECTION 8 IS THE EXCLUSIVE WARRANTY MADE BY LABORIE TO YOU. LABORIE DISCLAIMS ALL OTHER REPRESENTATIONS, WARRANTIES AND CONDITIONS, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY EXPRESS OR IMPLIED REPRESENTATIONS, WARRANTIES OR CONDITIONS OF MERCHANTABILITY, MERCHANTABLE QUALITY, FITNESS FOR A PARTICULAR PURPOSE, DURABILITY, TITLE, NON-INFRINGEMENT, OR ANY OTHER WARRANTY OR CONDITION ARISING BY STATUTE, CUSTOM OR USAGE OF TRADE RELATED TO THE LABORIE PRODUCTS AND SERVICES PROVIDED HEREUNDER. Some jurisdictions may not allow the exclusion or limitation of implied warranties and conditions. To the extent permitted by law, any implied warranties or conditions relating to the products and services to the extent that they cannot be excluded as set out above are limited to one (1) year from the date that the products are delivered to you.

9. INDEMNITY

9.1 You shall defend, indemnify and hold Laborie, its successors, assigns, officers, directors, employees and agents harmless from any and all claims, damages, judgments, settlements, losses or expenses, including but not limited to attorney's fees and charges, and court and arbitration costs, arising out of or relating to this Agreement (including without limitation (a) a claim of infringement of any intellectual property or proprietary right arising from your combination or use of the products or services with software, interfaces, or other materials that are not supplied or specifically authorized by Laborie, (b) a claim of infringement of any intellectual property or proprietary right arising from Laborie's adherence to your instructions, (c) a claim respecting any injury, death or property damage in connection with your use or misuse of the products or services, (d) any third party claim arising from your unauthorized or improper use or modification of the products or services, and (e) any third party claim arising out of your material breach of this Agreement). This indemnity obligation excludes any direct damages to the extent arising from the gross negligence or willful misconduct of Laborie.

9.2 Laborie will defend, indemnify and hold you harmless with respect to amounts required to be paid to a third party, and all costs, expenses, and liability, including without limitation attorney's fees and court costs, arising from a claim that the products or services furnished and used within the scope of this Agreement infringe(s) such third party's copyright, patent or other intellectual property right enforceable in the territory in which you have been authorized to use such products or services. Notwithstanding the foregoing, Laborie shall have no liability for any claim of infringement to the extent based on: (a) use of a superseded or altered release or version of any product if the infringement would have been avoided by the use of a current unaltered release or version of such product that Laborie has, as of the time the

claim arose, made commercially available at no charge to you or (b) any claim for which you are obligated to indemnify Laborie.

9.3 Each party's indemnity obligations hereunder are conditional upon: (a) the indemnified party notifying the indemnifying party in sufficient time to allow the indemnifying party to protect its legal interests; (b) the indemnifying party having sole control of the defense and all related settlement negotiations, provided, however, that the indemnifying party shall act reasonably and in good faith to protect the indemnified party's interests, and (c) the indemnified party providing the indemnifying party with the assistance, information and authority necessary to perform the indemnifying party's obligations under this paragraph. Reasonable out-of-pocket expenses incurred by the indemnified party in providing such assistance will be reimbursed by the indemnifying party.

10. LIMITATIONS OF LIABILITY

10.1 Except as expressly stated herein, in no event will Laborie be liable under this Agreement for any damages other than your direct damages to the extent arising from Laborie's gross negligence or willful misconduct, and in no event shall Laborie's aggregate liability exceed the amounts paid by you to Laborie for the products and services that gave rise to the claim.

10.2 No claim may be brought against Laborie, whether in contract, tort or otherwise, more than two years after the products were delivered and services were completed or terminated under this agreement.

10.3 EXCEPT FOR THE LIMITED DIRECT DAMAGES SPECIFIED IN THIS SECTION 10, TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL LABORIE BE LIABLE FOR ANY DAMAGES WHATSOEVER, INCLUDING WITHOUT LIMITATION INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES, OR DAMAGES FOR LOSS OF PROFITS, DATA, USE OR OPPORTUNITY, WHETHER OR NOT SUCH DAMAGES WERE FORESEEN OR UNFORESEEN, AND WHETHER OR NOT LABORIE WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

11. SUPPORT

11.1 Laborie shall not be obligated to provide any support or maintenance services for the products or services unless specified in the quotation. For greater certainty, this provision does not in any way relieve Laborie of its warranty obligations hereunder.

12. CONFIDENTIALITY

12.1 Each party recognizes that it may in the course of this Agreement come into possession of confidential or proprietary information of the other party. Each party therefore agrees that at all times during the term of this Agreement and following termination of this Agreement: (a) each party shall maintain the confidential information of the other party in strict confidence, shall take all necessary precautions against unauthorized disclosure of such confidential information, and shall not directly or indirectly, disclose, allow access to, transmit or transfer any confidential information to a third party without the knowledge and express written consent of the other party, (b) neither party shall use, disclose or reproduce the other party's confidential information except as reasonably required in the performance of this Agreement, and then only to employees who have a need to know and are bound by a written obligation of confidentiality, and (c) each party agrees to advise the other party immediately in writing of any misappropriation, disclosure, conversion or misuse by any person of any confidential information of which it may become aware.

12.2 The confidentiality obligations under this Agreement shall not apply to confidential information which: (a) is, or becomes, readily available to the public other than through a breach of this Agreement; (b) was lawfully known to the receiving party without any confidentiality obligation prior to receipt of the confidential information from the disclosing party; or (c) was independently developed or discovered outside of the course of the performance of obligations under this Agreement.

13. GENERAL

13.1 Independent Contractor: Each party is acting as an independent contractor, and not in any way as the agent or representative of the other party. Neither party has the authority to bind the other in any way.

13.2 Force majeure: Neither party shall be deemed to be in default of this Agreement for failure to fulfill its obligations due to causes beyond its reasonable control. This provision shall not be construed as excusing any payment obligations of either party hereunder.

13.3 Notices: Any notices, reports or other mandatory communications required or permitted to be given under this Agreement shall be in writing and shall be delivered by hand or sent by registered mail, courier or facsimile addressed to Laborie or you at their respective addresses.

13.4 No Waiver: No waiver by either party of a breach or omission by the other party under this Agreement shall be binding on the waiving party unless it is expressly made in writing and signed by the waiving party. Any waiver by a party of a particular breach or omission by the other party shall not affect or impair the rights of the waiving party in respect of any subsequent breach or omission of the same or different kind.

13.5 Assignment: Neither party shall assign or transfer this Agreement without the prior written consent of the other party, which consent will not be unreasonably withheld, conditioned or delayed. This Agreement shall be binding upon the parties hereto and their respective lawful successors and permitted assigns.

13.6 Severability: If any one or more of the provisions of this Agreement is for any reason held to be invalid, illegal, or unenforceable in any respect, any such provision shall be severable from this Agreement, in which event this Agreement shall be construed as if such provision had never been contained herein.

13.7 Survival: Any provision of this Agreement which expressly states that it is to continue in effect after termination or expiration of this Agreement, or which by its nature would survive the termination or expiration of this Agreement, shall do so.

13.8 Dispute Resolution and Governing Law: The parties agree to work in good faith to resolve any dispute that may arise under this Agreement. If you are contracting with Laborie Medical Technologies Corp., this Agreement shall be governed by and interpreted in accordance with the laws of the State of Vermont, excluding rules of private international law that lead to the application of the laws of any other jurisdiction. If you are contracting with Laborie Medical Technologies Inc., this Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario, Canada, excluding rules of private international law that lead to the application of the laws of any other jurisdiction. The parties specifically agree that the United Nations Convention on Contracts for the International Sale of Goods is hereby excluded from application to this Agreement.

13.9 Entire Agreement/Modification: This Agreement constitutes the entire agreement between the parties and supersedes all previous agreements and understandings relating to the subject matter hereof. This Agreement may not be altered, amended, or modified except by a written instrument signed by the duly authorized representatives of both parties. Your additional or different terms and conditions, whether on your purchase order or otherwise, shall not apply.

13.10 Language: It is the express will of the parties that this Agreement and all related documents be drawn up in English. C'est la volonté expresse des parties que la présente convention ainsi que les documents qui s'y rattachent soient rédigés en anglais.

13.11 Counterparts: This Agreement may be executed in counterparts, or facsimile counterparts, each of which when executed by either of the parties shall be deemed to be an original and such counterparts shall together constitute one and the same Agreement.

*Please note that a summary of Sales Conditions is on reverse of invoice.