

CP Medical Terms and Conditions

In the terms and conditions below, CP Medical shall be referred to as "CPM," the company supplying goods and/or services under this purchase order (the "Purchase Order") shall be referred to as the "Seller," and the goods and/or services described in and provided pursuant to this Purchase Order are referred to as "Goods" or "Services," as the case may be.

1. ACKNOWLEDGEMENT AND ACCEPTANCE

Acceptance of this Purchase Order by Seller constitutes acceptance of all of the terms and conditions stated herein. To the extent that any project description document, attached hereto, if any ("Project Description"), quotation, order acceptance, confirmation, invoice or other document of Seller contains conflicting, differing or additional terms from the terms and conditions herein, the terms and conditions herein will control and all such conflicting, differing or additional terms are rejected by CPM, are considered a material alteration hereof, and shall have no effect unless expressly agreed to in writing by CPM. Seller's acknowledgement of the Purchase Order, or Seller's shipment of Goods, performance of Services, or acceptance of payment for Goods or Services shall conclusively affirm Seller's agreement to these terms and conditions. If this Purchase Order is not returned to CPM, either by email or fax, CPM, at its option, may cancel this Purchase Order at any time.

2. PAYMENT TERMS

Unless otherwise indicated in this Purchase Order, CPM shall render payment within thirty (30) days of the date of delivery and acceptance of Goods or provision of Services, or from the date of a conforming invoice, whichever is later. All invoices for payment shall be in U.S. Dollars (unless otherwise agreed upon) and shall include the Purchase Order number, and a summary of the total Purchase Order value, total value of Goods provided or Services performed to date of the invoice, total value of invoicing to date and value of the current invoice. Invoices for payment not including such information may be returned to Seller without payment.

4. PACKAGING

All packages, cases, crates, etc., are to be marked with Seller's name and the applicable CPM Purchase Order number and all other information contained on the Purchasing Specification sheet on said item(s). A packing list and Certificate of Compliance must accompany each shipment of Goods. CPM shall not be responsible or liable for any packaging charges, unless otherwise agreed to herein by CPM.

5. DELIVERY

The delivery and performance requirements, manner of delivery and specified dates of this Purchase Order shall be strictly adhered to and shall not be modified without the prior written acceptance of CPM. Time is of the essence. In the event of failure to deliver or perform by the dates specified in this Purchase Order, CPM reserves the right to cancel such Purchase Order in total or any unexecuted part of such Purchase Order. Goods not shipped in time to meet the delivery requirements and dates under a Purchase Order, at CPM's option, shall be delivered at the fastest means available, at the sole expense of Seller. Notwithstanding anything to the contrary herein, no delivery shall be made without at least twenty-four (24) hours advance notice being given by Seller to CPM.

6. DELAY IN SUPPLY

In the event of failure by Seller to deliver any Goods or perform any Services contained in this Purchase Order, other than as a result of acts of God, force majeure, civil commotions, fire, war, perils of the sea, delay in transit, or CPM's written request, CPM shall have the right to cancel all or any remaining part of this Purchase Order, without payment of compensation, and obtain delivery or performance from other sources. Any and all increased costs and expenses thereby incurred by CPM in obtaining such delivery or performance shall be set off against any moneys due or to become due to Seller or shall be recoverable as damages hereunder.

7. CHANGES

Except as otherwise provided herein, this Purchase Order may not be amended, modified, supplemented, cancelled or discharged, except in writing signed by CPM and Seller. Except as modified herein, any modification of any Project Description shall be at Seller's sole cost and expense, unless Seller notifies CPM of such modification and CPM approves such modification in writing.

8. INDEMNITY

Seller shall protect, indemnify and hold harmless CPM, its successors, assigns, affiliates, employees, agents, customers and users of its products and services (collectively, the "Affiliates"), of and from any claim, loss, damage (whether for personal injury, property damage, or direct or consequential damage or economic loss), deficiency, action, demand, judgment, cost or expense (including, without limitation, reasonable attorneys' fees) arising out of or resulting from the Goods sold or Services rendered hereunder, or from any act or omission of Seller, its agents, employees or subcontractors, or which otherwise arises as a result of (i) Seller's performance of its obligations hereunder or (ii) any violation or infringement by Goods or Services provided hereunder of any patent, copyright, trademark, trade dress, and trade secret, or any other contractual right, proprietary right or intellectual property right, of any third party (collectively, any "Claim"). If any Claim should be asserted or action commenced against CPM for which CPM is entitled to indemnification hereunder, Seller (a) shall, upon CPM's demand, promptly undertake the defense of any Claim, employing counsel reasonably satisfactory to

CPM or (b) agrees that CPM, at CPM's sole discretion, may elect to defend any Claim on its own behalf. In either case, Seller will, upon demand, pay all reasonable attorneys' fees and other costs or expenses incurred by CPM in connection with such defense, any judgment or award resulting from any such claim or action and any settlement paid by CPM with Seller's consent, which shall not be withheld unreasonably. This indemnification shall survive delivery of the Goods to or performance of the Services for CPM, as the case may be, and any subsequent sale or other transfer of the Goods or Services to a third party. CPM's remedies hereunder are cumulative and in addition to those provided by law or any other contract.

9. QUALITY REQUIREMENTS FOR GOODS

Seller shall provide and maintain an inspection system, including tests and test reports, acceptable to CPM in its reasonable discretion covering the inspection of Goods provided under this Purchase Order, and Seller shall tender to CPM for acceptance only such Goods that have been inspected in accordance with such inspection system and that have been determined by Seller to conform to the Purchase Order requirements. However, all Goods provided under this Purchase Order are subject to final inspection and acceptance within a reasonable time after actual delivery and CPM shall have the right to reject any defective or nonconforming Goods despite any prior inspection by Seller. Payment for any Goods shall not be deemed an acceptance thereof.

10. QUALITY REQUIREMENTS FOR SERVICES

Seller shall provide and maintain a system of inspection and oversight acceptable to CPM in its reasonable discretion to ensure all Services provided under this Purchase Order will be diligently performed in accordance with the Project Description, if applicable, and the applicable industry practices and standards of diligence, care and skill currently recognized in Seller's industry. The adequacy of the performance of the Services provided under this Purchase Order are subject to final inspection within a reasonable time after actual performance and CPM shall have the right to terminate any Purchase Order that fails to meet the oversight requirements and minimum quality standards provided in this Paragraph 10.

11. RETURN OF DEFECTIVE GOODS

All Goods supplied under this Purchase Order that do not meet with the approval of CPM, that are shipped contrary to Purchase Order instructions, or that are in excess of the quantity or quantities ordered under this Purchase Order, will be returned to Seller or held pending a mutual agreement between CPM and Seller regarding their disposition, subject to Seller's risk of loss and sole expense.

12. EXECUTION OF PURCHASE ORDER

Only Purchase Orders sent by e-mail by a duly authorized CPM personnel shall serve as an official intent of purchase by CPM.

13. CHEMICALS & HAZARDOUS SUBSTANCES

All Material Safety Data Sheets required by applicable law (MSDS) (each, a "Data Sheet"), shall accompany all Goods (including, without limitation, any chemicals or hazardous substances) provided under this Purchase Order. In addition, Seller shall provide a copy of each such Data Sheet to CPM's Material Services Department. Seller shall maintain a catalog of any and all applicable Data Sheets that are provided in connection with Seller's performance of work under this Purchase Order at a CPM site.

14. COMPLIANCE WITH LAWS

Seller agrees to comply with all federal, state and local laws, rules and regulations, including, but not limited to, Executive Order 11246, the Equal Employment Opportunity Act and any amendments thereto, pertaining to nondiscrimination in employment, the Occupational Safety and Health Act of 1970, the Fair Labor Standards Act, any laws, regulations and executive orders related thereto, and any other applicable federal, state or local law or regulation. Seller shall, in accordance with Paragraph 8, indemnify and hold CPM harmless against any liability arising out of or resulting from Seller's failure to so comply. Upon request, Seller shall supply CPM with copies of compliance reports and any other information necessary to demonstrate compliance with this Paragraph 14.

15. WARRANTY

Seller warrants it is a merchant as defined in the Uniform Commercial Code. Seller warrants that all Goods delivered hereunder, if any, will (i) be merchantable, (ii) be free from defect of design, material or workmanship, (iii) conform strictly to the specifications, descriptions, drawings, or sample specified or furnished to CPM, (iv) be free from security interests, liens or encumbrances, (v) be fit and safe for their intended purpose, and (vi) be safe and appropriate for the purpose for which such Goods or Services are normally used. Seller warrants that all Services rendered hereunder, if any, will be performed in a professional and workmanlike manner in accordance with the applicable professional industry standards of diligence, care and skill currently recognized in Seller's industry. The warranties contained herein shall begin at the time of performance, receipt at the delivery location or installation, if applicable; whichever is later, unless a later time is specified in the manufacturer policy stated in the Project Description. Such warranties shall survive for greater of (a) one (1) year, (b) the standard warranty term provided by Seller to its customers, or (c) as provided under applicable law. Notwithstanding anything to the contrary contained herein, the foregoing shall not limit any additional warranty or warranty period otherwise agreed to by the parties in writing. The warranties contained herein shall survive any inspection, delivery, performance, acceptance, or payment by CPM of the Goods or Services. CPM may, at its option, return for credit or require prompt replacement or

correction of any of the Goods or Services which do not conform to the foregoing warranties at Seller's expense. In the event that Seller fails to make such replacement or correction, CPM shall have the right to obtain such replacement or correction from other sources. Any and all increased costs and expenses thereby incurred by CPM in obtaining such replacement or correction shall be set off against any moneys due or to become due to Seller or shall be recoverable as damages hereunder. Corrected or replaced Goods or Services shall be subject to the terms and conditions of this Purchase Order in the same manner and to the same extent as Goods or Services originally delivered hereunder. If part of the Goods to be delivered or Services to be performed hereunder are defective or nonconforming, CPM may cancel any unshipped portion of the Goods or cancel any unperformed Services, as the case may be, covered by the Purchase Order. The rights of CPM provided in this Paragraph 15 shall be in addition to any other rights provided by law, this Purchase Order, or any other contract.

16. INDEPENDENT STATUS

Seller acknowledges that it is an independent business acting as an independent contractor. Though Seller may perform Services, no agent, representative or employee of Seller shall be or be considered an agent or employee of CPM.

17. BANKRUPTCY

In the event of any proceedings, voluntary or involuntary, in bankruptcy by or against Seller, the inability of Seller to meet its debts as they become due, or in the event of the appointment, with or without Seller's consent, of an assignee for the benefit of creditors or of a receiver, then CPM shall be entitled, at its sole option, to cancel any unfilled part of this Purchase Order without any liability whatsoever.

18. ASSIGNMENT

Seller shall not delegate any duties, nor assign any rights or claims under this Purchase Order, or for the breach hereof, without the prior written consent of CPM. Any such attempted delegation or assignment shall be void. Any change of control of Seller shall be deemed an assignment hereunder.

19. SET-OFF AND COUNTERCLAIMS

All claims for moneys due or to become due from CPM shall be subject to deduction by CPM for any setoff or counterclaim arising out of this or any other of CPM's purchases from Seller.

20. TERMINATION

This Purchase Order or any portion hereof, may be terminated by CPM at any time with or without cause. As used herein, the term "cause" shall include, but not be limited to, (a) a breach

by Seller of any of the terms hereof, including any warranty made in connection with the purchase ordered hereunder or (b) any allegation that any of the Goods or Services furnished hereunder infringes any patent, trademark, copyright or other proprietary right of any third party, or violates any statute, ordinance or administrative order, rule or regulation. If CPM terminates without cause, CPM will compensate Seller for the actual and reasonable expenses incurred by Seller for work in process requested by CPM up to and including the date of termination, provided such expenses do not exceed the agreed upon prices in this Purchase Order.

21. TAXES

Seller is responsible for payment to the proper taxing authority of all sales, use and similar taxes.

22. CONFIDENTIALITY

Seller will neither use any Confidential Information (as defined below) for any purpose other than in performing its duties hereunder nor disclose the existence of this Purchase Order or any information contained herein without the express written consent of CPM. "Confidential Information" includes, but is not limited to, all designs, articles and other proprietary information developed by CPM, supplied to CPM or made according to CPM's direction.

23. LIMITATION OF LIABILITY

To the extent permitted by law, in no event will CPM (including any subsidiaries of CPM or other related entities) be liable for any lost revenues, lost profits, incidental, indirect, consequential, special or punitive damages relating to this Purchase Order.

24. INSURANCE

Seller shall maintain in effect, at its expense, insurance of such types and in such amounts as is commercially reasonable in connection with the conduct of its business, including, without limitation, insurance coverage for its liability and indemnity obligations hereunder.

25. SEVERABILITY

If any provision of this Purchase Order shall under any circumstances be deemed invalid or inoperative, this Purchase Order shall be construed with the invalid or inoperative provision deleted, and the rights and obligations of the parties shall be construed and enforced accordingly.

26. NONWAIVER

CPM's failure to enforce any provisions of this Purchase Order or rights hereunder shall not operate as a waiver of such provisions or rights and the same shall remain in full force and effect for the duration of this Purchase Order.

27. GOVERNING LAW

This Purchase Order and the acceptance of it shall be a contract made in the State of Oregon and governed by the laws thereof, without giving effect to conflicts of law principles, and the United Nations Convention on Contracts for the International Sale of Goods shall not apply to such contract.