

1. Scope

The following provisions shall apply to all present and future transactions based on contracts between SenTec AG (hereinafter referred to as SenTec) and customers of goods and services, in particular, but not limited to, distribution agreements. They also shall apply to any future contracts involving those parties. They are the basis for all relevant quotations, confirmations, brochures, price lists, advertisements, etc., irrespective of whether these have been communicated by SenTec orally, in writing or electronically. SenTec accepts orders exclusively on these General Terms of Business. Any other terms and conditions shall not become part of a contract even if not explicitly rejected by SenTec. Should SenTec accept orders without any explicit objection, this does not mean that SenTec accepts the buyer's terms and conditions of purchase. When placing an order, the purchaser shall declare agreement of his terms and conditions with SenTec's General Terms of Business. Should he omit to provide the said explicit declaration, SenTec's acceptance of the orders shall in all cases be based on SenTec's General Terms of Business. Changes in these General Terms of Business shall be notified to the customer hereto in writing and shall be deemed approved when not contested in writing by the customer hereto. The customer hereto shall send its protests to SenTec in writing within a period of 20 (twenty) working days after notification of the said change. Should specific clauses of these General Terms of Business be initially or become retrospectively invalid, these shall neither affect the validity of any other provisions of SenTec's General Terms of Business nor of provisions of particular agreements (if any) between the parties. Should specific clauses become ineffective, the parties hereto agree to replace any ineffective clauses by clauses being equal in financial effect to the original clauses.

2. Quotations, order confirmation, product changes

Orders can be placed at SenTec in writing (letter, Email), via the Internet, by telephone or fax. After receipt of an order SenTec will confirm it in writing. This order confirmation is decisive for the scale and configuration of delivery. A contract between the parties shall be deemed concluded on the date of issuance of SenTec's written order confirmation. The order confirmation must be verified by the customer. Any discrepancies to the order should be reported within 2 (two) working days. Otherwise the provisions of the order confirmation govern the contract. SenTec reserves the right to alter products (including third-party products) at any time without detriment to product function or performance.

3. Delivery dates

SenTec delivers the ordered products by the dates and INCOTERMS specified in the order confirmation. The customer undertakes the necessary precautions to be able to pick up and/or receive these products at the stated delivery address during standard working hours in the country of delivery. If hindrances arise which are beyond SenTec's control (e.g. natural occurrences, mobilization, war, riot, epidemics, accidents and illness, serious breakdowns, industrial disputes, delayed or faulty deliveries and official actions), the delivery dates will be deferred for the duration of the hindrance and a reasonable period thereafter is to be fixed by the parties. The postponement does not entitle the customer to cancel the contract, refuse acceptance, seek abatement and/or claim compensation.

4. Prices and payment terms

The customer undertakes to pay the agreed prices according to the agreed payment terms. Specified product (net) prices are exclusive of charges for forwarding, insurance and installation, and also of taxes; these charges are invoiced separately. SenTec reserves the right to make appropriate price adjustments effective for future transactions in the event of changes in exchange rates, duties, taxes, freight and insurance charges, and purchase prices (e.g. for components and services). SenTec cooperates with an international commercial credit and collection institution. SenTec can grant credit to customer within the limits offered by this institution only. While the amounts receivable from the customer do not supersede the granted

limit, invoices are to be settled without further deductions according to the payment terms stated in the order confirmation. Unless otherwise agreed and stated in the order confirmation, SenTec will confirm the following standard term of payment: 100% pre-payment. The customer bears all expenses related to his remittances.

5. Failure of compliance with payment terms

If payment terms are not complied with and if SenTec has (fully or partially) delivered ordered products or has provided ordered services nonetheless, SenTec is entitled to

I. hand over all information on the case to the commercial credit and collection institution

II. and/or declare all claims on the customer to be due with immediate effect

III. and/or demand securities for all outstanding claims

IV. and/or execute outstanding deliveries only against advance payment.

Any amounts not paid when due will be subject to a late payment fee computed daily at a rate equal to two percent (2%) per month or the highest rate permissible under applicable usury law. SenTec's costs and expenses, including reasonable attorneys' fees, incurred in collection of any amounts not paid when due, whether or not suit is commenced, will be added to the amount due. On expiry of a reasonable respite given to customer in writing, if securities have not been furnished or if payments have not been made, SenTec can withdraw from the contract and/or demand compensation, even if the goods or part thereof have already been delivered. The customer may offset potential claims against SenTec only if these are recognized by SenTec or a legal judgment has been obtained. Ownership of the products delivered does not pass to the customer until the full purchase price has been paid. The customer authorizes SenTec to register – as far as this is legally required - the reservation of property rights at the relevant record office. If the customer is a commercial enterprise, the following provisions also apply: The customer may resell the reserved products in the context of a regular business transaction. In such event, the customer herewith assigns to SenTec in full all claims arising therefrom to secure SenTec's demands for payment. The customer will immediately inform SenTec in writing of third-party appropriation of the reserved products or of the assigned demands, and inform third parties of SenTec's rights. If the customer is partially or wholly in arrears with one or more payments, discontinues his payments or if a petition in bankruptcy involving his assets has been filed, he may no longer possess the reserved goods. In such an eventuality SenTec is entitled to withdraw from the contract or to take back the reserved products or revoke its right to collect the claims arising from the resale, to ask for information about the recipients of the reserved products, to notify them of the assignment of the claims, and to collect the claims itself.

6. Warranty and liability

SenTec warrants under the conditions set out below the quality of materials and assembly of the products and spare parts it supplies within the compass of the product specification. The customer must check the products on receipt and report any defects to SenTec in writing within five (5) working days thereafter, otherwise the products will be regarded as approved in all functions and faultless. SenTec specifically excludes from the warranty:

- defects attributable to faulty installation by the customer or by a third-party commissioned by him;
- operating errors, interference in or modification of products by the customer or an unauthorized third-party;
- defects caused by external agencies;
- the suitability of products for a particular purpose;
- performances designed to comply with customer specifications.

When products are found to be defective, SenTec's only obligation is to at SenTec's own choice repair or replace those defective products within a reasonable time frame. Customer claims for compensation, abatement or contract cancellation are precluded unless repair or replacement fail to provide remedy. If repair or replacement fail to provide remedy, the customer is entitled to demand annulment

(cancellation) or abatement of the contract, compensation being precluded. Parts replaced become property of SenTec.

Service and repair work under warranty conditions is carried out by SenTec or partner firms appointed by SenTec. Service and repair lead times are regarded as agreed approximations and can vary in individual cases (e.g. remote equipment installation locations); they do not apply to spares/components which are not absolutely essential to keep the product in good working order. Servicing can also be performed via the telephone or the Internet. Insofar as agreed, servicing can comprise installation, integration, marking, disposal, training or consultation in addition to repairs. Unless otherwise agreed, the following are not included in SenTec's servicing commitment: cases in which guarantee and liability are excluded under the terms set out in clause 6; configuration work; product location changes; preventive maintenance; replacement of consumables; temporary allocation of replacement sensors, electronic boards and data storage devices; work that is not essential to repair; work on the customer's electrical environment; backup of software and/or data; removal of customer's modifications to a SenTec product or its components.

SenTec warrants quality of material and assembly of

- a. the V-Sign™ Sensor 2, model VS-A/P/N, excluding the cable, within a period of twenty one months after purchase by retailer, but no longer than eighteen months after delivery to end-customer (date of invoice, installation or acceptance into service, whichever dates first)
- b. the OxiVenT™ Sensor, model OV-A/P/N, excluding the cable, within a period of fifteen months after purchase by retailer, but no longer than twelve months or 4320 hours ("Life Time") usage time (whichever ends first) after first ex-factory use
- c. the SenTec Digital Monitor and electric or electronic accessories except cables within a period of twenty-four months after purchase by retailer, and no longer than twenty-four months after delivery to end-customer (date of invoice, installation or acceptance into service, whichever dates first)
- d. the perishable and disposable products within the expiration date printed on the label.

Notwithstanding anything else in this General Terms of Business, the use of OxiVenT™ Sensor, model OV-A/P/N (clause 6.b.), is granted in the sense of a license to the customer and its use is only granted and permitted during the Life Time (license period). With expiration of the Life Time the OxiVenT™ Sensor's operation automatically terminates. For the avoidance of doubt, the license is granted for the Life Time only and is not renewed or prolonged in case the OxiVenT™ Sensor is repaired or replaced by SenTec due to defect.

The warranty period for products replaced under warranty conditions runs at most until the expiry date of the original (first) warranty. In manufacturing its own products and carrying out work under the terms of its guarantees SenTec uses original parts or components which, new or not used, comply with industry standard ISO13485. In case the customer has purchased from SenTec combined product consisting of parts manufactured by SenTec and parts manufactured by a third party, the afore-mentioned warranty of SenTec only relates to those parts being manufactured by SenTec. Liability, firstly, is limited to damages resulting from SenTec's products or services concerning customer's life, body or health. Secondly, in all other cases and as far as legally admissible, SenTec's liability is limited to customer's damages resulting from SenTec's intentional or grossly negligent misconduct. Liability is also excluded if recommended procedures are not carried out, if the damage arising could have been prevented by damage reducing measures that the customer could reasonably have been expected to take such as regular maintenance, or if SenTec's products have been subject to misuse, neglect, accident, or have been damaged by extraneous causes. Claims under the terms of EU-Medical Device Directive (93/42/EEC), country-specific regulations and product liability legislation are unaffected by the foregoing liability limitations. All rights and titles of wider scope, irrespective of their legal basis, are excluded as far as legally admissible.

7. Intangible property rights, exemption from patent and trademark demands

All intangible property rights remain with SenTec.

8. Software

Software supplied by SenTec but not manufactured by SenTec itself is exclusively covered by the provisions of the relevant license agreement. These accompany the respective product. The customer explicitly declares his acceptance of them.

9. Secrecy

The contracting parties will treat as confidential all trade and manufacturing secrets marked or openly perceivable as such which come to their knowledge in the course of their business relationship, and continue to do so after termination of that relationship.

10. Obligation to provide information

The customer declares his readiness to provide SenTec with all information necessary to discharge its contractual obligations, to guarantee SenTec access to the products and to provide all necessary cooperation.

11. Data protection

Customer data are subject to electronic processing in the course of business dealings. Both parties undertake to comply with data protection legislation when using data relating to persons.

12. Jurisdiction and venue

Swiss law exclusively governs the contract between the parties, excluding any conventions on international sales of goods and similar instruments. Exclusive place of jurisdiction for all disputes arising from or in connection with the contractual relationship between the parties shall be with the competent court at the seat of the headquarters of SenTec AG.

13. Miscellaneous

SenTec is entitled to allow individual obligations to be discharged by subcontractors. The customer is not entitled to assign claims arising from this agreement. In the event of a majority of the customer's capital being acquired by a third-party, or in the event of the customer being taken over by or merging with a third-party, the customer must immediately notify SenTec of this situation in writing. On the basis of this notification SenTec has the right to cancel the contract at not less than three (3) months' notice. Cancellations need to be in writing and must be forwarded by registered mail.

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