



STANDARD TERMS & CONDITIONS OF PURCHASE

DANNIK, LLC. having a principal place of business at 941 W. Morse Blvd. Suite 100 Winter Park, FL 32789, (hereafter referred to as "DANNIK") operates by these Standard Terms and Conditions of Purchase which apply to all purchases that DANNIK would make, including but not limited to all equipment, goods and services, including the repair or evaluation of medical or non-medical related equipment or devices (hereafter referred to as "Product" or "Products"), unless otherwise stipulated in a separate Agreement or amended Purchase Order that is issued by an authorized person or Officer within DANNIK. The Standard Terms and Conditions of Purchase is effective as of the date of the Purchase Order and shall remain in effect until 2 years after the last delivery of any product by the Supplier to DANNIK.

1. General

- 1.1. Purchase Order: Any purchase order issued by DANNIK must be provided by an Officer of DANNIK to be considered valid. It is the responsibility of the entity providing the Product(s) to DANNIK or their authorized agent (here after referred to as "Vendor"), to confirm that the Purchase Order is valid.
- 1.2. Assignment/Transfer of Company Purchase Order: The Vendor will not assign nor transfer any Purchase Order without the expressed written approval of DANNIK by an authorized person or Officer.
- 1.3. Invoices: Unless otherwise stated, Vendor will direct all Invoices, with DANNIK's Purchase Order number, for payment to:

DANNIK, LLC
941 W. Morse Blvd. Suite 100 Winter Park, FL 32789 U.S.A.
Email: Accounting@dannik.us
- 1.4. Payment Terms: Standard Payment Terms are Net 30 days from receipt of the Products, unless otherwise specified on the Purchase Order.
- 1.5. Order Cancellation: DANNIK reserves the right to cancel any Purchase Order. Reasons for cancellation can include, but are not limited to, Vendor performance, product performance, product quality, product discontinuation, products affected by changes in clinical practices and non-compliance to these Standard Terms and Conditions of Purchase.
- 1.6. Delivery: Failure of the Vendor to deliver the Products in accordance with the specified delivery date(s) listed on the Purchase Order may give cause for DANNIK to cancel the Purchase Order without penalty. The Vendor shall ship using the preapproved shipping methods listed on the Purchase Order unless directed otherwise in writing by DANNIK's authorized person. Additional charges as a result of the Vendor using a non-preapproved shipping method will be the responsibility of the Vendor.
- 1.7. Freight Charges: All Company Purchase Orders will be shipped with prepaid costs by Vendor to F.O.B. DANNIK, unless otherwise agreed to in writing by both Vendor and DANNIK by an authorized person.
- 1.8. Restocking Charges: DANNIK is NOT to accept restocking charges for materials returned to the Vendor for any reason unless agreed to in writing by DANNIK's authorized person.
- 1.9. Best Pricing: The Vendor agrees that DANNIK will receive the best available pricing based on the Customers of similar size and volumes. Failure on the part of the Vendor to address this issue may be considered just cause for cancellation of the Purchase Order by DANNIK.
- 1.10. Pricing Change Notices: Unless otherwise stipulated in a separate agreement or amendment to DANNIK's Purchase Order, the Vendor agrees to provide DANNIK with a minimum of ninety (90) days advance written notice of any price increases. DANNIK reserves the right to negotiate these price increases to the mutual acceptance of both Vendor and DANNIK.



- 1.11. Furnish & Install: Any equipment on DANNIK's Purchase Order will be provided on a Vendor furnished basis. The Vendor will have complete responsibility for the equipment until it is in place and working as required by DANNIK. Any special installation preparation and requirements must be submitted to DANNIK, in writing, for approval by DANNIK's authorized person. All transportation and coordination arrangements will be the responsibility of the Vendor. Delivery of the equipment will be coordinated so that the items will be delivered direct to the installation site or as specified by DANNIK.
- 1.12. Insurance & Liability: Upon issuance and receipt of a DANNIK Purchase Order, the Vendor shall provide proof of its current Commercial General Liability Policy and agrees to maintain coverage through the life of the Purchase Order. Vendor shall carry insurance for not less than \$1M USD (inclusive coverage) for bodily injury including death, personal injury and/or property damage. DANNIK at its sole discretion may request the policy to be endorsed to include DANNIK and its Affiliates as additional insured or loss payee. In respect of licensed vehicles shall have limits of not less than \$1M USD (inclusive per occurrence) for bodily injury, death and damage to property, covering all licensed vehicle owned or leased by the Vendor/Contractor. The Vendor agrees to provide proof of Liability Insurance by providing a current and valid Certificate of Insurance to DANNIK for the Term of the Purchase Order
- 1.13. Indemnification: The Vendor shall indemnify and hold harmless DANNIK, and Affiliates, its Directors, Officers, Employees, Volunteers and Agents from and against all liabilities, claims demands, losses, costs, expenses, (including reasonable legal fees) or damages, accidents, suits and/or proceedings (hereinafter called claims) occasioned wholly or in part by the negligent acts, errors and omissions by the Vendor, its Officers, Directors, Employees, Agents or others whom it is responsible for in law, to persons or property arising out of or attributable to the use of the Vendor's equipment, products, and/or services by DANNIK. Such claims that are attributable to bodily injury, sickness, personal injury, death or damage to or destruction of property; or as a result of anything done or permitted to be done by the Vendor, its Directors, Officers, Employees, Agents or others for which they are responsible by law, or in pursuit of DANNIK's Purchase Order.
- 1.14. State Tax Information: Upon request, DANNIK will provide its State of Florida Tax number.
- 1.15. Electronic Commerce: Where applicable, the Vendor agrees to work with DANNIK to provide full E-Commerce functionality and connectivity with DANNIK to process all business transactions, which include, but shall not be limited to: Purchase Order, Order Acknowledgement, E-Invoice, E-Catalogue and Advance Ship Notices. Should the Vendor not currently have any of the above capabilities, the Vendor and DANNIK agree to develop strategies and timelines for implementation, in writing, to the mutual acceptance of both parties.
- 1.16. Materials containing Latex: All materials containing Latex, will be identified by Vendor and communicated to DANNIK, in writing to the DANNIK's authorized person. Special shipping documentation or additional notices may be required by DANNIK for the Vendor to provide.
- 1.17. Site Rules for Contractors: Contractors and Sub-Trades are required by DANNIK to comply with ALL applicable Federal, State and Municipal laws and Regulations. The Contractors and Sub-Trades persons are required to be properly documented and insured as required by all laws.
- 1.18. Press Release: Vendor does not have any Right to issue any publicity, news release or related collateral pertaining to the DANNIK's Purchase Orders or any business or legal related issues, without prior written approval from DANNIK's authorized person.

2. Packaging & Handling of Shipments

- 2.1. All materials shall be securely and properly packed for shipment according to accepted standard commercial practice, without extra charge for packing materials or containers being issued to DANNIK. The containers, upon receipt by DANNIK, will remain the property of DANNIK unless otherwise mutually agreed to in writing by the appropriate authorized persons for both Vendor and DANNIK.



- 2.2. Where materials are shipped in refillable containers, which may require a rental charge, this rental charge must be shown separately and not to be included in the unit cost of the materials.
- 2.3. Material Safety Data Sheets (MSDS) must be current, complete and accurate and the Vendor agrees to provide the MSDS data for all materials covered by the U.S. Occupational Safety and Health Administration.
- 2.4. Packing Slips, in duplicate, in hard copy, must accompany each shipment of materials to DANNIK from the Vendor.
- 2.5. Purchase Order Numbers must be shown on all shipping documents, packing slips, invoices and labels.
- 2.6. Materials must be packaged and transported in accordance with the laws of the United States and in compliance with all relevant legislation.
- 2.7. Vendor will ship all perishable materials must be packaged to withstand material integrity for a period of time to include both estimated transit time and an additional three (3) calendar days.
- 2.8. DANNIK will NOT be held liable for consequential costs arising from the improper consignment of materials by the Vendor.
- 2.9. It is the Vendors full responsibility to declare the full value of the materials on their carriers Bill of Lading.
- 2.10. Shipments of Materials that originate from Outside the United States:
 - a. DANNIK's Customs Broker is based upon shipping method.
 - b. All documents must reference DANNIK's Purchase Order.
 - c. Commercial documents must accompany all shipment to the United States, to include a fully completed United States Customs Invoice or Commercial Invoice. Mandatory fields include Country of Origin, Currency of Sale, Price Paid or Payable, complete description of the materials purchased by Company, Consignee and Exporter.
 - d. Shipping Terms must be indicated on ALL documents.
 - e. Documentation that is related to Repair or Replacement, Vendor will indicate if materials are under Vendor Warranty and the value of the repairs.
 - f. The Vendor must include their US Federal Tax Identification Number on all documents.
 - g. In the event that an incorrect description or incomplete or inaccurate description result in a Penalty being applied by the United States Customs, the amount of the Penalty will be the financial responsibility of the Vendor.

3. Quality & Regulatory Requirements

- 3.1. Specifications. DANNIK shall define the specifications for the Products (the "Specifications") and provide them to the Vendor in the Purchase Order, separate document(s), or a combination thereof. This may include drawings, product revision codes, references to commercial or internal Vendor-defined specifications and identification of applicable standards.
- 3.2. Change Control: The Vendor shall notify DANNIK in writing for review and approval prior to implementing (i) any changes which will affect the form, fit or function of the Product, (ii) any change to Supplier's part number for a Product, (iii) any process changes (iv) any changes that require DANNIK or a subcontractor to perform any work on items that interoperate with the Product, including but not limited to software updates, (v) any changes in packaging and labelling or (vi) any changes which require DANNIK or a subcontractor to perform any retesting of the Product or which would invalidate safety or regulatory approvals (vii) changes in the location of manufacture of the Product. DANNIK shall have the right to accept or reject the proposed change.
- 3.3. Product Conformance: All Products shall meet the Specifications. Supplier shall be responsible for conducting appropriate testing and/or conformance inspection (incoming, in-process and final) to ensure that the Product reliably conforms to the Specifications.



- 3.4. No Deviations. The Vendor will not deviate from the Specifications (including, without limitation, approved procedures, drawings, methods or specifications concerning the Product) without DANNIK's prior written consent.
- 3.5. Non-Conforming Materials: DANNIK may inspect or audit the Products for integrity and adherence to the Specifications. If any of the Products of a continuous production run or shipment (Batch or Lot) fails to meet Vendor's warranties or to conform to the Specifications, DANNIK shall notify the Vendor in writing within 60 days of the shipment, and thereafter DANNIK may return such Product and, at DANNIK's option and at the Vendor's expense, DANNIK shall receive credit, refund or replacement of such products from the Vendor at the Vendor's expense, if so agreed upon at that time by both DANNIK and the Vendor as the course of action. This Agreement, including this provision, will NOT apply to Products that has been cut, sewn, stored, or otherwise altered or treated by or on behalf of DANNIK.
- 3.6. Document Retention: The Vendor agrees to maintain all documentation related to the Production, Quality Control and Distribution of the Product for a period of ten (10) calendar years unless otherwise defined in the Purchase Order. The Vendor shall not alter, destroy, or otherwise dispose of any Product Records without DANNIK's prior written authorization. The Vendor shall provide copies of any or all Product Records to DANNIK within three (3) business days from the date of DANNIK's written request for any Product Records.
- 3.7. Production & Process Controls. The Vendor shall develop, conduct, control and monitor production processes to ensure that the Product conforms to Specifications. The Vendor shall assure that production equipment and quality measurement equipment, including mechanical, electronic, automated, chemical or other equipment, are: (i) suitable for the intended use; (ii) capable of producing valid results; (iii) operated by trained personnel; and (iv) properly calibrated to the appropriate and suitable standard. If the output of a Vendor's process is not fully verified by subsequent inspection or test, the Vendor shall validate the process.
- 3.8. Storage. The Vendor shall establish and maintain procedures to control storage areas and stock rooms to prevent mix-ups, damage, deterioration, contamination or other adverse effects to Products.
- 3.9. Supplier Audit. The Vendor shall allow DANNIK, or its authorized representative, to perform audits of the Vendor's facilities, systems, documentation, and other requirements with respect to the Product and Vendor's compliance with these terms. Audits shall be conducted on mutually agreed dates and times. The Vendor and DANNIK will agree upon methods to protect intellectual property such as confidentiality agreements, non-disclosure agreements, etc.
- 3.10. Product Complaints/Reports. If the Vendor receives a complaint (including any information regarding real or potential deficiencies or defects) related to the Products or any similar product, the Vendor shall promptly notify DANNIK. Each party shall reasonably cooperate with the other in sharing any information that may constitute a complaint related to the Products or services. The Vendor shall at all times reasonably cooperate with any requests arising from a DANNIK investigation, inspection or inquiry regarding the Products.

4. Confidentiality & Non-Disclosure

- 4.1. This Clause shall survive for five (5) calendar years from the expiration or termination of the relationship between the Parties.
- 4.2. All confidential and/or proprietary information of the Parties (Vendor and DANNIK) including, but not limited to, information relating to any material or the business affairs or finances of either Party, shall be held in confidence and not disclosed by the other Party to any third Party or used, for any reason whatsoever, outside the scope of this document; without prior written approval of the other Party.
- 4.3. In connection with the materials and during the course of the Parties business discussions or dealings, each Party may disclose or provide to the other Party, and the other Party may have access to, and may become acquainted with, such Party's technical and business data, products and product descriptions,



research data and status of developmental efforts, pricing information, services, customers, suppliers, manufacturers, methodologies, technologies, processes, data bases, business plans, strategies, financial data, trade secrets, contracts and other information and materials ("Confidential Information").

- 4.4. Confidential Information may include tangible and intangible documents and materials and may be disclosed orally, visually, in writing or through other media, including, without limitation, videotape, electronically recorded data or diskette, and data transmitted electronically. The Parties agree that, where practical, all information furnished pursuant to this Agreement, which the disclosing Party intends to be considered Confidential Information shall be marked with a confidential or proprietary notice. Any oral disclosure shall be identified as being Confidential Information at the time of disclosure and confirmed in writing within ten (10) calendar days thereafter.
- 4.5. Each Party shall hold and maintain all Confidential Information of the other Party in confidence, and neither Party shall disclose, permit the disclosure of or make available any Confidential Information of the other Party to any third party without the prior written consent of the Party that provided such Confidential Information.
- 4.6. Each Party shall restrict disclosure of such Confidential Information to its employees, advisors, agents, representatives, and contractors with a need to know who have agreed to protect and preserve the Confidentiality of such disclosures. This Agreement does not grant or imply any right or license to use Company's Confidential Information except as set forth in this Agreement.
- 4.7. Each Party shall exercise reasonable care under the circumstances or the same degree of care that it exercises with respect to its own Confidential Information to prevent disclosure of the other Party's Confidential Information to any third party, whichever standard of care is greater.
- 4.8. On request of the other Party, each Party shall return to it all written or other tangible materials and all copies thereof that contain or refer to the other Party's Confidential Information

5. Warranties & Compliance with Laws

- 5.1. The Vendor expressly warrants that all materials provided pursuant to the Purchase Order shall be (i) merchantable (ii) fit and safe for the purpose for which the Product was manufactured (iii) free from defects in material and workmanship (vi) in conformance with applicable Specifications, drawings, samples, and descriptions; and (v) that if of Vendor's design, shall be free from any design defects and intellectual property infringement.
- 5.2. The Vendor expressly warrants that it has good title to the materials supplied and they are free and clear from all liens and encumbrances. These warranties shall survive acceptance and payment by DANNIK. Materials not in accordance with these warranties may be returned to the Vendor and the Vendor shall pay for transportation in all ways. DANNIK shall have the option of returning such materials to Vendor at any time after delivery to DANNIK for credit or replacement at the price charged by the Vendor. The foregoing shall not be in limitation of any rights which DANNIK may have at law or in equity by reason of any breach of warranties.
- 5.3. The Vendor hereby guarantees that the materials sold hereunder are not and will not be, on the date of shipment or delivery, within the meaning of the U.S. Food, Drug and Cosmetic Act, as amended, or within the meaning of any applicable state or local law in which the definitions of adulterated or misbranded are substantially identical with those contained in the Federal Food, Drug, and Cosmetic Act, as said act and such always are constituted and effective at the time of such shipment or delivery, and that such materials are not and will not be, on the date of such shipment or delivery, materials which may not, under the provisions of Section 404 or 505 of said Act, to be introduced into interstate commerce.
- 5.4. The Vendor warrants that the materials purchased or provided hereunder have been produced and/or have been designed to and will comply fully with all applicable laws, regulations and standards in effect in the United States and in the country(s) in which the materials are manufactured or assembled, on the date of shipment, including, without limitation, the appropriate sections of the US Occupational Safety



and Health Standards Act, and the US Fair Standards Act, as amended, and the equivalent legislation in effect in the country(s) in which the Products are manufactured or assembled.

- 5.5. If the Purchase Order is issued pursuant to a contract with the United States Government, or any agency thereof, and such fact is communicated to the Vendor on the Purchase Order for or otherwise, then (i) The Vendor agrees to allow access to any representative of the United States Government, or any agency thereof, to the Vendor's plants, materials and process, and relevant books and records (ii) All materials and workmanship are subject to inspection by the Government, and the Government, as well as the Company, have the right to reject any materials found to be non-conforming or defective; and (iii) Vendor performing work under the Purchase Order shall not discriminate against any employee or applicant because of race, creed, color, national origin or sex and shall include a similar clause in its subcontracts.
- 5.6. The following are hereby incorporated by reference and made a part of the Company Purchase Order as is fully set forth herein: (i) The provisions of the Equal Opportunity clause set forth in 41 CFR 60-1.4(a) pursuant to the requirements of Executive Order 11246 (ii) Applicable contractual requirements of the Rehabilitation Act of 1973 as set forth in 41 CFR 60-741.4 (iii) Applicable contractual requirements of the Vietnam Era Veterans Readjustment Assistance Act of 1974 as set forth in 41 CFR 60-250.4 (iv) Applicable contractual provisions of Public Law 95-507 concerning the utilization and employment of Small Business, Small Disadvantaged Business and Women-Owned Business Concerns; and (v) Any law, order or regulatory provision issued in addition, supplement or replacement of the foregoing concerning federal contractors.