

1. GENERAL

These Freedom Technologies Group LLC (“FTG” hereinafter) Standard Warranty and Sale Terms (“Standard Terms”) shall apply to all products sold by FTG or its subsidiaries to you (or “The User”) unless otherwise expressly agreed in writing by FTG.

2. DEFINITIONS

In addition to the capitalized terms defined elsewhere in these Standard Terms and in addition to the definitions used in the main agreement, the following terms shall have the following meanings:

“Agreement” shall mean the purchase order and these Standard Terms together with any potential attachments.

“Products” shall refer to the DC-Air™ sensor, the docking station and the holders sold as a bundle or individually from FTG to the User.

“Software” shall mean such image processing libraries, interface software, and calibration software related to the Products that is delivered and licensed by FTG to be utilized as a part or accompanying Products.

“Specifications” shall mean the technical specifications relating to the Products as provided in FTG’s brochure.

“Trademarks” shall mean the registered trademarks “FTG”, “DC-Air” and all other trademarks and trade names related to and/or used with the Products, whether registered or not.

3. THE USER’S GENERAL OBLIGATIONS

3.1 The User shall observe the Standard Terms to the extent allowed under mandatory Federal and State Law.

3.2 The User shall not remove or cover any information particularly Trademarks that may have placed on the Products.

4. INDEPENDENT CONTRACTOR

4.1 The User shall buy the Products in its own name and for its own use. All business activities which The User engages in with third parties shall be entirely at The User’s own risk and in its own name as an independent contractor without authorization to act in the name or on behalf of FTG. All persons employed to conduct such business shall be The User’s employees only, and not employees or agents of FTG.

5. ORDERS AND DELIVERY

5.1 DC-Air™ is intended to be used for a radiographic examination by a dental professional to assist in the diagnosing of diseases of the teeth, jaw, and oral structures. The User shall be solely responsible for any necessary permits and clearances required for operating x-ray diagnostic equipment in the practice.

5.2 Orders shall be binding upon FTG only when they have been accepted and approved by FTG.

5.3 Once accepted, FTG shall seek to process an order within ten (10) business days of receiving it. FTG may accept or reject any order or accept part of an order and reject the balance.

5.4 For accepted orders, if FTG’s delivery of an order is delayed due to a reason attributable to it by more than thirty business (30) days, The User shall be entitled to receive a 10% discount on the amount corresponding to the value of the Products being late by more than thirty business (30) days. This shall constitute The User’s sole remedy in with respect to FTG’s delay.

5.5 FTG shall endeavor to deliver the ordered Products to the User on or before the date of delivery. The delivery term shall be EXW

(Incoterms 2010) at the premises of FTG. The ownership right to the Products is retained by FTG until the payment is made in full.

6. PRICES AND PAYMENT

6.1 The prices in FTG price list as in force from time to time for the Products are calculated as EXW FTG premises (Incoterms 2010). Unless otherwise agreed in the main agreement, FTG shall invoice the price of the Products after it has confirmed an order and prior to delivery and payment of the invoice shall be a precondition for FTG making the delivery.

6.2 Notwithstanding anything in the Agreement, FTG shall be entitled to withhold Product deliveries as long as the User has outstanding payments due. Should the User’s delay last longer than thirty (30) days counting from the invoice day, FTG shall be entitled to terminate and cancel the order and any other agreements between the Parties with an immediate effect.

7. WARRANTY

7.1 The User shall check the quality and quantities of the Products within seven (7) working days from delivery. Complaints shall be made in writing within thirty (30) working days from delivery. FTG shall not be under any obligation to act or pay compensation in relation to any complaints submitted thereafter unless FTG can be shown to have acted with gross negligence.

7.2 The Product is deemed defective or erroneous only in case it does not operate in accordance with the specifications or the IFU. FTG warrants to the User that for a period of twenty four (24) months from the delivery of the Product to the User that the Product will function substantially in accordance with the specifications and the IFU. FTG shall repair at no cost such defects and faults in the Product reported in writing by the User to FTG during the warranty period or if a repair is not possible it shall replace the defective Product.

7.2 When reporting the defect or fault, the User shall describe and upon request demonstrate how the defect or fault occurs. Once it is determined by FTG that a warranty repair or replacement is needed, FTG will repair the Product or replace the defective Product. The User will ship the defective Product promptly to FTG or a third party as instructed by FTG. After receiving the Product, FTG will at its discretion either 1) credit; 2) replace or 3) repair and ship the Product back to the User. FTG shall use its reasonable efforts to carry out repairs or replace the Product within one (1) week of the receipt of the faulty Product.

7.3 If it is established by FTG that the defect or error in the Product is not covered by the warranty, FTG shall be entitled to charge The User for all the related costs, including diagnosis work, parts and logistics costs.

7.4 FTG will bear the costs associated with shipping, insurance and freight of returning the repaired or replaced Product to The User.

7.5 The warranty does not cover or is applicable in respect of any defects or damage relating or attributable to the following:

(a) normal wear and tear;

(b) defects and errors attributable to external factors, such as electricity fluctuations, accidents or exposure to vibrations, heat or cold beyond the specified range or other elements, mechanical shocks, including dropping the sensor or the docking station, severe bite marks, marks and scratches created by sharp objects;

(c) misuse of the Product, i.e. using the Product outside the scope detailed in the operator’s manual or against the instructions detailed in the operator’s manual;

- (d) alterations or repairs made by The User or any third party or use of non-authorized components or parts;
- (e) tapering or removing the battery cover and/or the battery and/or attempting to replace the rechargeable battery
- (f) cleaning and disinfecting the sensor and/or the docking station in a manner or with a procedure that is not compliant to the "Cleaning and Disinfection" instructions provided in the operator's manual.
- (g) Cleaning and disinfecting the sensor and/or the docking station with disinfectants not listed in the operator's manual
- (h) failure to comply with the environmental and radiation specifications

7.6 Except as expressly stated in this Section there are no other warranties, express or implied. FTG expressly disclaims any and all warranties, including implied warranties of merchantability and fitness for a particular purpose, except that the Product is fit for the intended use as specifies in the operator's manual. The warranties under the terms and conditions are valid only for the Products in their unaltered form.

7.7 The warranty obligations under this Section shall constitute FTG's sole obligation, and The User's sole remedy in case of any error, defect, fault or non-conformance in the Products. After the expiry of the warranty period FTG's liability for any defects or errors shall be limited to what may have been agreed in a separate support arrangement.

8. EXTENDED WARRANTY

8.1 Buyer may purchase an Extended Warranty at the time of original purchase or within 2 months of applicable Product Ship Date. The Extended Warranty term, as indicated in the Sales Order Acknowledgement, begins on the day after the Limited Warranty term has expired. Any Extended Warranties will expire four (4) years after the Acceptance Date of the Products, regardless of date of purchase of the Extended Warranty. The Extended Warranty is assumed to inherit all other terms of the Limited Warranty Agreement expressed above.

8.2 Additionally, Extended Warranty covers loss and damage to sensor not associated with sensor negligence as defined in the Limited Warranty. The Extended Warranty coverage begins at installation of the DC-Air system and includes a deductible as defined in the purchase terms.

9. INTELLECTUAL PROPERTY

9.1 FTG hereby grants to the User a following license to the Software in object code form: a nonexclusive, sublicensable (only with the Product) license to use the Software indefinitely together with the Product. FTG may under its sole discretion provide updates to such software. The license terms under this Section shall be applied to such updates.

9.2 Without limiting the generality of the Section 9.1, the User acknowledges that title to and ownership of all and any Intellectual Property related to Products shall vest in and be solely owned by the medical device manufacturer who supplies such Products to FTG and The User undertakes not to make any claim of any ownership interest in or oppose perfection or registration of such Intellectual Property.

9.3 Throughout the term of the Agreement and thereafter, the User is prohibited from adopting, using registering or attempting to register, anywhere in the world, any trade mark, trade name or similar commercial symbol which includes or is similar to any part of any Trademark.

10. FORCE MAJEURE

10.1 Delay in or failure to carry out the duties (except to fulfill obligations to pay monetary amounts) under the Agreement shall not be deemed a default and/or breach of the Agreement if such delay or failure results from fire, explosion, labor dispute, casualty or accidents, flooding, drought, depletion of FTG's inventory due to loss of Products during transportation from the manufacturer to FTG or due to burglary of FTG's warehouse or lack or failure of the other Party or the other Party's subcontractors to perform work or supply material, or utilities as required by the Agreement or by reason of war, declared or undeclared, revolution, civil commotion, or by reason of any mandatory law, regulation, demand, or requirement of any government or any sub-division authority or representative of any government beyond the control of the Party involved.

11. TERMINATION

11.1 In addition to the other terms of the Agreement, FTG always has the right to terminate the Agreement with an immediate effect if:

- a) The User is in material breach or default of its obligations under this Agreement and fails to cure such breach or default (if curable) within thirty (30) days upon receipt of written notice from FTG asserting the breach or default;
- b) The User becomes insolvent or if proceedings in voluntary or involuntary bankruptcy or liquidation or pursuant to any other insolvency law are commenced against The User; or
- c) any such change would appear in the Food, Drug, and Cosmetic regulations, Federal Food, Drug, and Cosmetic Act, Code of Federal Regulations, Title 21, State or Federal laws, rules, regulations, ordinances or practices regarding the manufacture, marketing, sales, export or import of the Products that would materially affect FTG's commercial possibilities to continue the sale of the Products or its operations.

12. RIGHTS AND OBLIGATIONS UPON TERMINATION

12.1 Termination or expiry of the Agreement shall not relieve the Parties from full performance of any obligations incurred prior thereto or of any obligation surviving the duration of the Agreement.

13. LIMITATION OF LIABILITY

13.1 Neither Party shall be liable to the other Party in contract, tort or otherwise, whatever the cause thereof, for any loss of revenue, profit, business or goodwill or for any indirect, special, consequential, incidental expenses, costs or damages, howsoever arising under or in connection with the Agreement.

13.2 These limitations of liability shall not apply in cases of liability arising from death or serious injury to persons, infringement of FTG's intellectual property rights or in cases of damage caused intentionally or by gross negligence.

14. APPLICABLE LAW AND DISPUTE RESOLUTION

14.1 The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the state of Indiana without regard to the conflicts of laws principles thereof.

14.2 Any disputes regarding this Agreement which cannot be settled amicably will be finally settled in arbitration in Indianapolis in accordance with the rules of arbitration of the Unites States by one arbitrator appointed by FTG.

If for any reason any provision of this Agreement is found to be unenforceable, such provision and the remainder of this Agreement shall be enforced to the extent possible.

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This Agreement contains the sole and entire agreement between FTG and The User relating to the purchase of Products from FTG by the User and any FTG representation, promise, or condition not contained herein, or any amendment hereto shall not be binding to FTG unless set forth in a subsequent written agreement signed by an authorized representative of FTG.

15. MODIFICATIONS

FTG reserves the right to make amendments, modifications, variations, or waivers of the Agreement from time to time and its sole discretion.

16. ASSIGNMENT

FTG may assign the Agreement in the event of a sale of business or assignment of the distribution agreement to a subsidiary or a holding company.