

3B Medical, Inc. Standard Terms and Conditions of Sale

These Terms and Conditions of Sale (“Terms”) are intended to govern the relationship between 3B Medical, Inc. (“3B”) and any person or entity that resells 3B products (“Customer”):

1. **Acceptance of Seller’s Terms and Conditions.** Customer’s purchase of 3B products (“Product(s)”) shall be governed solely by these Terms and any specific terms of sale agreed to in writing by 3B. By placing an order for the purchase of Products with 3B, Customer agrees to abide by these Terms. Any terms or conditions in a purchase order or other document submitted by Customer which differ from these Terms are not binding on 3B unless accepted in writing by 3B. Customer is hereby notified in advance of 3B’s objection to any proposed additional or different terms or conditions. In the event of a conflicting supremacy clause in any purchase order or other document submitted by Customer, this Section 1 shall govern.
2. **Price.** The purchase price for each Product shall be the price for such Product in effect at the time of 3B’s receipt of Customer’s purchase order for such Product. 3B may change prices on any Product at any time without prior notice, except for changes to orders that have been accepted by 3B before the change.
3. **Size of Order.** Orders under One Hundred Dollars (\$100) will be accepted at 3B’s discretion and confirmed in writing by 3B. If accepted, a \$15 special handling charge will be added to the invoice.
4. **Shipping.** All Products are shipped from 3B’s warehouses (FOB Origin). Freight charges will be prepaid by 3B and added to Customer’s invoice. Title and risk of loss for Products pass from 3B to Customer at the time of shipment from 3B’s warehouse. 3B SHALL NOT BE LIABLE FOR ANY DAMAGES, WHETHER INCIDENTAL, CONSEQUENTIAL, OR OTHERWISE, FOR FAILURE TO FILL ORDERS, DELAYS IN DELIVERY, OR ANY ERROR IN FULFILLING ORDERS.
5. **Changes/Cancellation of Customer’s Order.** 3B will use commercially reasonable efforts to ship all orders as soon as reasonably practical. Changes to orders or cancellations must be communicated in writing to 3B before 3B ships the ordered product. If not received before shipment, 3B reserves the right to demand payment for the original order.
6. **Payment Terms.**
 - a. The terms of payments are net thirty (30) days from the date of invoice. Should the Customer’s account go into default at any time, 3B reserves the right to place Customer on cash terms, place a hold on future orders until the account is brought current, and/or not honor warranty replacements.
 - b. If Customer desires to pay by credit card, it may authorize 3B to keep its card number and information on file and must execute and deliver to 3B an authorized signature form on a form furnished by 3B. A surcharge or convenience fee will be assessed on all credit card transactions.
 - c. ACH (Automated Clearing House) and EFT (Electronic Funds Transfer) are also acceptable payment options. A special form will be required to properly set up these payment methods.
 - d. If invoices are not paid within 30 days, 3B will assess a late charge of 1.5% per month.

- e. Should Customer account be placed with a collection agency, Customer is responsible for all expenses relating to the collection of their debt including legal fees and any collection agency commission.
- f. All payments due to 3B shall be made in United States dollars.
- g. If Customer submits payment for an invoice and there remains a balance for that Customer from an earlier invoice, 3B reserves the right to apply that payment toward that earlier invoice.

7. **Returns.**

- a. If 3B is not notified of any discrepancy in an order (for example, over shipments, under shipments, short shipments, failed delivery, damaged goods, duplicate orders, late shipments) within five days of receipt of the shipment, will understand that you are satisfied and the order has been accepted as shipped.
- b. All returned items may be subject to quality, operation, and/or performance tests by 3B or by a third party authorized by 3B. Returns must be approved by 3B and shipped at the Customer's expense.
- c. Returned items will only be accepted in their original unopened and unmarked packaging and still in saleable condition.
- d. Discontinued Products and Products as to which 3B represents in writing to Customer are in high demand will not be approved for return under any circumstances.
- e. All non-warranty related returns are subject to a
 - i. 20% restocking fee if returned within 10 days of receipt
 - ii. 25% restocking fee if returned within 11 – 60 days of receipt
 - iii. 50% if returned after 60 days from receipt

No returns will be accepted after 90 days from receipt by Customer.

- f. A copy of the original invoice must accompany any return.
- g. Actual shipping charges will be charged to the customer. If the customer requests expedited shipping, the actual freight charges will be invoiced to customer. Shipping charges will not be refunded under any circumstances. Any need for special handling services must be communicated at the time an order is placed. Customer is responsible for the cost of all special services handling charges.
- h. Returned Merchandise Authorization (RMA) Policy: All returns require prior authorization which includes RMA # and must be returned in the original carrying bag with all cables, accessories, and documentation, including manuals. To request a RMA, please either create an online support ticket at www.3Bproducts.com or contact 3B by phone at 863-226-6285. Once a support ticket has been created, Customer will be given an RMA number. This number must be clearly written on the outer packaging of the merchandise being returned. A call tag will be issued for items to be picked up

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and shipped back to 3B. Please keep the RMA number and reference it when calling to check on the status of your return. Incomplete or unauthorized returns will be refused and returned to Customer at Customer's expense.

8. Refusal of 3B Shipment.

- a. Purchase orders received and accepted by 3B are contracts between Customer and 3B.
 - i. Per Section 1, Customer's failure to cancel its purchase order in accordance with the provisions of Section 5 shall constitute Customer's acceptance of these Terms.
 - ii. Section 5 requires the Customer to communicate any changes / cancellations with 3B prior to product shipment.
 - iii. Per Section 4, Title and Risk of Loss for Products passes from 3B to Customer on shipment from 3B's warehouse.
- b. Refusal of a 3B shipment is not allowed and is strictly prohibited.
- c. Any attempt to refuse 3B's shipment will result in the following charges to Customer, and Customer agrees to accept and pay the following charges:
 - i. Actual Full Roundtrip Shipping Costs - Actual total shipping costs from 3B's warehouse to Customer and actual total return shipping costs to return Product back to 3B's warehouse, and a
 - ii. 50% restocking fee.

9. Warranty.

- a. Warranted Products are in accordance with, and limited in all respects to, specific warranties contained in the Product insert for such Product.
- b. **Warranty Limitations:** There are no expressed or implied warranties except as listed herein. 3B shall not be liable for special, incidental, consequential or punitive damages, including, without limitation, direct or indirect damages for personal injury, loss of goodwill, profits or revenue, loss of use from this Product or any associated equipment, cost of substitute equipment, downtime cost, loss of data, programs or business information, or any other losses, or claims of any party dealing with buyers from such damages, resulting from the use of or inability to use this Product or arising from breach of warranty or contract, negligence, or any other legal theory. Moreover, 3B's warranty does not cover: installation or service of Product; conditions resulting from consumer mishandling, such as improper maintenance or misuse, abuse, accident, or alteration; all plastic surfaces and all other exposed parts that are scratched or damaged due to normal use; Products which have had the serial number removed or made illegible; Products rented to others. All warranties, including any applicable warranties of merchantability and fitness for a particular purpose, are limited to the applicable warranty period.
- c. **EXCEPT FOR THE LIMITED WARRANTY REFERENCED IN SECTION 9(a), 3B DISCLAIMS AND EXCLUDES ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESSED OR IMPLIED OF ANY TYPE, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ANY REPRESENTATION OR WARRANTY AS TO THE DESIGN,**

CONDITION, QUALITY, CAPACITY, MATERIAL, OR WORKMANSHIP OF 3B PRODUCTS.

10. **Intellectual Property Ownership.** Customer will have no right to or interest in any 3B intellectual property, including patents, trademarks, copyrights, and/or trade secrets.
11. **Confidentiality.** 3B may disclose confidential information to Customer, including Product pricing, new product information, and invoice terms. Customer will not use this confidential information without 3B's prior written consent unless Customer is subject to legal process or if Customer can demonstrate that the information was already known to, independently developed by, or publicly available to Customer before 3B's disclosure. If disclosure is required by law, Customer agrees to provide prompt notice to 3B before Customer makes any disclosure of that information.
12. **Force Majeure.** 3B shall not be liable to Customer or any other person or entity by reason of delay in performance, or non-performance, caused by circumstances beyond the reasonable control of 3B, including, but not limited to, acts of God, fire, flood, war, government regulation/direction/request, accident, labor trouble, pandemic, shortage of or inability to obtain material, component parts, equipment or transportation. In addition, 3B shall not be liable for any delay in filling any order for Products caused by these conditions.
13. **Discontinuance of Products.** 3B may, at its option, modify or discontinue any Product or accessory, including, but not limited to, discontinuance for obsolescence, substitution, or sale by 3B of a Product line.
14. **Sales Compliance.** Unless authorized by 3B in advance, all sales by Customer are subject to these conditions and the violation of any part of this section shall void any expressed and implied warranties where permitted by law:
 - a. Customer represents and warrants that Customer will abide by all applicable laws related to the sale of the Products, including the disclosure of discounts or rebates on Products reportable to government reimbursement programs, and will maintain all applicable licenses as required by law.
 - b. Customer further agrees to:
 - i. comply with all applicable laws, regulations and accreditation standards relating to the purchase, storage, use, and tracking of the Products.
 - ii. promptly inform 3B of any known complaint involving injury, safety, Product performance, or adverse event involving Products.
 - iii. use best efforts to obtain Products subject to any complaint or recall in this section and return such Products to 3B or its agents.
 - iv. maintain records of serial and or batch numbers of Products with the relevant end user for a minimum of five years from the date of sale.
 - v. Import/Export: If Customer is outside the United States, and approved by 3B to import Products at the final intended destination, then Customer will be responsible for obtaining required import licenses and making proper customs entry for the Products. For routed export shipments out of the United States, Customer is responsible for meeting applicable United States export regulations and declarations. Customer is not permitted to re-export any 3B Products from the destination country.
 - vi. Customers located in the United States ("US Customers") are not authorized to resell, rent, or in any other way distribute 3B Products outside the United States without prior authorization.

- vii. Comply with 3B’s following Policy for the Advertisement of 3B’s Products by US Customers:
1. Definitions:
 - a. **MSRP:** Manufacturer’s Suggested Retail Price
 - b. **MAP:** Minimum Advertised Price
 2. Appropriate Prescription: Because prescription products are not to be sold to patients without an appropriate prescription, each Advertisement of a 3B prescription product by a US Customer must legibly and prominently state the following (“Prescription Statement”): *“A valid prescription is required for the purchase of this product”*.
 3. 3B reserves the right to enforce the MAP policy for selected products shown in the below table.
 - a. If no MAP is defined for an item, the item may be sold at any price.
 - b. An MSRP is defined for each product code, but no vendor is required to sell at the MSRP.

3B’s Minimum Advertised Price (“MAP”) Policy			
Order Code	Description	MSRP	MAP
LG3500*	Luna G3 CPAP	\$685.25	\$503.73
LG3600*	Luna G3 Auto CPAP	\$1,007.25	\$628.48
LG3700W*	Luna G3 BPAP 25A	\$1,900.00	\$1,209.00
LG3800W*	Luna G3 BPAP 30VT Bi-Level ST w/ target VT function	\$3,500.00	\$2,560.00
LG2000*	Luna II CPAP	\$638.00	\$469.00
LG2A00*	Luna II Auto CPAP	\$960.00	\$599.00
LQX2000*	Luna II QX CPAP	\$599.00	\$449.00
LQX2A00*	Luna II QX Auto CPAP	\$875.00	\$509.00
AX1000*	Aer X - 5 LPM Portable Oxygen Concentrator	\$2,499.00	\$1,999.00
STR1005*	Stratus 5 - 5 LPM Stationary Oxygen Concentrator	\$1,298.00	\$649.00
LM3000	Lumin UV Sanitizer	\$319.00	\$269.00
LW5000	Lumin UV Wand Sanitizer	\$199.00	\$169.00

15. **Governing Law and Consent to Jurisdiction.** This Agreement will be construed in accordance with and governed by the laws of the State of Florida. Venue and jurisdiction for any action brought related to the sale, purchase or use of Products sold by 3B Medical shall be in the state or federal court for Polk County, State of Florida. The parties agree that service of process may be effectuated by delivery to the address used for written communications. If 3B brings an action for any relief or collection against Customer arising out of these Terms and Conditions, Customer will be responsible for reasonable attorneys’ fees and costs actually incurred in bringing such action.
16. **Entire Agreement.** This Agreement is the entire understanding and agreement of you and 3B regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between you and 3B.
17. **Notice.** All notices or communications required or permitted by Customer under these Terms or any other agreement between 3B and Customer will be given in writing and sent by email to orders@3bproducts.com and by United States registered or certified mail with postage prepaid and return receipt requested or by overnight delivery service (e.g., Federal Express, UPS, and DHL) to 3B Medical, Inc. at the following address: ATTN: Accounts Receivable Department | 203 Avenue A NW, Suite 300 | Winter Haven, FL 33881.
18. **Non-Waiver.** Failure of 3B to insist on strict performance by Customer of any term or condition of these

Terms at any time shall not be construed as a waiver by 3B of such performance in the future or of the waiver of any other term or condition contained herein.

19. **Severability.** If any provision of these Terms shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of these Terms shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained in these Terms.
20. **Reservation of Right to Modify Terms.** 3B reserves the Right to modify, from time to time, these Terms; provided, however, that such modified Terms shall only apply to purchase orders received from Customer after the effective date of such modified Terms.
21. **Special Conditions for Bi-Level Sales.** 3B requires the Customer to have appropriate medical personnel on staff to support patient training and follow-up. Such personnel include, but are not limited to, credentialed respiratory therapist, credentialed nursing personnel, credentialed sleep technician, physician's assistants, or employees specifically trained in the use, operation and setting of bi-level devices pursuant to a physician's prescription.