

**CANON MEDICAL COMPONENTS U.S.A., INC., INC. – VIDEO SENSING DEVICES  
STANDARD TERMS AND CONDITIONS OF SALE - EVALUATION SYSTEMS**

1. Except as otherwise agreed to in writing by Canon Medical Components U.S.A., Inc., (“CMCU”), the following terms and conditions (“Terms”) shall apply to CMCU’s offer of sale (“Offer”) of the equipment, parts, or software (“Goods”) to the customer or person or entity purchasing the Goods (“Purchaser”). For purposes of the Terms, Offer means all written quotations in which the Terms are referenced, unless waived or modified in a signed writing by CMCU, and all resulting contracts.
2. **ACCEPTANCE:** Purchaser’s written acceptance of this Offer of Goods (“Order”) or written direction to CMCU to proceed with shipment or delivery of such Goods, shall constitute agreement to only these Terms. Acceptance of this Offer by Purchaser must be expressly limited to these Terms. Any additional or contrary terms in Purchaser’s written purchase order, acknowledgment and other written direction will constitute a material alteration which CMCU objects to and rejects. Trade custom and/or usage are superseded by these Terms and shall not be applicable to broaden or narrow the express terms of this Offer or used otherwise in its interpretation.
3. **PRICES:** Prices are in United States Dollars. Such prices do not include any other costs applicable to the Goods, including without limitation, export packing, loading, unloading, handling, storage, transportation, installation, and insurance charges. The prices applicable to the Goods are those in effect at the time of Order. Purchaser’s payment of CMCU invoices containing clerical or pricing errors will not relieve Purchaser’s obligation to make full payment.
4. **TAXES:** Prices do not include any federal, state, municipal, or local property, license, privilege, business, occupation, stamp, documentary, sales, use, excise, gross receipts, duties, custom charges, value added or other similar taxes, fees or charges (“Taxes”) which may now or hereafter be imposed by any governmental authority on the Goods, or services, related to the transaction between CMCU and Purchaser. If Purchaser holds a direct payment permit or claims an exemption from Taxes, Purchaser shall provide CMCU with documentation acceptable to the taxing authorities involved. Otherwise, Purchaser agrees to pay or reimburse CMCU any Taxes which CMCU is required to pay.
5. **PAYMENT TERMS:** Cash in Advance/Prepayment . Upon receipt of payment from Purchaser, CMCU shall process the Order and ship the Goods.
6. **SHIPPING TERMS:** FOB Origin.
7. **DELIVERY:** Delivery dates are approximate and dependent upon prompt receipt by CMCU from Purchaser of all information necessary to permit CMCU to proceed with the Order Partial deliveries shall be permitted. Upon such delivery, title to such Goods shall pass to Purchaser. Purchaser shall promptly inspect all Goods for quantity differences, damages and nonconformity. Purchaser shall be deemed to have accepted all Goods not rejected within fourteen (14) days following delivery. Following acceptance, all claims of defect or non-conformity shall be governed by the WARRANTY provisions herein.
8. **FORCE MAJEURE:** In no event shall CMCU be liable for non-delivery or delays in delivery of the Goods or for failure or delay in the performance of any other obligations arising directly or indirectly from causes of any kind beyond CMCU’s control, including, without limitation, acts of God, unforeseeable circumstances, acts (including delays or failure to act) of any governmental authority (de jure or de facto), war (declared or undeclared), riot, revolution, priorities, fires, floods, weather, strikes, labor disputes, sabotage, epidemics, factory shutdowns or alterations, embargoes, delays or shortages in transportation, delay or inability to obtain or procure labor, manufacturing facilities or materials, or to obtain timely instructions or information from Purchaser. The foregoing provision shall apply even though such causes may occur after CMCU’s performance of its obligations has been delayed for other causes.
9. **WARRANTY:** Unless a different warranty is stated herein, affixed to the Goods by the manufacturer or CMCU, or is specified in writing in any maintenance or operating instructions pertaining to such Goods, CMCU warrants that the Goods sold by CMCU to Purchaser will be free from defects in materials and workmanship. This warranty shall expire twelve (12) months after the date on which the Goods are delivered by CMCU to the initial purchaser. If the Goods fail to conform to the foregoing warranty, CMCU shall, at its sole discretion, repair, replace or update, free of charge, or refund the purchase price paid for any such nonconforming Goods; provided Purchaser (1) promptly notifies CMCU in writing of the nonconformity, (2) furnishes CMCU satisfactory proof thereof, and (3) if requested by CMCU, returns the nonconforming equipment, part or software to CMCU and pays all expenses incurred in connection with such return. The repaired, replacement or equipment, part or software, shall be delivered, free of charge, to Purchaser. The warranty excludes (1) normal wear and tear; (2) Goods that have not been properly stored, assembled, installed, serviced, maintained, operated, or used within the limits of rated capacity and normal usage; (3) Goods not used in accordance with current operating and maintenance instructions furnished by CMCU, and (4) Goods that have

been altered or modified in any manner. THE FOREGOING OBLIGATION TO REPAIR, REPLACE, UPDATE OR REFUND THE PURCHASE PRICE PAID FOR THE GOODS SHALL BE THE SOLE AND EXCLUSIVE REMEDY OF PURCHASER, ITS CUSTOMERS AND USERS OF THE GOODS FOR THE BREACH OF THE FOREGOING WARRANTY. CMCU SHALL HAVE NO OBLIGATION TO DISASSEMBLE ANY NONCONFORMING GOODS OR TO INSTALL ANY REPAIRED OR REPLACEMENT PART, EQUIPMENT OR SOFTWARE OR TO PAY ANY COSTS INCURRED IN CONNECTION WITH SUCH DISASSEMBLY OR INSTALLATION. THERE ARE NO OTHER WARRANTIES AND CMCU HEREBY EXPRESSLY DISCLAIMS ALL OTHER EXPRESS, STATUTORY AND IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

10. **LIABILITY:** The total liability of CMCU for any loss, damage, or claim, whether in contract, warranty, tort (including negligence and strict liability), or otherwise, arising out of or relating to this Offer or any contract based upon this Offer, shall not in any event exceed the price allocable to the Goods or service which gives rise to the loss, damage, or claim (except as further limited under the WARRANTY provisions herein). Notwithstanding the foregoing, in no event shall CMCU be liable under any theory of recovery, including, without limitation, contract, warranty, or tort (including negligence and strict liability) for any indirect, incidental, special or consequential damages, including, without limitation, loss of profits, business, or information; loss of use of the Goods or any associated equipment; costs of capital, substitute Goods, facilities or services; costs of down time or labor; or claims of Purchaser's customers for such damages, even if CMCU was advised of the possibility of such damages.
11. **EXPORT CONTROL:** Purchaser acknowledges that the Order may concern products and/or technical data that may be controlled or restricted under the U.S. Export Administration Regulations or the Office of Foreign Assets Control, or other applicable laws and regulations relating to the export or import of products and/or technical data and may be subject to the approval of the U.S. Department of Commerce or Treasury, respectively, prior to export. Any export or re-export of Goods by Purchaser, directly or indirectly, in contravention of the export control laws, economic sanctions laws or other applicable laws or regulations is prohibited, and Purchaser shall comply with all such laws and regulations, as well as the U.S. Foreign Corrupt Practices Act and similar laws of applicable foreign jurisdictions. Purchaser shall not seek to influence sales or other business affairs by means of bribery, kickbacks, illegal payments or other ethically questionable inducements, including gifts or anything of value. Additionally, the Goods shall not be sold for use in, or to parties that are suspected to be involved in, the development, production, use or stockpiling of weapons of mass destruction; to entities or individuals on any applicable lists of parties denied export privileges (including, without limitation, <http://www.bis.doc.gov/complianceand enforcement/liststocheck.htm>), or to parties in any embargoed countries. This provision constitutes an independent covenant and continuing obligation of Purchaser and shall survive the termination of any Offer or resulting contracts.
12. **NUCLEAR USE:** The Goods described herein shall not be used in conjunction with, or as a part of, any activity or process involving nuclear fission or fusion or any use or handling of any material defined in Chapter 2 of the U.S. Atomic Energy Act of 1954, as amended, unless Purchaser, at its expense, arranges for insurance and indemnity (governmental and Purchaser) satisfactory to CMCU protecting CMCU against liability of any kind and agrees to such other terms as CMCU may require with respect to sales of Goods for nuclear use.
13. **GOVERNING LAW:** This Offer may only be accepted in Orange County, California and any contract resulting from it shall be performable, in whole or in part, in Orange County, California and shall in all respects be governed, construed, and enforced according to the laws of the State of California, U.S.A
14. **GENERAL:** These Terms may not be waived or modified unless done in writing and signed by an authorized representative of CMCU. Any waiver by CMCU of a breach of any of these Terms shall not constitute a waiver or prejudice CMCU's right to otherwise subsequently demand strict compliance with that or any other term or condition. The provisions of these Terms as well as the provisions of any resulting contracts are severable and if any provisions are judicially determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions or portions shall nevertheless be binding and enforceable. The election of CMCU to pursue any remedy shall not exclude pursuit of any other remedy otherwise available to CMCU or limit its right to declare Purchaser in default. Any Offer is subject to change by CMCU prior to actual receipt by CMCU of written acceptance of such offer and shall expire thirty (30) days from the date of offer. The Terms are subject to change by CMCU at any time prior to an Order, and all Orders are subject to CMCU's published standard terms and conditions of sale in effect at the time of the Order.
15. **ENTIRE AGREEMENT:** These Terms shall be the only terms and conditions applicable to the sale of the Goods described herein and shall supersede all prior oral or written communications regarding the subject matter of the Offer or any resulting contract.