

GF HEALTH PRODUCTS, INC.
2935 Northeast Pkwy.
Atlanta, GA 30360
(678) 291-3207
www.grahamfield.com

TERMS & CONDITIONS

Payment Terms: Buyer must pay for all products in accordance with the payment terms set forth on the invoice for the products provided unless otherwise agreed to in writing by GF Health Products, Inc. ("GF"). Any payment not made when due shall accrue interest at the rate of Eighteen Percent (18%) per annum or the maximum rate allowed by law, whichever is greater until paid in full. In the event it becomes necessary for GF to incur costs to collect the outstanding amounts due, the Buyer shall pay such additional collection costs, including reasonable (15%) attorney's fees on all outstanding principal and interest. Buyer agrees to pay a \$30.00 service charge on any returned checks.

Delivery and Risk of Loss:

- a) All products are sold F.O.B. GF's factory or distribution point.
- b) The Buyer must inspect all products when they arrive. Inspection includes counting product to confirm quantities, noting any shortages and damages (including concealed damage) on the bills of lading or other receiving documents, taking pictures of damage and notifying GF of any shortages or damages within two (2) business days of delivery.
- c) All freight claims must be made by the Buyer to the carrier. If requested, GF will assist in filing of the freight claims. Buyer's failure to follow the carrier's and the ICC's rules and regulations may result in the denial of a claim.
- d) Although GF shall make every effort to meet delivery dates; delivery dates are approximate, and GF shall not be liable for any loss or expense incurred by Buyer in the event products are not delivered to Buyer on a scheduled delivery date.
- e) Freight charges provided by GF on quotes are estimates. Shipping hazardous material, re-directing shipments, changing shipment methods, inside delivery, lift gate, re-delivery and other special circumstances may subject the Buyer to additional charges. Actual amounts due for freight are indicated on invoices.
- f) All international sales are "Ex Works". The Buyer must designate the freight forwarder within the continental United States and is responsible for taxes, insurance and freight.

Taxes: Unless otherwise specified, the purchase price does not include sales, use, excise or similar taxes and such taxes shall be paid by the Buyer. Applicable taxes will be charged unless the Buyer provides GF with appropriate tax exempt certification.

Returns:

- a) Products normally carried in GF's inventory may be returned to GF only when a GF Customer Service Representative issues a Return Merchandise Authorization ("RMA").
- b) All returns must be sent to the specific location indicated by GF, in the same quantity as that sent in the original unopened box, properly packaged, and prepaid (F.O.B. GF indicated warehouse).
- c) Refused orders or requests for returns due to customer error are subject to a service charge of 25% or \$10, whichever is greater. The customer is responsible for all outbound and return freight charges. Under no circumstances will GF accept a returned product more than thirty (30) days after the shipment date.
- d) All returns are subject to inspection. GF will determine, in its sole discretion, whether an item qualifies as a warranty item and whether to repair or replace the item.

- e) The following products are not returnable: 1) private label goods; 2) special orders (any item not ordinarily stocked by GF, including those items that GF has stocked in an excess quantity in order to meet the requested needs of the Buyer; Long Term Care beds; case goods, furniture; wall coverings; floor coverings; window treatments; lighting, art, room accessories and the Hausted product line; 3) discontinued items; 4) products with expiration dates; 5) sterile products; 6) products that may not be returned to stock for hygienic reasons; 7) pedigreed products; 8) products requiring special handling or storage such as temperature or humidity requirements; 9) patient lifts; and 10) clinical care recliners.

Security Interest: Buyer hereby grants to GF, a purchase money security interest in all products from the date of shipment, together with any proceeds coming into the control or possession of Buyer as a result of any sale or lease of the products, until GF is paid in full. Buyer further agrees to execute and deliver to GF all documents or instruments, including but not limited to financing statements and continuation statements, which are reasonably requested by GF to grant, perfect or continue such security interest.

Cancellation Policy: No order accepted by GF may be cancelled or altered by Buyer within twenty (20) business days prior to any scheduled ship date. In GF's sole discretion it may grant Buyer the ability to cancel or modify the order, but in that event, GF shall be entitled to impose reasonable material, labor, storage and cancellation charges. The following products are not cancellable: private label goods and special orders (any item not ordinarily stocked by GF, including those items that GF has stocked in an excess quantity in order to meet the requested needs of the Buyer; Long Term Care beds; case goods, furniture; wall coverings; floor coverings; window treatments; lighting, art, room accessories, clinical care recliners and the Hausted product line).

Prescription Licenses: Buyer will maintain all licenses and consents required for the purchase of prescription products, and upon reasonable notice Buyer shall furnish copies of such licenses to GF.

Compliance with Laws And Regulations: Buyer will comply with all international, federal, state and local laws, regulations and ordinances applicable to its business and activities and will indemnify GF for any and all claims, damages, penalties, assessments and liabilities imposed on GF relating to or resulting from Buyer's failure to comply with such applicable laws, regulations and ordinances.

LEGAL DISCLAIMERS, LIMITATIONS & EXCLUSIONS: Each product sold by GF is accompanied by its own limited warranty. GF warrants to the original customer only that it will replace or repair components, at GF's sole discretion, that are defective in material or workmanship under normal use and service. Unless stated specifically in the applicable warranty, the customer is responsible for all freight and labor charges associated with the warranted item. All warranties are conditioned upon the proper use of the products strictly in accordance with good commercial practice and applicable GF instructions and manuals, including proper use and maintenance. To the extent that a component is warranted by a third party, GF conveys all of its rights under that warranty to the original customer, to the extent permitted. The limited warranty shall only apply to defects that are reported to GF's customer service team within the applicable warranty period and which, upon examination by GF or its authorized representative, prove to be a warranty item. The limited warranty is not transferable. THESE WARRANTIES ARE GF'S ONLY WARRANTIES AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. GF MAKES NO IMPLIED WARRANTIES OF ANY KIND INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

GF'S TOTAL LIABILITY FOR ANY PRODUCT OR SERVICE PROVIDED IS LIMITED TO THE COST OF THE PRODUCT(S) OR SERVICE(S) (AS APPLICABLE) GIVING RISE TO THE CLAIM. IN NO EVENT WHETHER IN

CONTRACT, INDEMNITY, WARRANTY, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE WILL GF BE LIABLE FOR ANY DIRECT, SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO: DAMAGES FOR LOSS OF PROFITS OR INCOME, LOSS OF USE, DOWNTIME, COVER, OR EMPLOYEE OR INDEPENDENT CONTRACTOR WAGES, PAYMENTS AND BENEFITS.

Force Majeure: Neither Buyer nor GF will be liable nor in breach of its obligations under this Contract (except the obligation to make payments when due) to the extent such performance is delayed or prevented due to causes beyond such party's reasonable control, including but not limited to Acts of God; terrorism, war; material shortages; acts (or omissions) of the other party or its contractors, suppliers, employee or agents; act of government; labor disputes; or transportation shortages.

Miscellaneous: These Terms & Conditions together with the Sales Order, is the full, final, and integrated contract (the "Contract") between GF and Buyer and supersedes all prior discussions or understanding regarding the products or services provided. No inconsistent or conflicting terms in any document Buyer may provide will amend or supersede this contract and GF rejects such inconsistent terms unless specifically signed by an authorized officer of GF and specifically states which terms or conditions shall apply instead of GF's standard Terms & Conditions. These Terms & Conditions are part of every Quote, Purchase Order received and Sales Order for GF products or services as if fully rewritten therein. The Contract shall be governed by the laws of the State of Georgia without reference to its conflict of law's provisions. BUYER EXPRESSLY CONSENTS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS IN GEORGIA TO RESOLVE ANY DISPUTE ARISING UNDER THIS AGREEMENT OR RELATING IN ANY WAY TO THE PRODUCT(S) OR SERVICE(S) PROVIDED BY GF, AND HEREBY WAIVE ANY JURISDICTIONAL OR VENUE-RELATED DEFENSE ASSOCIATED WITH A PROCEEDING BROUGHT IN THE STATE OR FEDERAL COURTS OF GEORGIA.