HAEMONETICS CONDITIONS OF PURCHASE

- 1. ACCEPTANCE: The Purchase Order ("Order") consists of an offer by HAEMONETICS to SELLER upon the terms and conditions stated herein and in the body of the Order and shall become a binding contract upon acceptance either by acknowledgment or performance. HAEMONETICS hereby objects to any terms proposed in SELLER's acceptance of this offer which adds to, vary from, or conflict with the terms herein. Any such proposed terms shall be void. The terms and conditions contained herein constitute the complete and entire agreement of the parties. No additional terms or modifications to the Order shall be accepted unless the additions or modifications are in writing, approved by both parties hereto and attached to or endorsed on the Order.
- 2. *QUALITY:* The goods and services supplied shall conform to the written specifications of HAEMONETICS as supplied to the SELLER. If goods do not conform to the specifications, HAEMONETICS reserves the right to reject any goods without thereby incurring any liability to HAEMONETICS. All rejected goods shall: 1. remain the property and at the risk of the SELLER, 2. be collected by the SELLER without delay, on receipt of notice of rejection, at SELLER'S risk, and 3. at HAEMONETICS option be credited or replaced within a reasonable time free of extra charge.
- 3. **DELIVERY:** The time and rate of deliveries specified in the Order shall be deemed of the essence. SELLER shall maintain at all times, a current business interruption plan for continuing to provide the Products and Services purchased hereunder by HAEMONETICS. HAEMONETICS reserves the right to cancel the Order and reject articles or services upon default by SELLER in time, rate or manner of delivery. The acceptance of any nonconforming delivery, with or without objection or reservation, shall not waive the right to claim damages for such breaches nor constitute a waiver of any obligations remaining. HAEMONETICS also reserves the right to refuse shipments made at times not conforming to the schedule of deliveries appearing on the face of the Order.
- 4. PURCHASE COMMITMENTS: HAEMONETICS shall be fully committed to the items listed in any Standard Purchase Order upon issuance. With respect to Blanket Purchase Agreements and Blanket Contract Agreements, HAEMONETICS shall provide SELLER with a six (6) month, rolling forecast of which only the first ninety (90) days shall be binding and the last ninety (90) days shall be non-binding. The rolling forecast shall be updated by HAEMONETICS monthly. At no time shall HAEMONETICS be responsible to SELLER for more than a maximum of ninety (90) days of spending, or Product inventory, work-in-process, raw material or any combination of the foregoing.
- 5. PACKING AND PACKING SLIPS: SELLER shall ship under cGMP requirements. Goods must be securely packed and protected during shipment and delivery. Items must be clearly indicated on the inner and outer packaging with part number, revision, description, lot number, and quantity. SELLER shall separately number all cases, and/or packages showing the corresponding numbers on SELLER's invoices and packing slips. SELLER shall not impose extra charges for packaging or packing materials unless authority to do so is expressly provided in the Order.
- 6. **INVOICING:** SELLER shall supply invoices which minimally contain material supplier's name and address, HAEMONETICS part number and revision level, HAEMONETICS purchase order number, SELLER's lot number, serial number, test number, etc.
- 7. *SHIPPING INSTRUCTIONS:* SELLER agrees to comply with any special instructions as to choice of carrier, routings, shipping and destinations as designated by HAEMONETICS.
- 8. **PRICE:** HAEMONETICS shall not be required to pay for any goods or services at prices higher than those specified on the Order. If no price is specified on the Order, the goods or services shall be billed at the prices last quoted to HAEMONETICS or at the prevailing market prices, whichever is lower.
- **9.** *CHANGES:* The SELLER agrees not to change material and/or configuration and/or, manufacturing location without prior notification and written authorization of HAEMONETICS. HAEMONETICS shall have the right, by written purchase order change notice, to require that SELLER suspend work at any time before completion of

performance by SELLER under the Order or to make changes in quantities, drawings, specifications, delivery schedules and methods of shipment and packaging. If changes directed by HAEMONETICS cause an increase or decrease in the SELLER's cost of or the time required for the performance of the Order, an equitable adjustment shall be made and the Order shall be modified in writing accordingly. Any claim for adjustment must be asserted by the SELLER in writing within (30) days from SELLER's receipt of such purchase order change notice. Changes shall not be binding upon HAEMONETICS, nor shall any claim for adjustment be recognized, unless a purchase order change notice authorizing such changes has been issued and signed by HAEMONETICS.

- 10. NOTICE OF LABOR DISPUTE: Whenever an actual or potential labor dispute impairs or delays or threatens to impair or delay SELLER's performance, SELLER shall immediately give written notice thereof to HAEMONETICS, including all relevant information with respect thereto requested by HAEMONETICS.
- 11. GOVERNING LAW: The Order shall take effect and shall be construed in accordance with the internal laws of The Commonwealth of Massachusetts, the United States, and not, through the application of Massachusetts choice of law provisions, or otherwise, the laws of any other jurisdiction where the HAEMONETICS purchasing entity is located.
- 12. COMPLIANCE WITH LAW: SELLER warrants that the articles and/or services to be furnished hereunder shall be manufactured and sold in compliance with all relevant laws, regulations and procedures whether imposed by HAEMONETICS or any governmental or administrative entity including but not limited to such laws, regulations and procedures respecting insider trading, anti-bribery of government officials, the Foreign Corrupt Practices Act or any provision of the HAEMONETICS Code of Business Conduct. Without limiting the generality of the foregoing, in the event that the Order indicates, or SELLER is otherwise informed that the goods or services ordered herewith are wholly or partially to be used for a government contract or subcontract, if and to the extent applicable, the terms and conditions of Executive Order 11246 of September 24, 1965, the Vietnam Era Veterans Readjustment Assistance Act of 1972, the Rehabilitation Act of 1973 and all amendments, rules and regulations pertaining thereto are incorporated herein by this reference.
- 13. GRATUITIES: SELLER warrants that it has not offered or given and will not offer or give to any employee, agent, or representative of HAEMONETICS, any gratuity. Any breach of this warranty shall be a material breach of each and every contract or order between HAEMONETICS and SELLER, whether now in existence or hereafter arising and may result in termination.
- 14. WARRANTIES CONCERNING GOODS AND SERVICES: SELLER expressly warrants that all goods and services covered by the Order shall conform to the specifications, drawings, samples or other descriptions upon which the Order is based, shall be fit and sufficient for the purpose intended, merchantable, and free from defects in material, workmanship or design. Inspection, test, acceptance or use of the goods furnished hereunder shall not affect the SELLER's obligation under these warranties, and such warranties shall survive delivery, inspection, test, acceptance and use. In the absence of documentation indicating otherwise, this warranty shall extend for a period of three (3) years from the date that the goods and services are delivered to and accepted by HAEMONETICS. These warranties shall applicable to HAEMONETICS, its successors, assigns, customers and the users of its products.
- *15. INSPECTION:* All articles, material, and workmanship are subject to inspection and testing at the place of manufacture or at destination or at both places by a HAEMONETICS representative or agent.
- 16. RISK OF LOSS: Unless otherwise specified, the delivery and risk of loss term on the Order will follow the delivery and risk of loss terms definition as detailed by the International Chamber of Commerce (ICC). If the delivery and risk of loss term is not detailed on the Order the default Incotern will be FCA SELLERS location.
- 17. **INSURANCE:** SELLER should carry appropriate level of insurance which shall include coverage for products and completed operations liability and contractual liability as well as comprehensive general liability insurance.

- 18. REJECTIONS: HAEMONETICS reserves the right to reject and receive full credit for any article or service which is, defective as to material, workmanship, fabrication or quality or which is not in conformity with the specifications, drawings, or any sample approved by HAEMONETICS. HAEMONETICS may return, at the risk and expense of the SELLER, for full credit, any such articles. Without extra cost to HAEMONETICS, at the option of and upon receipt of written instructions from HAEMONETICS, SELLER will immediately (i) replace to the complete satisfaction of HAEMONETICS, all previously rejected material or services; or (ii) cure all such defects or non-conformities. Rejected articles shall not be resubmitted for acceptance without concurrent notice of their prior rejection. HAEMONETICS, after acceptance of articles or services which appear to conform to SELLER's warranties, may discover these items to be nonconforming and may revoke its acceptance. HAEMONETICS may opt to keep and rework any defective or nonconforming items. Cost of rework, transportation, insurance, repackaging and/or extra inspection by HAEMONETICS shall be at SELLER's expense.
- 19. PROPERTY PAID FOR OR FURNISHED BY HAEMONETICS: All designs, sketches, drawings, blueprints, patterns, dies, molds, models, tools, gauges, equipment or appliances made or procured by SELLER specially for producing the product covered by the Order, unless otherwise provided, shall become the property of HAEMONETICS immediately upon manufacture or procurement. All property specified in the preceding sentence and any other technical or proprietary information furnished by HAEMONETICS (the "Property") to SELLER shall be and at all times remain the exclusive property of HAEMONETICS. The Property is provided for the purpose of SELLER's performance of the Order only and is provided on the express condition that it shall not be disclosed to third parties nor used for any other purpose without the prior written consent of HAEMONETICS. Unless otherwise agreed SELLER, at its expense, shall insure the Property for the reasonable value thereof against loss or damage of any kind. At all times, the Property shall be clearly identified; shall be held on consignment at SELLER's risk; shall be used exclusively in the production of HAEMONETICS products required by the Order; and shall be subject to disposition only by HAEMONETICS. All such Property shall be promptly returned to HAEMONETICS upon demand, which may be made at any time. In the event of a demand for return of the Property by HAEMONETICS, SELLER shall promptly make the Property available for recovery by HAEMONETICS or HAEMONETICS' designated representative. HAEMONETICS right to return of the Property shall be absolute and shall not be conditioned on or subject to any setoff by SELLER or the payment by HAEMONETICS of any amounts due SELLER. All Property shall be adequately and appropriately maintained by SELLER at SELLER'S cost and proof of such maintenance shall be provided to HAEMONETICS upon request. The obligations under this clause shall survive the cancellation, termination or completion of the Order.
- 20. NON-DISCLOSURE OF CONFIDENTIAL INFORMATION: SELLER agrees to treat as strictly secret and confidential all specifications, drawings, blueprints, nomenclature, samples, models, and other information supplied by HAEMONETICS ("Confidential Information"). Unless the written consent of HAEMONETICS is first obtained, SELLER shall not in any manner advertise or release for publication, any information regarding the Order, or quote the opinion of any employee of HAEMONETICS. The SELLER shall not disclose any Confidential Information to any person not designated by HAEMONETICS as entitled to receive it. In the event that the SELLER discloses Confidential Information, SELLER assumes all responsibilities and liabilities thereof.
- 21. CANCELLATION OR DEFAULT: HAEMONETICS may at any time terminate the Order in whole or in part for its convenience upon written notice to SELLER in which event SELLER shall be entitled to termination charges limited to the percentage of the Order price reflecting the percentage of goods and services completed and available to HAEMONETICS plus actual, reasonable direct costs resulting from termination. If SELLER breaches or fails to perform obligations of this agreement, HAEMONETICS may, by written notice of default to SELLER, cancel the whole or any part of the supplies and services ordered without liability, except for completed services and completed articles delivered and accepted.
- **22.** *ASSIGNMENT:* The Order and all rights, duties and obligations of HAEMONETICS may be transferred, assigned or delegated by HAEMONETICS, in whole or in part, to any other person or persons. SELLER may not transfer, assign or delegate its rights, duties or obligations under the Order without the prior written approval of HAEMONETICS. An assignment contrary to this provision shall, at the option of HAEMONETICS, terminate

the Order. In any case, assigned accounts shall be subject to setoff, recoupment or any other claim of HAEMONETICS against SELLER. The provisions of the Order shall bind and inure to the benefit of the parties respective permitted successors and assigns. Either party may, without liability, terminate the Order by written notice if the other makes an assignment for the benefit of creditors.

- 23. DELEGATION AND SUBCONTRACTS: SELLER agrees that it will not delegate any of its performance obligations to any other person nor enter any subcontracts for completed articles or services required by the Order, without the prior written consent of HAEMONETICS. A delegation or subcontract contrary to this provision shall, at the option of HAEMONETICS, terminate the Order.
- 24. SET-OFF: SELLER agrees that HAEMONETICS shall have the right to setoff against any amounts which may become payable by HAEMONETICS to SELLER under the Order or otherwise, any amounts which SELLER may owe to HAEMONETICS, whether arising under the Order or otherwise.
- **25.** *FORCE MAJEURE:* Acts of government, strikes, civil commotion, riots, war, revolution, freight embargoes, fire, flood, storm, acts of God or other conditions beyond the reasonable control of HAEMONETICS which shall affect HAEMONETICS' ability to receive and use the material ordered shall, upon written notification to SELLER, constitute valid grounds for suspension of shipment upon the Order, without penalty to HAEMONETICS. In the event that such condition continues for a period of thirty (30) days, HAEMONETICS may elect, upon written notice to SELLER, to cancel the Order.
- **26. VALIDITY:** If any provision of the Order is declared invalid, in whole or in part, by a court of competent jurisdiction, the remaining provisions shall not be affected thereby.
- 27. WAIVER: A party to the Order shall not, by any act, delay, omission, or otherwise, be deemed to have waived its rights or remedies under the Order, and no waiver shall be valid unless in writing and signed by the party to be charged. No waiver, either direct or by operation of law or in equity, of strict compliance with and performance of any and every term or condition of the Order, or any breach thereof on the part of either party, shall be held or deemed to be a waiver of any subsequent failure of strict compliance with and performance of any and every term thereof, or any breach thereof.
- 28. INDEMNIFICATION: SELLER agrees to indemnify and hold HAEMONETICS, its affiliated entities, and their respective directors, officers, shareholders employees, agents, customers and those for whom HAEMONETICS or its affiliated entities may act as agent, harmless from any claims, losses, liabilities, expenses, costs, attorneys' fees or damages, including any indirect, incidental and consequential damages that HAEMONETICS may suffer or be in any way subjected to on account of any death of or injury to any person resulting or claimed to result from any defect or non-conformance to specifications, and SELLER agrees to indemnify and hold HAEMONETICS, its affiliated entities, and their respective directors, officers, shareholders, employees, agents, customers, and those for whom HAEMONETICS or its affiliated entities may act as agent harmless from any claims, losses, liabilities, expenses, costs, attorneys' fees, or damages, including any indirect, incidental and consequential damages that HAEMONETICS may suffer from or in connection with the breach of any terms of the Order or any other of SELLER's warranties. Futhermore, without limiting the generality of the foregoing, SELLER agrees to indemnify and hold harmless HAEMONETICS, its affiliated entities, and their respective directors, officers, shareholders, employees, agents, customers, and those for whom HAEMONETICS or its affiliated entities may act as agent, from any loss or liability whatsoever from any and all actions or proceedings claiming patent, trademark, trade secret, proprietary rights or copyright infringement by reason of the sale or use of any article furnished hereunder, except any article in conformity with specifications completely and exclusively furnished by HAEMONETICS. SELLER shall defend any such actions, and shall bear all losses, liabilities, costs, expenses, attorneys' fee or damages, including any indirect, incidental or consequential damages, in such actions. At its expense, HAEMONETICS may be represented by and actively participate through its own counsel in any such suit or proceedings if it so desires.
- **29. NOTICES:** Any notice required or permitted to be given hereunder shall be by certified mail, return receipt requested, and effective when received. It shall be sufficient if said notices are personally delivered or sent by e-

mail or fax to the recipient at its address set forth by the Order or at such other address as a party may specify to the other party.

- 30. ARBITRATION: In the event of any dispute relating to any provisions of the Order, the same shall be finally resolved by binding arbitration, as hereinafter set forth provided that nothing in this provision shall diminish the right of HAEMONETICS to enforce, by injunctive relief or otherwise, any exclusivity or nondisclosure obligations of SELLER including, without limiting the generally of the following: SELLER's obligations with respect to the provisions of the Order entitled PROPERTY PAID FOR OR FURNISHED BY HAEMONETICS and NON-DISCLOSURE OF CONFIDENTIAL INFORMATION and, provided further, that nothing herein shall diminish the right of either party to implead the other party in a lawsuit brought by a third party or brought by either party against a third party. Such arbitration shall be conducted at such place as the parties shall concur in writing, and shall be governed by the rules of a mutually agreed upon third party dispute resolution organization. The Award of the Arbitrator(s) may be enforced at the instance of either party in accordance with the law then prevailing in the Commonwealth of Massachusetts if the HAEMONETICS purchasing entity is in the United States of America; otherwise the applicable law of the country of the HAEMONETICS purchasing entity shall prevail. The costs and expenses of arbitration, including the fees of the Arbitrator(s), shall be borne equally by the parties, except that each party shall bear its own attorneys' fees unless otherwise provided in the Award. The Arbitrator(s) shall have no authority to add to, detract from, or alter any of the terms of this agreement. The right of either party to submit a dispute to arbitration shall survive the termination of this agreement.
- 31. EXPORT, RE-EXPORT or TRANSFER: Any export, re-export, transfer or supply to HAEMONETICS of any U.S. origin goods, technology or services supplied by the SELLER under this Order that are subject to license application requirements of the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC") or any other U.S. federal agency is subject to the prior authorization of OFAC or such other applicable agency.
- 32. **RECORD MANAGEMENT:** All records maintained by SELLER pursuant to this Order shall be maintained in accordance with local and applicable laws and regulations.
- **33. ELECTRONIC ACCEPTANCE:** HAEMONETICS and SELLER may agree from time to time on a process for electronic acceptance, revisions and updates to this Order.
- 34. INTELLECTUAL PROPERTY: Any intellectual property created by either party hereto in connection with the Products or Services provided by SELLER to HAEMONETICS hereunder shall be the property of HAEMONETICS.