

**ITAMAR MEDICAL LTD.
TERMS AND CONDITIONS OF SALE**

The following terms and conditions of sale, together with the terms and conditions stated on the face of the Purchase Order ("**Purchase Order**") (collectively the "**Terms**") shall apply to the sale of products listed in the Purchase Order ("**Products**") supplied by Itamar Medical Ltd., an Israeli company, having a place of business at 9 Halamish Street, P.O. Box 3579, Caesarea 3088900, Israel ("**Supplier**") to the purchaser/customer designated on the Purchase Order ("**Purchaser**"). Solely upon the Purchaser's signature on the Purchase Order, and its approval by the Supplier, shall the parties be deemed to having entered into a binding contract for the manufacture, sale and supply of Products by Supplier.

SCOPE: All sales by Supplier of any of its Products to Purchaser are subject to these Terms. No terms or conditions contained in any order form submitted by Purchaser that varies from, or conflicts with, any of these Terms shall become part of the Purchase Order or the contract for the sale of Products unless it is expressly accepted in writing by Supplier's authorized representative. Delivery of these Terms to Purchaser constitutes notification of Supplier's objection to any terms or conditions that vary from or conflict with those contained herein. Once Supplier has agreed to sell Products to Purchaser, no modification or addition to these Terms or to any other provision of the contract for the sale of Products shall be binding on either party unless it is in writing and signed by both parties.

DELIVERY AND ACCEPTANCE: Delivery of all Products will be made *ex works* as that term is defined in Incoterms 2010, ICC Rules for the Use of Domestic and International Trade Terms, ICC Publication No. 715EF, Supplier's Caesarea, Israel Facilities (the "**Delivery Location**") within 14 business days of Supplier's acceptance of the Purchase Order. Supplier shall have the right to deliver Products earlier than any agreed upon delivery date. Supplier reserves the right to make deliveries in installments.

RISK OF LOSS, TITLE AND SECURITY INTEREST: Risk of loss to Products and transfer of title shall pass from Supplier to Purchaser at the Delivery Location upon delivery.

PRICES: The prices of the Products shall be as detailed in the Purchase Order.

TERMS OF PAYMENT: Terms of payment for the Products shall be in accordance with the Purchase Order. All payments shall be made in either Euro or USD, as indicated on the Purchase Order. In the event Supplier institutes legal action against Purchaser to collect delinquent accounts, Purchaser agrees to reimburse Supplier for reasonable attorneys' fees and costs of suit. In addition, all late payments shall be subject to a late payment penalty calculated at the rate of the higher of one and one-half percent (1.5%) per month or the highest amount permitted by law, which interest shall accrue daily.

TAXES AND ADDITIONAL COSTS: Prices are exclusive of all sales, use, value added, or other similar taxes, fees, levies, duties and other governmental charges (with the exception of taxes imposed on the income of Supplier), all of which will be borne exclusively by Purchaser.

PURCHASER DEFAULT: If Purchaser is in default on any provision of the Terms, all of Purchaser's payment obligations to Supplier shall immediately become due and payable, and Supplier may, without notice, decline to make further shipments, deliveries or terminate Purchaser's outstanding Purchase Order(s), without affecting any other right or remedy Supplier may have, including, but not limited to, any right to cancellation charges. For purposes of these Terms, a "default" shall occur in the event that Purchaser is more than five (5) days delinquent in any payment to Supplier, becomes insolvent, is adjudicated bankrupt, petitions for or consents to any relief under any bankruptcy reorganization statutes, has a receiver appointed or makes an assignment for the benefit of creditors, or is otherwise unable to meet its financial obligations as they become due. Continued shipment by Supplier

following Purchaser's default shall not constitute a waiver nor shall it affect Purchaser's legal obligations hereunder.

GOVERNMENT REGULATIONS: To the extent necessary under applicable law, the Purchaser shall apply for, obtain, facilitate and maintain any and all permits, registrations, notifications, approvals, authorizations and/or clearances (including but not limited to approvals and/or licenses from local, state, governmental, quasi-governmental or other authorities) required, necessary or desirable for the importation or use of the Products in Purchaser's jurisdiction, including without limitation, regulatory approvals for medical and diagnostic devices. Purchaser shall comply with all applicable laws and regulations in connection with the performance of its obligations hereunder.

INTELLECTUAL PROPERTY: Purchaser recognizes and acknowledges that (i) the intellectual property rights in and to the Products constitute valuable trade secrets and are proprietary to Supplier; and (ii) all intellectual property rights, in or related to the Products and/or to any related design and manufacturing, as well as any modification, adaptation or derivation thereof, are and will remain the exclusive property of Supplier. Purchaser, by taking delivery of or using the Products shall not become entitled to any proprietary or non-proprietary rights in or to the intellectual property rights.

USE OF PRODUCTS SOLELY BY PURCHASER; PROHIBITED ACTIVITIES: Purchaser is the sole authorized user of the Products and Purchaser may not sell, assign, transfer, lend to or allow any third party the right to use the Products. Purchaser shall not reverse engineer, decompile, misuse, incorporate into another product, modify, alter, enhance, change, copy or attempt to copy, or perform any similar type of operation on Products, in any fashion or for any purpose whatsoever or otherwise, either directly or indirectly, violate Supplier's rights with regard to the Products or the intellectual property rights therein ("**Prohibited Activities**").

LIMITED WARRANTY: Supplier hereby warrants to Purchaser that: (1) each Product to be delivered hereunder will be free of defects in material and workmanship under normal use and service for a period of twelve months from the date of delivery (the "**Warranty Period**").

If, during the Warranty Period, a Product or any component of the Products becomes defective by reason of material or workmanship, and provided the Purchaser immediately notifies Supplier of such defect, Supplier may, at its option, supply a replacement, or request the return of equipment to Supplier's premises for repair in accordance with Supplier's warranty and repair procedures.

This warranty shall not apply to any Products or component parts, that (a) have been damaged by improper operation, tampering with, improper maintenance, misuse, accident, or neglect, or were subject to any of the Prohibited Activities; (b) have been used in a manner not in accordance with the instructions supplied by Supplier; (c) have had changes or repairs made without written authorization of Supplier to do so; (d) were incorporated into another product without the prior written approval of Supplier; or (e) were stored in conditions and/or for a period of time contrary to the guidelines of Supplier which proves to be inadequate or unreasonable.

LIMITATION OF LIABILITY - PURCHASER'S SOLE REMEDIES FOR BREACH BY SUPPLIER OF ANY WARRANTIES HEREUNDER OR FOR ANY OTHER BREACH BY SUPPLIER SHALL BE LIMITED TO THE EXPRESS REMEDIES PROVIDED FOR HEREIN.

SUPPLIER SHALL NOT BE LIABLE TO ANY PERSON OR ENTITY FOR ANY SPECIAL, CONSEQUENTIAL OR INDIRECT DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES TO OR LOSS OF PROPERTY OR EQUIPMENT, LOSS OF PROFIT, LOSS OF USE OF DATA, LOSS OF REVENUES OR DAMAGES TO BUSINESS OR REPUTATION ARISING FROM THE PERFORMANCE OR NON-PERFORMANCE OF ANY ASPECT OF THESE TERMS OR ANY ORDER HEREUNDER OR FROM ANY CAUSE WHATSOEVER ARISING FROM

OR IN ANY WAY CONNECTED WITH THE MANUFACTURE, SALE, HANDLING, REPAIRS MAINTENANCE OR USE OF THE PRODUCTS, WHETHER OR NOT SUPPLIER SHALL HAVE BEEN MADE AWARE OF THE POSSIBILITY OF SUCH LOSS.

NOTWITHSTANDING ANY OF THE FOREGOING, SUPPLIER'S LIABILITY FOR ANY CLAIMS ARISING OUT OF OR IN CONNECTION WITH THESE TERMS OR ANY PARTICULAR PURCHASE ORDER, SHALL IN THE AGGREGATE, BE LIMITED TO THE TOTAL PRICE PAID UNDER SUCH PARTICULAR PURCHASE ORDER.

FORCE MAJEURE: No default shall be caused by and Supplier shall not be responsible to Purchaser for any loss, damages, or penalty resulting from any delay or failure to perform the obligations of Supplier hereunder that are due to any cause beyond Supplier's control. Supplier shall not be liable to Purchaser for any delay(s) or failure(s) to perform its obligations hereunder due to the scarcity of the basic elements necessary to manufacture the Products or because of any governmental restriction whatsoever upon the possession or distribution of such basic elements.

GOVERNING LAW; JURISDICTION: These Terms are governed by the laws of the State of Israel, excluding its conflict of laws principles. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to any of the transactions contemplated hereunder. Any proceeding brought by a Party arising out of, under or relating to any dispute relating to these terms and conditions shall be submitted to the exclusive jurisdiction of the competent court in the city of Tel Aviv – Jaffa, Israel.

GENERAL: No rights of Purchaser under these Terms may be assigned or otherwise transferred by Purchaser, in whole or in part, without the express written consent of Supplier. If any provision of these Terms is held to be invalid or unenforceable for any reason, such determination shall not affect the validity or enforceability of any or all of the remaining portions hereof. Failure of either party to insist upon strict performance of any of the terms or conditions hereof, or delay in exercising any remedy, shall not constitute a waiver of such terms and conditions nor shall it constitute a waiver of any default or remedy hereunder. These Terms and the Purchase Order are a complete and exclusive statement of the agreement and understanding between the parties regarding the subject matter hereof. These Terms supersede and replace all prior or contemporaneous agreements, written or oral.

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