

TERMS & CONDITIONS OF SALE

UNLESS OTHERWISE EXPRESLY AGREED IN WRITING, ALL SALES ARE SUBJECT TO, BUT NOT LIMITED TO, THE FOLLOWING ORMCO CORPORATION ("SELLER") TERMS AND CONDITIONS OF SALE.

PAYMENT INFORMATION

Purchaser shall pay the purchase price as listed in the sales catalogue price list or, if no price list has been provided, the price listed on the invoice accompanying the product. Any discount granted from Seller to Purchaser for early payment shall be documented on the invoice. Purchaser shall pay the balance due on the date specified on the equipment order. Payment can be made via check or wire transfer.

Unless otherwise expressly agreed in writing, all payments are due within thirty (30) days after the date of the invoice unless otherwise specified on the front of the invoice. Seller reserves the right to establish and /or change payment terms extended to Purchaser when, in Seller's sole opinion, Purchaser's financial condition or previous payment record warrants that action.

Security Interest: Seller retains a security interest in the Products delivered to the Purchaser, and in their accessories, replacements, accessions, proceeds and products, including accounts receivable (collectively, the "Collateral") to secure payments of amounts and performance due under this invoice. Purchaser acknowledges that this document or copies of this document may be filed with the appropriate authorities as a financing statement and agrees to execute and deliver such other documents as we may request in order to evidence or perfect our security interest.

For products sold in the European Union, any invoice or other outstanding balance not paid within thirty (30) days after the date of the invoice will be subject to a flat fee plus statutory interest payment due pursuant to directive 2011/7/EU in the amount of the sum of the specific EU Members reference rate plus 8%. For products sold anywhere else in the world, any invoice or other outstanding balance not paid within thirty (30) days after the date of the invoice will be subject to a carrying charge of 1 ½% per month, an amount equal to 18% annum or the maximum rate permitted by law, whichever is less.

SHIPMENTS; TITTLE TO GOODS

For all Shipments from the United States

DOMESTIC. All domestic shipments will be made FOB (UCC § 2-319) Seller's facility. Delivery will be deemed complete and legal title and all risk of loss or damage to the Products will pass to Purchaser, upon delivery to the carrier. **INTERNATIONAL.** All international shipments will be made FCA (Incoterms 2010) Seller's Facility. Delivery will be deemed complete and all risk of loss or damage to the Products will pass to Purchaser when the Products enter international water or airspace or upon delivery to the customer's designated freight forwarder. Legal title will transfer when products enter international water or airspace. International waters are defined as twelve (12) nautical miles from the last port of US export. International air space entry is defined at the time of aircraft departure/wheels up from the last US port of export. Land shipments (rail and truck) will be deemed complete and legal title passed to Buyer once

the shipment crosses out of the US. In the event of a dispute, these terms will supersede any terms reflected on shipping documents.

For all shipments from all other locations

All shipments will be made FCA Incoterms Seller's Facility. Delivery will be deemed complete and all risk of loss or damage to the Products will pass to Purchaser upon delivery to the carrier or, in the case of international shipments, when the Products enter international water or airspace or upon delivery to Purchaser's designated freight forwarder. Legal title will transfer when products enter international water or airspace. International waters are defined as twelve (12) nautical miles from the last port of export by Seller. International airspace entry is defined at the time of aircraft departure/wheels up from the last port of export by Seller. Land shipments (rail and truck) will be deemed complete and legal title passed to Purchaser once the shipment crosses the border out of country of residence of Seller or Seller's affiliate.

In the event of a dispute, these terms will supersede any terms reflected on shipping documents.

RETURNS

Seller's non-custom product(s) that are not defective in material or workmanship may be returned at Customer's expense for full credit within thirty (30) days of shipment.

Seller's non-custom product(s) that are not defective in material or workmanship being returned within thirty-one to ninety (31-90) days of shipment will receive a full exchange to a product of equal value (as determined by the Seller) and will be subject to a 20% restocking fee.

Product will not be approved for return later than ninety (90) days after shipment.

All returned products must meet the following conditions for credit to be issued:

(a) Products must be unused, in the original unopened package and in resaleable condition; (b) Products must be packaged so as to arrive at Seller's facility undamaged; (c) Products must be shipped prepaid and insured for full invoice value; (d) Products must be of current design; (e) A copy of original invoice must accompany the products along with a note explaining the reason for this return; (f) Returns must be accompanied by a Return Material Authorization (RMA) that can be obtained from the Customer Care Department (800- 898-6261).

Once Product has been returned and processed, the exchange Product will be issued.

INTERNATIONAL RETURNS. For all international returns approval must be obtained from Customer Care prior to returning product to the United States. In addition to providing a copy of the invoice, the customer must issue a new pro forma invoice in English to the Import-Export Department to include:

(a) date of return shipment, customer name and address; Seller ship to address; plus the following for each product: product name, part number, quantity, value, country of origin, and schedule B number (all found on Seller's invoice);

(b) Statement: "Returned merchandise: value declared for customs purposes only."

(c) Customers must send a shipment pre-alert to Import- Export Department to include the invoice, air bill, flight details and/or arrival information.

NONRETURNABLE GOODS. The following products are not returnable:(a) Any custom-made products; (b) Chemical or refrigerated products.

Seller's Customer Returns Department's evaluation of the condition of products and count are final. When returning all or part of an order to the U.S., enclose a copy of the invoice, and return via a trackable, insurable shipping method to: Customer Returns Dept. 1332 S Lone Hill Avenue, Glendora, CA 91740. When returning all or part of an order to The Netherlands, enclose a copy of the invoice and return via a trackable, insurable shipping method to: Customer Returns Dept., Basicweg 20, 3821 BR Amersfoort, The Netherlands.

LIMITED WARRANTY

PURCHASER MUST ASSUME FULL RESPONSIBILITY FOR THE SELECTION OF THE PRODUCT TO ACHIEVE PURCHASER'S INTENDED PURPOSES, FOR THE PROPER INSTALLATIONS AND USE OF THE PRODUCT AND FOR VERIFYING THE RESULTS OBTAINED FROM ITS USE. Seller assumes no responsibility for and does not warrant the installation work of others nor does Seller assume responsibility for overseeing or supervising the work of any person other than its own agents or personnel. All products manufactured are warranted to be free of defects in materials and manufacture for one year from date of delivery. Any material or manufacture defect covered by this limited warranty which occurs during normal use and is reported to Seller in writing during the period of one (1) year from the date such product is shipped to the Purchaser. Seller's obligation hereunder, upon verification of the defect or error, shall be to provide one of the following: (i) replacement at no charge to Purchaser; (ii) repair at no charge to Purchaser; or (iii) credit the purchase price to Purchaser. If, upon the inspection of any Seller product to which this warranty applies, Seller determines that a claimed defect was not due to its manufacture or materials, Seller will proceed to service the Seller product at Purchaser's expense and approval. This warranty shall be null and void upon service, repair or replacement of any portion of the Seller product or any modification performed by anyone other than an authorized Seller service representative, or under the direction of Seller. Purchaser must use the Seller approved hardware with the prescribed Seller software and must use the Seller software with the prescribed Seller hardware. Usage of any Seller component with any non-prescribed component will render warranty coverage for the Seller product null and void. Any modification of any Seller product will also render warranty coverage for the Seller product null and void. Purchaser's remedies under this limited warranty are exclusive of all others. Seller's warranty obligation with respect to all components, equipment and accessories which are integrated into a Seller product and not manufactured by Seller shall be limited to those express written warranties made to Seller by manufacturer which Seller hereby assigns and transfers to Purchaser. THE FORGOING WARRANTY IS MADE IN LIEU OF ALL OTHER WARRANTIES WHATSOEVER WITH RESPECT TO PRODUCT OR SERVICES SOLD HEREUNDER, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. ALL WARRANTIES SHALL TERMINATE ONE YEAR FROM DATE OF DELIVERY OF PRODUCT TO YOU. THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS. YOU MAY HAVE OTHERS, WHICH VARY FROM STATE TO STATE .

PATENT IDEMNIFICATION

Seller shall defend any suit or proceeding brought against Purchaser so far as the same is based on a claim that any product of Seller's design furnished hereunder or any part thereof, constitutes an infringement of any United States patents, if notified promptly in writing and given authority, information and assistance (at Seller's expense) for the sole defense and settlement of the same and if such alleged infringement is not the result of a design or other special requirement specified by Purchaser or the result of the application or use to which such product is put by Purchaser or others. Seller will pay all damages and costs awarded in such suit or proceeding against Purchaser. In case such product or part thereof are in such suit held to infringe any such patent and the use thereof is enjoined, Seller shall, at its expense and option, either (a) obtain for Purchaser the right to continue using such product or part thereof, (b) replace the same with non-infringing product, or (c) modify the same so it becomes non-infringing, or (d) remove said product and refund the purchase price, less applicable depreciation, and the transportation and installation cost thereof. The foregoing states the entire liability of Seller to Purchaser for patent infringement

TRADEMARK

Seller owns certain trademarks, slogans, trade names, service marks and logos (collectively the "Seller's Marks"). Purchaser shall not, without the written permission of Seller, use Seller's Marks; associate its business with any Seller Marks; register, maintain or use any Internet domain based on, containing, or similar to, Seller's Marks; or create or maintain any social media.

DATA PRIVACY NOTICE

Seller (including its direct and indirect subsidiaries and affiliated companies) ("Seller") acts as a data controller with respect to the collection, use, and other processing of certain data about customers relating to the relationship between the Customer and Seller. To the extent permitted under applicable data protection and local employment laws, Seller collects, uses, and processes customer data for (a) the performance and the administration of the contract agreement between the customer and Seller (b) for compliance with a legal obligation of Seller or (c) for Seller's legitimate interests in running its business.

Seller does not sell or disclose your Personal Data to third parties without your consent, except:

- To affiliates and third-party service providers to provide services and information on our sites, including online marketing and advertising, and to support our business operations. We require these parties to handle Personal Data in accordance with this Privacy Notice.
- To affiliates to offer and provide information about related products and services. We do not share Personal Data from countries that require consent, unless consent has been obtained in advance to sharing with related affiliates. We require these parties to handle Personal Data in accordance with this Privacy Notice.
- To another company in connection with the sale or transfer of one of our product lines or divisions, which includes the services provided through one or more of Seller's affiliates.

- To governing regulatory authorities, including the US Food and Drug Administration, or as may otherwise be necessary for Seller to comply with a legal obligation or demand.

Customers have the right to access, transfer, object, cancel, review, update, correct and request the deletion or restriction of their own customer data in accordance with applicable law. These rights may be limited in some situations; as if it is determined to be infeasible to fulfill your request due to a legal requirement. Also, customers are responsible for informing Seller if there are any changes or inaccuracies to their customer data. The entire data privacy notice can be accessed online at www.ormco.com

LIMITATION OF LIABILITY

IN NO EVENT SHALL SELLER BE LIABLE, AND PURCHASER WAIVES ALL CLAIMS AGAINST SELLER FOR CONSEQUENTIAL OR SPECIAL DAMAGES, WHETHER OR NOT BASED UPON SELLER'S NEGLIGENCE OR BREACH OF WARRANTY OR STRICT LIABILITY IN TORT OR ANY OTHER CAUSE OF ACTION ARISING, DIRECTLY OR INDIRECTLY, IN RESPECT TO THE SELLER PRODUCT OR SERVICES COVERED HEREUNDER, OR THE USE OR FAILURE THEREOF, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOST PROFITS, LOSS OF PRODUCTION OR INJURY TO PERSONS OR PROPERTY. IN ANY EVENT, SELLER'S MAXIMUM LIABILITY SHALL NOT EXCEED THE PURCHASE PRICE OF THE PRODUCT FURNISHED BY SELLER WHICH IS THE BASIS OF SUCH A CLAIM.

PROTECTED HEALTH INFORMATION

Seller offers certain products and services, including but not limited to Insignia, Spark, ClearGuide Express, Lythos and Digicast. In ordering these products the Purchaser provides Seller with personal health information of Purchaser's patients. Purchaser warrants that it has obtained or will obtain the necessary consent to transfer this patient personal health information to Seller and Seller's vendors in order to comply with all applicable local and international laws with respect to this information. To comply with applicable laws and directives and to safeguard this information, Seller has implemented information policies to protect this information, including providing training to personnel with access to this information and conducting background checks on those personnel, implementing building access controls, security procedures as well as computer server security procedures and designed certain products and software with features such as encryption, anti-virus and intrusion detection as well as other measures to assist Purchaser and vendors in protecting personal health information.

GENERAL

Force Majeure. Seller shall not be liable for delay in performance or for failure to render any performance, and any such delay or failure shall for all purposes be excused, when such delay or failure is caused by governmental regulation, fire, flood, wind, strike, labor disputes, accidents, embargo, riot, act of God, or any other causes or causes, whether of like or different nature, beyond the reasonable control of Seller. Purchaser shall bear any costs incidental to Purchaser's delay or failure in acceptance of the Seller's product or any other performance.

Established Business Relationship. By purchasing Seller's product, you have entered into an established business relationship with Seller formed by the purchaser of Seller's product, and hereby consent to receiving email and facsimile communications from Seller concerning products and services.



Patented Products. Brackets, molar assemblies and archwires covered by Seller patents are sold with license for single-use only.

Product Changes. Seller reserves the right in its sole discretion, to change, update and enhance the products at any time including to add functionality or features, or to remove them from the products. Seller may also, in its sole discretion, suspend the sale or production of any product.

Waiver: No failure of either party to exercise any power or right hereunder or to insist upon strict compliance with these Terms and Conditions of Sale, and no custom or practice of the parties at variance with the terms hereof, will constitute a waiver of either party's right to demand compliance with these terms.

Governing Law: These terms and conditions shall be governed by and construed in accordance with the laws of the State of California without regard to any conflict of laws provisions, and Purchaser hereby submits to the exclusive jurisdiction of the courts located in Orange, California.. The parties agree that the UN Convention on Contract for International Sale of Goods will not apply.

Termination for Default. Seller may terminate an order, in whole or in part, if Purchaser is in breach of any term contained in these Terms and Conditions of Sale and fails to remedy within ten (10) of Sellers notice.

Effect of Invalidity. If any of the provisions of these Terms and Conditions of Sale are determined to be invalid, illegal or unenforceable, such provisions will be severed and the remainder of these Terms and Conditions of Sale will be valid and enforceable to the extent permitted by applicable law, provided that the intent of the parties is not materially impaired. The parties will use their best efforts to replace the invalid and unenforceable provision with a provision that, to the extent permitted by law, achieves the purposes intended under the invalid and unenforceable provision.

Statute of Limitation. Any action resulting from the breach on the part of Seller as to any Seller product delivered hereunder must be commenced within one year after the cause of action has accrued.