TERMS AND CONDITIONS OF SALE

1. Agreement. These Terms and Conditions of Sale, together with any other document(s) that Crosstex International, Inc. and/or its subsidiary, SPS Medical Supply Corp. (collectively, "Crosstex") has attached hereto or executed that specifically reference these Terms and Conditions of Sale (such as a Purchase Order Confirmation, Quotation, Proposal, Standing Order, Credit Application, or Letter of Authorization) (collectively, "Agreement") constitute the entire binding agreement between Crosstex and you ("Buyer") regarding the purchase, use, and/or resale of products, services, and support from Crosstex (collectively, "Products") and supersede all other agreements and understandings, whether written or oral, between the parties. This Agreement will apply whether Buyer is an end-user or a distributor of the Products, although certain terms and conditions herein will be applicable only to certain Buyers by its context. Notwithstanding anything to the contrary, whether executing a Purchase Order, Quotation, Proposal, Standing Order, or Letter of Authorization or by accepting delivery of the Products, Buyer agrees to be bound by and accept the terms and conditions contained in this Agreement. No additions, conditions, amendments, alterations, or modifications by Buyer or any other person, whether oral or crosstex's shipment of Products, unless otherwise agreed to in writing and signed by Crosstex. These terms and conditions may be updated or amended from time to time by Crosstex, a copy of which will be available for review at http://www.crosstex.com/terms.asp and http://www.crosstex.com/

2. Price. All prices exclude applicable United States federal, state, and local taxes as well as any applicable foreign taxes, which will be the responsibility of Buyer and unless Buyer is exempt therefrom and Crosstex has received proper documentation therefor, such taxes will be added to the price of the Product or billed separately to Buyer where Crosstex has the legal obligation to collect the taxes.

3. Payment Terms. Provided that Buyer meets Crosstex's credit requirements, payment will be due net 30 days after the date of Crosstex's invoice, unless otherwise agreed in writing. All payments must be made in U.S. Dollars. Crosstex reserves the right to charge at any time a monthly service charge of 1% or the highest rate allowed by law, whichever is lower, on accounts that are not paid when due, effective as of the first day after the due date. If Buyer fails to fulfill the terms of payment or does not meet Crosstex's continuing credit requirements, Crosstex will have the option to do one or more of the following: (i) decline to accept orders or fulfill pending orders; (ii) require all pending and future orders to be on a prepaid basis; (iii) delay any shipment until payment is received by Crosstex or further assurances asked for by Crosstex are received; (iv) declare all outstanding sums immediately due and payable; or (v) require payment for all Products delivered hereunder to be made by irrevocable letter of credit in a form approved by Crosstex. Nothing contained herein will release Buyer from any previous obligation. Buyer will be liable to Crosstex for all costs incurred by Crosstex in its collection of any amounts owing by Buyer which are not paid when due, including collection agencies' and attorneys' fees and expenses, regardless of whether a lawsuit is commenced. All orders are subject to current credit approval. From time to time, Crosstex may review Buyer's creditworthiness. Buyer agrees to provide Crosstex with all credit information reasonably requested, and Buyer represents and warrants to Crosstex now, and each time Buyer places an order, that all information Buyer has provided is true and correct.

4. Force Majeure. Neither party assume liability or will be liable to the other party for any failure or any delay in fulfilling its obligations hereunder caused, in whole or in part, directly or indirectly, by fires, natural disasters, strikes, shortages of raw materials, supplies or components, retooling, upgrading of technology, delays of carriers, embargoes, government orders or directives, terrorist activities, or any other circumstance beyond the reasonable control of such party. Crosstex may at its option suspend deliveries while such event or circumstance continues, apportion available inventory between its customers as it determines, or terminate this Agreement with immediate effect by written notice to Buyer.

5. Delivery Terms; Title. Unless otherwise agreed by Crosstex in writing, all shipments to points in the U.S. will be delivered by Crosstex FOB Crosstex's facility and all shipments to points outside the U.S. will be delivered by Crosstex FCA Crosstex's facility (as such term is defined in Incoterms 2010); provided, however, that unless Buyer advises Crosstex that it will arrange and take responsibility for shipment of Products from Crosstex's facility, Crosstex will arrange for its freight forwarder and/or carrier(s) to transport the Products to Buyer's specified location. Title to and risk of loss or damage for all Products will pass to Buyer upon Crosstex's delivery of the Products to the carrier. In all cases of damage and/or loss to Products in transit, Buyer will be responsible for making claim(s) against the carrier; provided, however, that Crosstex will provide reasonable assistance with damage and/or loss claims. Loss or damage will not relieve Buyer of any obligations for payment or obligations in this Agreement. Delivery dates provided by Crosstex are estimates only. Unless otherwise agreed by Crosstex in writing, shipping, freight, handling, insurance, and related costs are the sole responsibility of Buyer and will be "pre-paid and add" or otherwise invoiced to Buyer.

6. Inspection/Acceptance; Returns. Buyer must inspect delivered Products and report claims for defects, damages, shortages or receipt of wrong products which are discoverable on a visual inspection within 48 hours of delivery or the Products will be deemed irrevocably accepted and such claims will be deemed waived. However, shipping damage claims must be made by Buyer directly with the shipping company in accordance with such company's policies, which generally require such claims to be made prior to the time the carrier of the Products leaves the delivery destination. Buyer will advise Crosstex of such claims. The terms and conditions for returning any Products purchased from Crosstex will be those contained in Crosstex's Returned Material Authorization Policy ("RMA") in effect as of the date of shipment of the Products to Buyer.

7. Changes. After acceptance by Crosstex, Buyer's order will not be subject to cancellation or reduction in any amount without Crosstex's written consent. Any other changes to an order requested by Buyer will require the prior written approval of Crosstex, which approval may be subject to price adjustments as determined on a case-by-case basis.

8. Medical Devices. If any of the Products are medical devices, Buyer acknowledges that it is familiar with the U.S. Safe Medical Devices Act of 1990 (the "Devices Act") and the reporting obligations imposed on device users thereunder. In this regard, Buyer agrees to notify Crosstex within 10 days of the occurrence of any event identified in the Devices Act imposing a reporting obligation on Buyer and/or Crosstex (except for events representing an imminent hazard that require notification to the U.S. Food and Drug Administration (the "FDA") within 72 hours (or such shorter time as required by law), in which case, such notice will be delivered to the FDA and Crosstex within said period). Buyer will maintain adequate tracking for the Products to enable Crosstex to meet the FDA requirements applicable to the tracking of medical devices.

9. Limited Warranty. Crosstex warrants to Buyer that Products manufactured by Crosstex that are sold to Buyer will be free from defects in material and workmanship under normal use for the following warranty periods: (i) 6 months following shipment from Crosstex in the case of consumables, and (ii) 3 years following shipment from Crosstex for Crosstex's Label Applicator, Lantor Cube Clamp and Dry Block Incubator Products, Disposable Products are warranted for single use only. The warranty does not cover and Crosstex will have no warranty obligation whatsoever with respect to any damage to a Product caused by or associated with: (i) usage not in accordance with Product instructions or usage for a purpose not indicated on the labeling; (ii) abuse, misuse, neglect, improper maintenance or storage, accident, vandalism, or the negligence of any party other than Crosstex; (iii) external causes, including natural disasters, acts of God, power failure, cosmetic damage or melting; or (iv) use of unauthorized third party consumables and accessories with the Product. Without limiting the foregoing, Crosstex's warranty herein is void with respect to (i) its Label Applicator Product if the labels used in such Product are not manufactured by Crosstex, and (ii) Crosstex's Dry Block Incubator Product if the biological indicators used in such Product are not manufactured by Crosstex. CROSSTEX MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO ITS HEAT SEALER PRODUCTS, HYGROMETER CLOCKS AND ANY OTHER PRODUCTS NOT MANUFACTURED BY CROSSTEX. Such Products carry the original manufacturer's warranty and Buyer must submit warranty claims regarding such Products to the original manufacturer in accordance with such manufacturer's warranty policies. CROSSTEX EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES AND CONDITIONS, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AS WELL AS WARRANTIES ARISING FROM COURSE OF DEALING AND USAGE OF TRADE, AND CROSSTEX DOES NOT REPRESENT OR WARRANT THAT ANY PRODUCT WILL MEET BUYER'S REQUIREMENTS. Notice of a defective Product under warranty must be given to Crosstex in writing within 10 days following the discovery of such defect. Any oral or written statement concerning the Products inconsistent with the limited warranty set forth herein will be of no force or effect. Any Products returned due to a defect will be subject to the RMA. Crosstex's SOLE LIABILITY under the warranty will be, at Crosstex's option, to either replace or repair the defective Product(s) or refund or credit the purchase price to Buyer. This will be Buyer's exclusive remedy for a covered defect.

10. Trademarks; Copyrights. Other than the limited use permitted for distributors set forth in Section 26 below, Buyer may not use the "Crosstex" or "SPS Medical" name or any Crosstex trademark, service mark, logo, or copyrighted work for any purpose.

11. No License. The sale of its Products by Crosstex does not constitute a license, implied or otherwise, for the use of any patents or know-how of others, nor does it constitute a license, implied or otherwise, on patents or know-how of Crosstex, except to the extent that the intended use of such Product by Buyer itself is covered by the claims of a Crosstex patent.

12. Confidential Information. Except for information that Buyer demonstrates was in Buyer's possession prior to receipt from Crosstex, Buyer agrees that all information of Crosstex, whether written or oral, that is furnished by Crosstex to Buyer concerning the business and affairs of Crosstex or is learned by Buyer during discussions or communications between Buyer and Crosstex, is proprietary to Crosstex, and Buyer will hold such information in confidence and will not use or disclose such information without Crosstex's prior written consent, except for the fulfillment of this Agreement.

13. Installment. In the event any purchase of Products by Buyer is deemed or interpreted to be an installment contract, Crosstex's failure to deliver when due, or nonconformity of, any installment will not substantially impair the value of the overall contract as a whole and will not constitute a breach of contract.

14. Limitation of Liabilities and Remedies. UNDER NO CIRCUMSTANCES WILL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER PARTY FOR, AND EACH PARTY HEREBY EXPRESSLY WAIVES, ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES OF ANY DESCRIPTION, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER ARISING OUT OF WARRANTY OR CONTRACT, NEGLIGENCE OR OTHER TORT, OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, FORESEEABLE BUSINESS LOSSES, LOSS OF PROFITS, AND RELIANCE DAMAGES. BUYER AGREES THAT UNDER NO CIRCUMSTANCES WILL CROSSTEX'S LIABILITY RELATING TO ITS SALE OF PRODUCTS TO BUYER FOR ANY CAUSE EXCEED THE PURCHASE PRICE PAID BY BUYER FOR THE PARTICULAR PRODUCTS INVOLVED. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, THE REMEDIES SET FORTH IN THIS AGREEMENT WILL APPLY EVEN IF SUCH REMEDIES FAIL THEIR ESSENTIAL PURPOSE.

15. Indemnity. To the fullest extent permitted by law, Buyer will indemnify, defend, and hold harmless Crosstex, including Crosstex's officers, directors, agents, employees, subsidiaries, affiliates, parents, successors, and assigns, from and against any claim, demand, cause of action, debt, liability, loss, fine, damage, or expense (including reasonable attorneys' or legal fees, expenses, and court costs) (collectively, "Liabilities") that relates to: (i) Buyer's modification of or addition to any Product(s); (ii) Buyer's breach of this Agreement; (iii) Buyer's gross negligence or willful misconduct; or (iv) damage to a third party by any Products distributed or resold by Buyer to the extent such claim is based on (a) Buyer's modification of or addition to the Products, misuse or abuse of the Products, or breach of any provision in this Agreement; (b) Buyer's failure to abide by all applicable laws, rules, regulations, and orders that affect the Products; (c) Buyer's gross negligence or willful misconduct; or (d) intentional

harm to any person or property caused by Buyer. To the fullest extent permitted by law, Crosstex will indemnify, defend, and hold harmless Buyer, including Buyer's officers, directors, agents, employees, subsidiaries, affiliates, parents, successors, and permitted assigns, from and against any Liabilities arising out of a third party claim (i) for bodily injury to or property damage to the extent caused by a defect in a Product manufactured by Crosstex; (ii) to the extent caused by Crosstex's breach of this Agreement; or (iii) to the extent caused by Crosstex's gross negligence or willful misconduct. Crosstex is not required to indemnify Buyer to the extent that any claim arises out of Buyer's gross negligence or willful misconduct or use of a Product by any person or entity other than in accordance with Crosstex-approved Product labeling, including, without limitation, any restrictions on re-use of Products.

16. Independent Contractors. No provision of this Agreement will be deemed to create a partnership, joint venture, or other combination between Crosstex and Buyer. Buyer and Crosstex are independent contractors. Neither party will make any warranties or representations or assume any obligations on the other party's behalf. Neither party is or will claim to be a legal representative, partner, agent, or employee of the other party. Each party is responsible for the direction and compensation, and is liable for the actions of, its employees and subcontractors.

17. Export. Buyer acknowledges that the Products sold under this Agreement, and the transaction contemplated by this Agreement, are subject to U.S. customs and export control laws and regulations and may also be subject to the customs and export laws and regulations of the country in which the Products are received. Buyer acknowledges and agrees that it is Buyer's sole responsibility to comply with and abide by those laws and regulations as applicable. Further, Buyer acknowledges and agrees that under U.S. law, the Products shipped pursuant to this Agreement may not be sold, leased, or otherwise transferred to restricted countries, any person or entity on the Specially Designated Nationals and Blocked Persons List published by the Office of Foreign Assets Control of the U.S. Department of the Treasury, or utilized by restricted end-users or an end-user engaged in activities related to weapons of mass destruction, including, without limitation, activities related to the design, development, production or use of nuclear weapons, materials, or facilities, missiles or the support of missile projects, or chemical or biological weapons.

18. Headings. The section headings used herein are for convenience of reference only and do not form a part of this Agreement, and no construction or inference will be derived therefrom.

19. Language. The parties confirm that it is their wish that this Agreement, as well as other documents relating to this Agreement, including all notices, have been and will be drawn up in the English language only.

20. Governing Law/Venue. This Agreement, any sales hereunder, and any claim, dispute, or controversy between Buyer and Crosstex arising from or relating to this Agreement, its interpretation, or the breach, termination, or validity thereof, will be governed by and construed in accordance with the laws of the State of New York, without regard to conflicts-of-law rules. For all Buyers who are U.S. end-users or U.S. distributors, any and all disputes arising under this Agreement will be dealt with under the exclusive jurisdiction and exclusive venue of the federal or state courts located in Suffolk County or Monroe County, New York, to the exclusion of all other courts. Each party expressly agrees to submit to the jurisdiction of such courts.

21. Arbitration. For all Buyers who are non-U.S. end-users or non-U.S. distributors, the parties agree that any dispute, claim or controversy arising out of or relating to this Agreement or any sales hereunder, including any action in tort, contract, or otherwise, at equity or at law, and any claims of fraud in the inducement (a "Dispute"), will be resolved in the manner set forth in this Section. Either party may initiate negotiation proceedings by writing a letter to the other party setting forth the particulars of the Dispute, the terms of this Agreement that are involved and the suggested resolution of the Dispute. If the Dispute is not resolved within 30 days after delivery of the initial written letter setting forth the particulars of the Dispute, either party may submit such Dispute to binding arbitration conducted pursuant to the provisions of this Agreement and the rules of the United Nations Commission on International Trade and Law ("UNCITRAL"), as hereinafter modified or supplemented, except to the extent such UNCITRAL rules are inconsistent with the provisions of this Agreement. Even though the arbitrator(s) must apply the UNCITRAL rules, the arbitration will <u>not</u> be conducted through the UNCITRAL. The parties agree that the following terms apply instead:

• <u>Selecting Arbitrator(s)</u>. The case will be submitted to a single arbitrator who must be a retired judge or an attorney who has practiced business litigation or in the substantive area of law related to this Agreement for at least 10 years. Each party must submit a list of 3 arbitrators to the other party within 10 days after the initiating party has delivered a written notice to the other party demanding arbitration of the Dispute. From the combined list, the parties will mutually agree on the arbitrator. Should the parties be unable to agree on the choice of an arbitrator within 30 days after delivery of the written notice demanding arbitration, the arbitration will be conducted by a panel of 3 arbitrators. Each party will choose 1 arbitrator within 10 days after the expiration of the above 30 day period and the 2 arbitrators selected will choose a 3rd arbitrator within 5 days after their appointment.

• <u>Location/Costs</u>. The site of the arbitration will be in Suffolk County in the State of New York or such other location as the parties may mutually agree. The exact location within such county will be designated by the arbitrator(s). The non-prevailing party will pay all expenses of the arbitration proceeding, including the expenses and fees of the parties' witnesses and legal counsel and of the arbitrator(s), unless otherwise provided in the award.

• <u>Discovery/Governing Law/Interim Relief</u>. The arbitrator(s) will allow the parties to conduct limited discovery. In particular, each party will have the right to serve on the other party no more than 25 interrogatories, including all discrete subparts. The interrogatories must be answered, under oath, within 30 days of service. Leave to serve additional interrogatories will be granted upon a showing of good cause. In addition, the parties may

serve no more than 25 document requests and take up to 10 depositions. The place of the deposition will be the place of residence or the workplace of the deponent, unless otherwise agreed. The arbitration will be conducted in English. The governing law will be the laws of the State of New York, without regard to conflicts-of-law rules. Either party may apply to any court having jurisdiction hereof seeking injunctive relief so as to maintain the status quo until such time as the arbitration award is rendered or the Dispute is otherwise resolved.

• <u>Final Award</u>. The arbitration award will be final and binding upon the parties and may be entered and enforced in any court having jurisdiction. The parties hereby submit to the personal jurisdiction of the federal courts located in the State of New York, U.S.A. and consent to the entry of the arbitration award in such courts and in the appropriate courts located in any country where a party has its corporate headquarters.

Except as otherwise expressly provided in this Section, the arbitral award is the exclusive remedy of the parties for Disputes presented or pled to the arbitrators. The award will (i) be granted and paid in U.S. dollars exclusive of any tax, deduction, or offset; and (ii) include interest from the day the breach or other violation of this Agreement occurred until the award is fully paid, computed at the then-prevailing reference rate of Wells Fargo Bank, N.A., New York, New York. Judgment upon the arbitral award may be entered in any court having jurisdiction thereof. Any additional costs, fees, or expenses incurred in enforcing the arbitral award will be charged against the party that resists its enforcement.

22. Modification and Waiver. Except as otherwise provided in Section 1 of this Agreement, no purported amendment or modification of any provision hereof will be binding unless set forth in writing and signed by an officer of each party. No waiver of any provision hereof will be effective unless in writing and signed by an officer of the waiving party. Any waiver will be limited to the circumstance or event specifically referenced in the written waiver document and will not be deemed a waiver of any provision of this Agreement or of the same circumstance or event upon any recurrence thereof. The failure of either party to enforce any provision of this Agreement at any time will not be construed to be a waiver of such provision nor of the right of such party thereafter to enforce such provision.

23. Validity. If any provision of this Agreement is held to be invalid or unenforceable in any respect, the remaining terms and conditions of this Agreement will remain in full force and effect as if such invalid or unenforceable provision had not been included herein.

24. Anti-Kickback Statute - Discounts. It is the intent of Buyer and Crosstex to comply with the Anti-Kickback Statute (42 U.S.C. §1320a-7b(b)) and the Discount Safe Harbor and Warranties Safe Harbor regulations set forth in 42 C.F.R. 1001.952(h) and (g), respectively. Buyer's price may constitute a 'discount or other reduction in price' under the Anti-Kickback Statute. Crosstex will provide Buyer with invoices that fully and accurately disclose the discounted price of all Products purchased under this Agreement to allow Buyer to comply with this Section and the Discount Safe Harbor regulations, including sufficient information to enable it to accurately report its actual cost for all purchases of Products. Buyer acknowledges that, if applicable, it will fully and accurately report all discounts or other price reductions, including warranty items, in the costs claimed or charges made under any Federal or State healthcare program and provide information upon request to third party reimbursement programs, including Medicare and Medicaid. Buyer will be solely responsible for determining whether any savings or discount or warranty item it receives must be reported or passed on to payors.

25. Federal Program Participation. Crosstex represents and warrants that neither it nor any of its current directors, officers, or key personnel: (i) are currently excluded, debarred or otherwise ineligible to participate in federal health care programs as defined in 42 U.S.C. §1320a-7b(f) (the "Federal Healthcare Programs"); (ii) have been convicted of a criminal offense related to the provision of healthcare items or services during the last 5 years; or (iii) have been excluded, debarred or otherwise declared ineligible to participate during the last 5 years in Federal Healthcare Programs. Crosstex will notify Buyer of any change in the status of the representations and warranties set forth above.

The following provisions are only applicable to Buyers who are distributors of Crosstex:

26. Trademarks; Copyrights. Buyer may use the "Crosstex" or "SPS Medical" name and Crosstex's product names solely for the purpose of accurately identifying the Crosstex-branded Products that Buyer markets or sells. Buyer agrees that any such use will be in accordance with all guidelines provided by Crosstex and Buyer agrees to change or correct, at its own expense, any label, material, or activity that Crosstex decides is inaccurate, objectionable, or misleading, or constitutes, in Crosstex's sole discretion, a misuse of Crosstex's name, trademarks, service marks, logos, or copyrighted works. Buyer may not use the Crosstex name or Crosstex's product names for any other purpose. Buyer may not register or use any domain name or business name containing, or confusingly similar to, any name or mark of Crosstex. All brochures, advertising and marketing materials and other documents related to Products that are prepared or used by Buyer (other than those supplied by Crosstex) must be approved in writing by Crosstex prior to use.

27. Traceability. Buyer will create and maintain accurate records of all activities and events related to the Products to the extent necessary to ensure product traceability. The records will be constructed in such a manner that all significant activities or events will be traceable for a period of not less than 2 years past the expiration date or 2 years after the device has been taken out of service, whichever occurs first. Such records must be clear, readily available, and include the following: (i) each order received and accepted; (ii) the serial or lot number and expiration date of the Product(s) and the address where Product(s) are delivered; (iii) the method of identifying the invoice issued to a customer; and (iv) each customer credit issued and the reason therefor.

28. Customer Complaints. Buyer will cooperate fully with Crosstex in dealing with customer complaints concerning the Products and will take such action to resolve such complaints as deemed necessary or appropriate by Buyer or as may be otherwise reasonably requested by Crosstex. Buyer

agrees to report to Crosstex any complaint regarding a Product of which Buyer becomes aware within 5 working days of receiving the complaint or 2 calendar days if a death or serious injury is involved. Buyer agrees to assist Crosstex to facilitate the resolution of complaints. For purposes of this Agreement, a complaint can be the occurrence of any of the following: (i) receipt of any Product(s) quality claims, medical claims or complaints or other written claims or complaints; or (ii) receipt of any written communication from any applicable regulatory agency pertaining to a Product.

29. Digital Files. Buyer agrees that no digital literature files (whether low, medium, or high resolution) provided by Crosstex to Buyer or any of Buyer's employees, representatives, contractors, or agents may be directly or indirectly modified or altered in any way, whether for promotion, marketing, sales, or other purposes, without first obtaining the express written approval of Crosstex. Any modification or alteration made by Buyer without obtaining such approval will be deemed a breach of this Agreement.

30. Foreign Corrupt Practices Act. Buyer will comply with all applicable anti-corruption, anti-bribery, and anti-kickback laws, rules, and regulations, including, without limitation, (i) the United States Foreign Corrupt Practices Act (15 U.S.C. §78dd-1, et seq.), and (ii) all international, national and local laws, rules, and regulations (e.g., UK Bribery Act) in any country where Buyer conducts business or in any country where performance of this Agreement or delivery of the Products will occur, including those enacted to comply with the Organization for Economic Co-operation and Development Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the United Nations Convention against Corruption, and the Inter-American Convention against Corruption.

31. Assignment. Buyer will not assign, delegate, or permit any other transfer of this Agreement (by stock sale, merger, or otherwise) without Crosstex's prior written consent. Buyer will not, without the prior written consent of Crosstex, appoint any subdistributors in connection with the performance of this Agreement.

32. Sales Representatives and Permitted Subdistributors. Buyer agrees that all of its sales representatives and permitted subdistributors will be subject to the terms and conditions of this Agreement.

CROSSTEX INTERNATIONAL, INC. RETURNED MATERIAL AUTHORIZATION POLICY AND SHORT SHIPMENT POLICY

Returns:

A product manufactured or sold by Crosstex International, Inc. and/or its subsidiary, SPS Medical Supply Corp. (collectively, "Crosstex") may not be returned unless it is damaged, defective, received in error, or as otherwise authorized in the sole discretion of Crosstex. Hardware products are all final sales and may not be returned. All returns are subject to the following:

- The customer must obtain a returned material authorization ("RMA") number from a Crosstex customer service representative before
 returning a product, regardless of the reason for the return. The customer must describe the reason for return in reasonable detail at
 the time of obtaining the RMA number from Crosstex. Crosstex will not assume any liability for a product returned without a RMA
 number, and may refuse to accept delivery of such product and/or return such product to the customer at the customer's expense.
 The customer bears all risk of loss or damage in such instance.
- THE RMA NUMBER AND ORIGINAL INVOICE DATE MUST BE LISTED ON ALL PAPERWORK.
- Issuance of a RMA number by Crosstex does not guarantee that a return will be accepted. In the case of an alleged damaged or defective product, Crosstex will only accept returns if (a) the alleged damage or defect is established to the satisfaction of Crosstex, (b) such product is still covered by the warranty, and (c) the customer has notified Crosstex in writing within (i) 48 hours of delivery in the case of any damage that is discoverable on a visual inspection or (ii) 10 days following discovery of the defect. Any damage that is discoverable on a visual inspection must also be reported to the carrier within 48 hours of delivery. Notwithstanding the foregoing, if the customer discovers upon delivery that the product is damaged, the customer must refuse the damaged product. If the customer accepts the product with visible damage, it must be noted on the carrier's delivery record so that a claim can be filed with the carrier.
- A product shipped in error by Crosstex must be reported to Crosstex within 48 hours of delivery and returned within 10 days of delivery by the customer to receive a credit. A credit will not be issued until the returned product is received. If the customer elects to keep the product or fails to report the error to Crosstex within 48 hours of delivery, the customer will be invoiced for the product.
- Except as otherwise provided herein, the customer is responsible for all costs related to returning the product to Crosstex, including freight, shipping and insurance expenses. Crosstex does not take possession of a product until it is received in Crosstex's system. Crosstex will not be responsible for any damage or loss during shipment. Any freight, shipping or insurance charges associated with a return of a product shipped in error by Crosstex will either be credited or refunded to the customer, as determined by Crosstex. If Crosstex replaces or repairs a damaged or defective product or replaces a product shipped in error by Crosstex will pay all freight, shipping and insurance charges to ship such product to the customer, provided that the customer has complied with this RMA Policy.
- A product accepted for return by Crosstex in its sole discretion (for reason other than damage, defect or Crosstex's error) will be subject to a restocking fee. A minimum 20% restocking fee will be charged to the customer's account. In these cases, the product must be returned in the original, unopened packaging and in saleable condition, and is subject to quality control inspection prior to acceptance.

Short Shipment:

- For all shipments picked up at Crosstex's facility, Crosstex has all truck drivers signing for total number of pieces NOT total number of pallets.
- When the customer receives shipment at its facility, the customer <u>must sign for total number of pieces NOT pallets received</u>. (Total piece count is more important than pallet count.)
- If the customer signs "CLEAR," the customer will be responsible (NOT Crosstex) for notifying the trucking company of any shortages found after receipt of goods.

PLEASE INSPECT ALL TRUCK DELIVERIES WHILE THE DRIVER IS AT YOUR FACILITY FOR ACCURACY, DAMAGES AND/OR SHORTAGE OF ANY PRODUCT.

PRICES ARE SUBJECT TO CHANGE WITHOUT NOTICE.