

January 1, 2019

**RE: Letter of Sales Authorization: ESTONIA, LATVIA, LITHUANIA, and THE SLOVAK REPUBLIC**

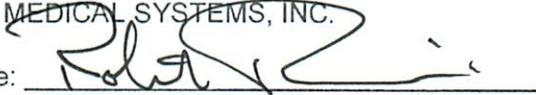
To Whom It May Concern:

Biodex Medical Systems, Inc., located at 20 Ramsey Road, Shirley, New York, USA 11967, hereby authorizes Sporteka UAB, located at Vokieciu g 10-24, 01130 Vilnius, Lithuania as an authorized distributor to distribute, market, and service Biodex Physical Medicine and Rehabilitation products in the territories listed above.

This authorization is valid until December 31, 2019 and may be cancelled with or without cause upon thirty (30) days' written notice by either party.

Distributors of Biodex Medical Systems, Inc. have accepted and operate under the established "Terms for Authorized Physical Medicine Distributors" dated January 1, 2019.

BIODEX MEDICAL SYSTEMS, INC.

Signature: 

Print Name: ROBERT DANIERI

Title: SUP SALES



ACCEPTED BY:

SPORTEKA UAB

Signature: 

Print Name: RAIMUNDAS ŠNIAUKŠTA

Title: DIRECTOR





Biodes Medical Systems, Inc.  
20 Ramsey Road, Shirley, New York, 11967-4704

## **BIODEX MEDICAL SYSTEMS, INC.**

### **TERMS FOR AUTHORIZED PHYSICAL MEDICINE DISTRIBUTORS**

Effective: January 1, 2019

#### **CURRENCY OF PAYMENT**

All references to currency under this Authorization shall be in United States Dollars ("Dollars").

#### **METHOD OF PAYMENT**

Distributor agrees to pay all invoices in U.S. dollars. Credit will be issued by the Biodex Credit Department based upon information that is made available. Distributor may be asked to pay through letter of credit drawn on a U.S. Bank, credit card, pre-pay or given terms.

#### **CUSTOMER LIST**

Distributor must maintain and make available to any U.S. Government authority its Customer List upon request. Shipments are not to be diverted outside distributor's territory and under no circumstances shall a shipment be made to any party on the U.S. Government's DENIED PARTIES LIST.

#### **PRODUCT TRACEABILITY AND VIGILANCE**

In order to comply with FDA and ISO requirements, the distributors and resellers of Biodex Medical Systems, Inc. are required to maintain records of the distribution of products to allow traceability in the event of a safety notification or correction of a device, and such records are available for inspection. Distributor will retain distribution records in a manner that will allow for timely retrieval, for the longer of (a) the projected useful life of the device and (b) two years after the device is shipped.

The distributor shall notify Biodex Medical Systems, Inc. of any complaints/incidents regarding products or services and may be required to provide assistance with complaint handling, advisory notices, recall procedures, and mandatory problem reporting. The distributor shall maintain detailed records regarding any reported complaints or incidents.

#### **SHIPMENT**

All shipments of Biodex products will be ex-works, FCA, Biodex Medical Systems, Inc., Shirley, New York, shipped to the freight forwarder of Distributor's choice. All products shipped by Biodex will be CE listed unless specifically authorized by distributor. Biodex will comply with Distributor's preference for freight service. Distributor will arrange for shipment to final destination and shall bear the costs of such shipments.

#### **SHIPPING CHARGES**

All shipping charges shall be borne by Distributor.

**INSTALLATIONS**

Installation of Biodex products, parts and systems are the sole responsibility of Distributor. Distributor agrees to install such products, parts and systems in a manner that is acceptable to Biodex. The cost of installation training will be borne by Distributor.

**CLINICAL SUPPORT PERSONNEL**

Distributor will designate at least one (1) person in the territory as the Biodex Clinical Support Specialist ("Clinical Support Specialist"). Such Clinical Support Specialist selected will have sufficient experience in clinical physical rehabilitation and isokinetics. Biodex will train each Clinical Support Specialist to perform product installations, product training and to organize clinical workshops. The cost of training such Clinical Support Specialist will be borne by Distributor. Distributor will send Clinical Support Specialist to Biodex Medical Systems, Inc., U.S.A. for training. The cost of travel, meals, and lodging of personnel will be borne by the distributor.

**INITIAL PRODUCT TRAINING**

Training of customers on the use of Biodex products and systems is the sole responsibility of Distributor. Distributor agrees to train users on the use of systems in a manner that is acceptable to Biodex. Training must be performed under supervision of Distributor's Clinical Support Specialist.

**DAMAGE IN SHIPMENT**

Biodex warrants and represents that its packaging is adequate for intended voyage. Despite the care used in packaging, damages occasionally occur in transportation. All shipments must be opened by Distributor immediately upon receipt for inspection of damages occurring in transit. Damages must be noted on delivery documentation. On discovery of such damages stop unpacking, hold shipping container and ask delivery carrier for an inspection report. This notification to the carrier must be made immediately. Any and all claims for damages will be made against the relevant transportation company, except in the case provided in Incoming Inspection Service Section below. If Biodex can be of any assistance in processing a claim, please advise Biodex with complete details. Biodex shall not be responsible for any freight damage, except in the case provided in Incoming Inspection Service Section below.

**INCOMING INSPECTION SERVICE**

If incoming inspection reveals any damage to a product which is attributable to Biodex, Biodex will be responsible to replace any necessary parts or the entire product promptly at its cost. The determination of replacement of parts or replacement of the entire unit will be determined by mutual agreement.

Under no circumstances will Biodex be responsible for labor costs.

**SERVICE**

Distributor agrees to perform installation, maintenance and repair service on Biodex equipment in accordance with the Biodex Service Policy, which is attached hereto as Schedule A.

**SERVICE TRAINING**

Distributor will send personnel to Biodex as needed for service training as determined by Biodex. The cost of travel, meals and lodging of Distributor personnel will be borne by Distributor.

### **LIMITED WARRANTY**

Biodex hereby warrants that each product is free from any defect in material and workmanship for a period of 30 months from date of shipment and that it complies with such specifications relating to function and performance as described in the catalogue or brochure of such product. This warranty obligates Biodex to the cost of replacing parts only. Biodex is not responsible for any other charges under this warranty agreement. Except in the case of any such defect in material or workmanship, Distributor will assume risk of loss and liability for, and will indemnify and hold Biodex harmless from, any and all direct or indirect results and consequences of its use or misuse by the customer, their employees or others. In no case will Biodex assume any liability for consequential damages of any kind.

This limited warranty expressly supersedes and is in lieu of all other warranties, guaranties, obligations or liabilities, expressed or implied by Biodex or its representatives. All statutory or implied warranties, other than title, are hereby expressly negated and excluded.

### **EXCHANGES OR RETURNS**

Exchanges or returns by Distributor shall not be made without prior approval by Biodex, which will not unreasonably be withheld, and are made by notifying the Service Department within sixty (60) days of shipping date. Biodex may charge Distributor a restocking charge for all such returns and exchanges, except in the case of failure in the incoming inspection or a breach of warranty. All acceptable returns or exchanges will be issued a Return Material Authorization Number by Biodex, and Distributor must comply with Biodex shipping instructions for return of the products. The products will not be accepted for credit without written authorization from Biodex. Distributor is responsible for shipping charges back to Biodex and Biodex is responsible for shipping charges back to distributor.

### **RELATIONSHIP WITH**

Nothing in this Authorization shall be construed to constitute Distributor as a partner, employee, agent or joint venture of Biodex, nor shall either party have any authority to bind the other in any respect, it being intended that each shall remain an independent business entity responsible only for its own actions.

### **COVENANT NOT TO COMPETE**

Distributor agrees that during the term, distributor shall not manufacture or distribute any products which are competitive with Biodex Medical Systems, Inc. Competitive products will be determined at the sole discretion of Biodex Medical Systems, Inc.

## **TERMINATION**

Biodex reserves the right to cancel this Distributor Authorization with or without cause, at any time, at its sole discretion with 30 days written notice.

### **Upon termination, Distributor shall:**

- (1) be responsible for payments of all amounts due effective immediately, including but not limited to unpaid invoices, all social costs, employee wages and benefits, marketing costs, sales costs and wind up expenses relating to Distributor in the Territory.
- (2) complete all pending/outstanding business transactions currently in process, including installation and training for any orders placed prior to the termination of agreement. Any tenders that have not resulted in an order prior to the effective date of termination will not be honored by Biodex and will expire upon termination of the Distributor Agreement.
- (3) return, at its expense, all Biodex sales materials, manuals and similar materials to Biodex;
- (4) cease further selling and marketing of Biodex products and systems;
- (5) cease representing itself out as an authorized seller or distributor of Biodex products or systems as of the effective date of termination

### **Distributor acknowledges and agrees:**

that all good will and other related property rights generated from the supply of the products by Biodex under this Authorization are the exclusive property of Biodex.

## **DOCUMENTS, TRADEMARKS, COPYRIGHTS, PATENTS AND PROCESSES**

Distributor acknowledges that all Biodex trademarks, copyrights, patents, processes, documents and sales materials remain the exclusive property of Biodex.

## **CONFIDENTIALITY**

All Biodex patents, trade secrets, marketing plans, financial projections and other confidential and non-public materials shall not be disclosed to any third party without the written consent of Biodex.

## SCHEDULE A

### BIODEX PHYSICAL MEDICINE INTERNATIONAL CUSTOMER SERVICE POLICY

#### ORDERING PARTS

Follow these steps when ordering parts to insure you get the correct parts as soon as possible:

1. Fax / E-mail Biodex with a description of the parts you need with the serial number of the machine in question. The serial number is **very important**. It is located on the back of most of the equipment. Pictures are very helpful as well.
2. Biodex will fill your request and process an order.
3. A non-expendable/exchange part will have an RMA# (Return Material Authorization Number) on the invoice. This means that we need the old parts back as soon as possible.
4. If the system is still under warranty, you will receive full credit for the old part when it is returned to us. If the system is not under warranty, you will be credited half the price of the new part when the old part is returned.

#### PARTS RETURN

- Return defective parts within 60 days of receipt of replacement parts.
- All returned parts should be pre-packed in such packing containers as will be sufficient to prevent shipping damage.
- Return material authorization numbers must accompany all parts being returned. Parts returned without authorization will not be credited to your account.

### BIODEX PHYSICAL MEDICINE INTERNATIONAL CUSTOMER SERVICE POLICY

#### LEVEL OF STOCK

Biodex is pleased to provide distributors with a comprehensive, as well as flexible, parts program. Each distributor is required to purchase a parts kit. Stock level will vary depending upon the installed base in the area.

#### **Biodex obligations are as follows:**

- Assign return material authorization number.
- If parts are under warranty, provide shipping to the distributor at Biodex's cost.
- Credit will be issued upon receipt of returned parts within 60 working days.
- Distributor is responsible for the cost of the return shipping except in the case of failure in the incoming inspection.

#### **Distributor obligations are as follows:**

- For chargeable parts, all costs associated with shipping of parts both ways.
- All parts returned must be accompanied by a description of the problem and the RMA number associated with that part.
- Provide Biodex with a stock replenishment request form as required to maintain established inventory levels.