

SOLE DISTRIBUTION AGREEMENT

This sole distribution agreement ("**Agreement**") executed as of January 1st, 2011, by and between CID S.p.A., an Italian corporation, with its registered office at Strada Crescentino snc, 13040, Saluggia (VC), Italy, represented here by its Managing Director Mr. Franco Vallana ("**CID**"), and JSC Medikamentu Tinklas, a Lithuanian Corporation, with its registered office at Azuolyno Street 7, Vilnius 07196, Lithuania, represented here by its Managing Director, Mr. Vytautas Pranulis ("**Distributor**").

WITNESSETH:

WHEREAS, CID is engaged in the business of manufacturing, marketing and selling certain medical products (defined in Article 1.5 herein as the "**Products**"); and

WHEREAS, CID wishes to appoint Distributor as its sole distributor of the Products in the Territory (as defined in Article 1.7 herein); and

WHEREAS, Distributor has represented to CID that it has the facilities, personnel and expertise to serve effectively as a distributor for the Products on a comprehensive basis throughout the Territory.

NOW, THEREFORE, in consideration of the foregoing, and the mutual promises and covenants contained herein, CID and Distributor hereby agree as follows:

Article 1 - Definitions

For purposes of this Agreement, the following terms shall have the meanings and definitions set forth below:

- 1.1 "**Confidential Information**" shall mean and include any and all data and information not in the public domain, including Product specifications, production specifications and protocols, and any other know-how and trade secrets, relating to, or contained or embodied in, the Products and/or the business or affairs of CID and its controlled subsidiaries and affiliates. Confidential Information may be communicated orally, visually, in writing or in any other recorded or tangible form. All data and information shall be considered to be Confidential Information hereunder regardless if CID has identified it as such including but not limited to (a) if CID has expressly marked them as such, (b) if CID, orally or in writing, has advised Distributor of their confidential nature, or (c) if, due to their character or nature, a reasonable person in a like position and under like circumstances would treat them as confidential.
- 1.2 "**Governmental Authority**" shall mean any national, state or local government or any subdivision, authority, agency or instrumentality thereof.
- 1.3 "**Intellectual Property Rights**" shall mean and include all patents, copyrights, designs, drawings, trademarks, service marks, trade names and other proprietary rights, and all

OF MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, AND NON-INFRINGEMENT, ARE HEREBY DISCLAIMED AND EXCLUDED.

THE LIABILITY OF CID, IF ANY, FOR DAMAGES RELATING TO ANY PRODUCT SHALL BE LIMITED TO THE ACTUAL AMOUNTS PAID BY DISTRIBUTOR TO CID HEREUNDER FOR THE PARTICULAR PRODUCT THAT GAVE RISE TO THE LIABILITY.

IN NO EVENT SHALL CID BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS) OF ANY KIND, WHETHER ARISING IN TORT, CONTRACT, IMPOSED BY OPERATION OF LAW, STATUTE OR OTHERWISE, EVEN IF CID KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.

NOTWITHSTANDING THE FOREGOING, THE PARTIES AGREE THAT IN THE EVENT OF ANY LIABILITY OF CID, SUCH LIABILITY SHALL BE LIMITED IN VALUE TO AN AMOUNT NO GREATER THAN THE NET MARGINS OF DISTRIBUTOR ACHIEVED SINCE THE EFFECTIVE DATE HEREOF.

- 9.3 Modification of Warranty. CID reserves the right to change, at its sole option, the terms and conditions of the warranty and the limitations of its liability set forth in this Article 9 at any time. Any such change shall apply to all Products supplied by CID to Distributor after Distributor's receipt of CID's notice of such change.
- 9.4 Distributor's Indemnification. Distributor shall defend, indemnify and hold CID, its officers, directors, employees, and agents harmless against any and all claims, demands, suits, proceedings, losses, liabilities, damages, costs and expenses (including reasonable attorneys' fees) resulting from (a) any breach by Distributor of this Agreement, or (b) any act, error or omission of Distributor or any of its shareholders, officers, directors, employees, agents, or representatives, with respect to the marketing, distribution, sale, and use of the Products within the Territory, including, but not limited to, misuse of the Products and failure to train customers on how to use the Products. The indemnification contained in this Article 9.4 shall survive the expiration or termination of this Agreement for any reason whatsoever.
- 9.5 CID's Indemnification. CID shall defend, indemnify and hold Distributor, its officers, directors, and employees harmless against any and all defective Products claims made or incurred by a third party. The indemnification contained in this Article 9.5 shall survive the expiration or termination of this Agreement for any reason whatsoever.

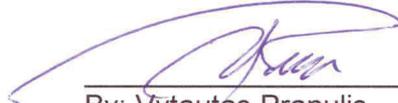
Article 10 - Term and Termination

- 10.1 Term. This Agreement for all Product set forth in Exhibit A shall become effective on April 1st, 2011 (the "**Effective Date**") and shall continue in force until December 31st, 2011 ("**Initial Term**"), unless terminated sooner as provided herein.
- 10.2 Notice. Pursuant to Article 10.1 above, this Agreement will expire on December 31st, 2011. Thereafter, it may be automatically renewed for a period of 12 (twelve) months ("**Renewal Terms**") unless either of the parties delivers to the other party, not less than three (3) months before the expiration of the Initial Term or Renewal Term written notice by registered mail that this Agreement shall not be renewed.
- 10.3 Extensions. Any extensions of the term of this Agreement must be in writing and signed by both parties. No party shall be under an obligation to accept any proposal for an extension of this Agreement, nor shall any behavior of the parties have an implied effect of continuing

CID

Distributor


By: Franco Vallana
Title: Managing Director


By: Vytautas Pranulis
Title: Managing Director

In compliance with the provisions of Sections 1341 and 1342 of the Italian Civil Code, Distributor hereby specifically agrees to the provisions contained in the following Articles: 2.2 (Limitation on Distributorship), 3.1 letter b) (Obligation of Distributor), 3.10 (Regulatory Approvals), 3.7 (Sales Quotas), 5.1 (Purchase Orders and Delivery), 5.2 (Shipment), 5.3 (Inspection and Acceptance), 7 (Nondisclosure Obligations), 9 (Warranties, Indemnifications and Limitation of Liability), 10 (Term and Termination), 14.7 (Assignment), 15 (Enforcement of Agreement, included Law and Jurisdiction).

on behalf of Distributor


By: Vytautas Pranulis
Title: Managing Director