



Breas Warranty Policy

All products sold or distributed by Breas Medical Inc are warranted against defects in material and workmanship.

The table below describes the general warranty conditions.

PRODUCT	STANDARD WARRANTY PERIOD, DIRECT CUSTOMER
Devices	
Z1 CPAP/ Z1 Auto CPAP (Canadian version) Z2 CPAP (Canadian version) / Z2 Auto CPAP (Canadian version) Vivo 45LS (Canadian version) Vivo 65 (Canadian version) Vivo 1-2-3 (Canadian version)	36 months, from date of original shipment
Z1 CPAP/ Z1 Auto CPAP (US version)	36 months, from date of original shipment
Z2 CPAP/ Z2 Auto CPAP (US version)	24 months, from date of original shipment
Vivo 30 & 40 Vivo 50 & Vivo 65 Vivo 45LS Vivo 1-2-3	24 months, from date of original shipment
Accessories	
PowerShell for Z1 / Z2 Power supply for Z1 / Z2 CPAP	12 months, from date of original shipment
Overnight battery for PowerShell for Z1/Z2	6 months, from date of original shipment
Battery chargers iLink Humidifier Heater Element Vivo 1-2-3 Oximeter Modules Nurse Call/Remote Alarm/Remote Start/Stop Cables/Adapters Effort Belt Box Accessory Box (Vivo 1-2-3) EtCO2 Sensor Lightweight Bags Protective Covers	12 months, from date of original shipment
Effort Belts/Wireset Oximeter Finger Clips FiO2 Cells	6 months, from date of original shipment



Breas Warranty Policy

PRODUCT	STANDARD WARRANTY PERIOD, DIRECT CUSTOMER
Batteries	
Vivo 40 internal Vivo 50 / 65 internal Vivo 50 / 65 click-on external Vivo 45LS internal Vivo 45/LS click-in Vivo 1-2-3 internal	12 months, from date of original shipment
All other batteries	3 months, from date of original shipment
Consumables	
Heated Wire Patient Circuits Humidifier Water Chambers Device filters Vivo 65 Dual and Single Limb Inserts	3 months, from date of original shipment
Disposable Patient Circuits/Leak Ports/Exhalation Valves	7 days
Spare parts and service repairs	
Spare parts	3 months, from date of original delivery to buyer
Service repairs	3 months, from date of original shipment

Warranty is void if the product has been modified, subject to abnormal use or damaged during transport. In all cases, Breas reserves the right to decide whether the warranty is valid or not. In case of a warranty claim, the customer will pay the freight cost for sending the product to Breas Medical, N. Billerica, MA or an authorized warranty repair center. Breas will pay the freight cost for returning the product to the customer.

Breas is constantly striving to make product improvements as part of the overall quality assurance processes. Breas may therefore change the warranty period, temporarily or not, for a specific product if considered necessary. For further information, please contact us at supportUS@breas.com



Breas Warranty Policy

TERMS AND CONDITIONS FOR WARRANTY, PREVENTIVE MAINTENANCE, AND OTHER SERVICES

1) Definitions.

- a) "Agreement" means the Terms and Conditions for Warranty, Preventive Maintenance, and Other Services.
- b) "Breas" as used herein means Breas Medical, Inc., and any of its affiliates.
- c) "Customer" as used herein means the original customer who purchased or will purchase a Product.
- d) "Distributor" is defined in Section 2).
- e) "Extended Warranty" is defined in Section 2).
- f) "Extended Warranty Period" is defined in Section 2).
- g) "Other Services" is defined in Section 5).
- h) "PM Program" is defined in Section 5).
- i) "PM Term" is defined in in Section 5).
- j) "Product" as used herein means any product as set forth in Appendix 1.
- k) "Product Related Services" means services rendered or advice given by Breas or its representatives in relation to the Product.
- l) "Standard Warranty" is defined in Section 2).
- m) "Standard Warranty Period" as used herein means each period as set forth in Appendix 1.

2) Types.

- a) Standard Warranty. Unless otherwise agreed in writing, including the Extended Warranty as referenced in Section 2)b), Product is warranted to the Customer for the Standard Warranty Period. Services and consumable parts, such as, spare parts, accessories, and single patient use products, are covered by the same warranty for a period of three (3) months from the date of original delivery to the

Distributor or to Distributor's order, but in no event for a period of more than four (4) months from the date of original shipment from Breas to a Breas authorized distributor (the "Distributor").

- b) Extended Warranty. If a Customer purchases an Extended Warranty on Product, then Customer's Warranty Period will be extended by the additional coverage period specified on Customer's purchase documentation (the "Extended Warranty") (the "Extended Warranty Period").

3) Warranty.

- a) Breas warrants, subject to Section 4) below, that each Product, during the applicable warranty period for such Product, will be free from defects in material, construction, and design and that the Products as well as Product Related Services in all aspects will comply with Breas' specifications.

- b) In case of a warranty claim and that a Product in such warranty claim is determined to be defective under either Standard Warranty or Extended Warranty by Breas, Breas undertakes to repair or replace such defective Product with a new or remanufactured Product and/or to render necessary Product Related Services at no charge excluding the return freight cost from Breas to the Customer. Alternatively, Breas may elect to repay or credit to Customer an amount equal to the purchase price of such defective Product or Product Related Service.

- c) All claims shall be initiated by using Breas' complaint handling system (or contacting Breas, if otherwise approved by Breas) within the applicable warranty period and 30 days after discovery of the non-conformity and providing adequate information (including the Product Serial number, the purchase order, the claimed defect, and other relevant information) for Breas to make a determination. Breas must be given reasonable access and an opportunity to inspect all associated



Breas Warranty Policy

materials. Breas has the sole discretion in determining whether the Product is defective under Standard Warranty or Extended Warranty.

d) If Customer has not notified Breas within one (1) year after the claim arises, Customer shall be barred from instituting any legal action against Breas thereafter.

4) Conditions.

a) Breas' warranty under Section 3) is conditional upon that the Product has been transported and handled with proper care and stored and used in accordance with Breas' instruction for Products, that the Product has been subject to regular maintenance and service, that replacement and repair has been performed according to Breas' instructions, that the Product is returned in Breas' packaging in case that return to Breas is necessary, and that the Product has not been subject to abnormal use, failure in each of which shall void any warranty offered to the Product.

b) Breas' warranty under Section 3) does not apply to any Products that have been specifically manufactured or modified at the request of the Distributor or altered by the Distributor or a third party, nor does it apply to circumstances that have arisen after the risk for the Product has been transferred to the Distributor.

c) Except as specifically authorized by Breas, the limited Warranty as provided herein is given solely to the original Customer and is not transferrable. In the event of transfer, any limited Warranty shall become void and unenforceable.

5) Preventive Maintenance and Other Services

a) Breas Offers a Customer the option of purchasing a preventive maintenance program (each, a "PM Program") to cover, subject to the details of the PM Program, periodic inspection and maintenance, cost of parts, and/or cost of labor over certain periods of time (each, a "PM Term"). For the avoidance of doubt, the PM Programs do not cover Other Services as defined herein.

b) The Customer shall initiate a service request under a PM Program by contacting Breas' customer services for a returned merchandise authorization (RMA). Upon Breas' confirmation at its sole discretion, Breas undertakes to provide services according to the Customer's PM Program.

c) If Breas determines in its sole discretion that a Product reasonably requires services that is not covered under Standard Warranty, Extended Warranty, and/or PM Program, as applicable ("Other Services"), Breas undertakes to provide the Customer with a written quotation on the cost of Other Services and, upon approval of the quotation by such Customer in writing, to provide such Other Services in accordance with the approval. In the event that the quotation is not approved, Breas will return the Product.

6) Limitations.

a) EXCEPT FOR THE WARRANTY EXPRESSLY PROVIDED HEREIN, WHICH SHALL EXPRESSLY BE LIMITED TO REPAIR OR REPLACEMENT OF PRODUCT OR PRODUCT RELATED SERVICES, OR, AT BREAS' SOLE DISCRETION, REPAYMENT OF OR CREDITING CUSTOMER WITH AN AMOUNT EQUAL TO THE BREAS PRICE, BREAS MAKES NO WARRANTY WITH RESPECT TO THE PRODUCT OR PRODUCT RELATED SERVICES, NEITHER EXPRESS NOR IMPLIED, WRITTEN OR ORAL, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

b) Breas will not be obligated beyond the repair or replacement of Products or Product Related Services (at Breas' sole discretion, repayment of or crediting the Customer with an amount equal to the Breas price) as are determined by Breas to be defective. Whether the Products are manufactured by Breas or by another, such repair, replacement, repayment, or crediting shall be the sole and exclusive remedy for breach of this limited warranty.

c) Notwithstanding anything to the contrary, to the fullest extent allowed



Breas Warranty Policy

under applicable law, in no event shall Breas and its affiliates be liable to its distributor, its customer, its end user, or any third party for any special, indirect, incidental, punitive, or consequential damages, including but not limited to, loss of profits, revenue, or goodwill, loss of use, cost of capital, cost of substitute products, downtime costs, cost of delays, or penalties, whether any such claim is based on contract, warranty, tort, negligence, strict liability, indemnification, or otherwise even if Breas has been advised of the possibility of such damages resulting from any Product, Product Related Services, marketing materials, or any other items furnished by Breas. Notwithstanding anything to the contrary, Breas' total liability arising from any claims, whether in contract, warranty, tort, strict liability, indemnification or otherwise, or for any loss or damage arising from purchase or otherwise receipt of any Product or any Product Related Service or any design, sale, installation, operation, or use of any Product shall in no event exceed the purchase price paid to Breas for the specific Products or part thereof or Product Related Services giving rise to the claim.

7) Applicable Law and Disputes

a) All disputes regarding the interpretation or application of this Agreement as well as any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, excluding its conflict of laws principles providing for the application of the laws of any other jurisdiction.

b) Any suit, action, or proceeding that arises under or in any way relates to this Agreement or the transactions relating thereto may be brought only in the state courts of the Commonwealth of Massachusetts or the United States District Court for the District of Massachusetts, Boston Division, and shall be tried only by a court and not by a jury. A party bringing a claim arising from or relating to this Agreement consents to the jurisdiction of such courts to decide any and all such suits, actions, and proceedings and to such venue, and it hereby expressly waives any right to a trial by jury in any and all such suits, actions, and proceedings.