

## THE CONTRACT N5

For the delivery of breathing pacemaker system Mark IV

City of Novosibirsk

07, September 2009

"Avery Biomedical Devices, Inc." registered at 61 Mall Drive Commack, NY 11725-5703 USA, hereinafter referred to as "The Sellers" acting on the grounds of the Rules, on the one part and Ms. Julia Chemova, registered at Russian Federation, Omsk Province, town of Tara, Nemchinovskaya street 49, hereinafter referred to as "The Buyers" on the other part have concluded the Present Contract for the following:

### 1. Subject of the Contract

- 1.1. The Sellers are to deliver (assign), and The Buyers are to receive and pay for a Mark IV Breathing Pacemaker System, as specified on Technical Specification and Quotation # 2484, hereinafter referred to as "Goods".

### 2. Price and terms of payment

- 2.1. The total price of "Goods" is indicated in the Quotation # 2484 dated 8 September 2009 and fixed in U.S dollars at the rate of USD\$65142.
- 2.2. The price of "Goods" includes cost of tare, packing, export, insurance and transportation charges to Novosibirsk.
- 2.3. The cost of "Goods" includes arrival of the representative of the company "Avery Biomedical Devices, Inc." to provide technical support during surgery, adjustment of parameters of the device, training specialists of Children's Clinical Hospital N 1 city of Novosibirsk.
- 2.4. The Buyers effect the payment of the sum indicated in 2.1. by means of a wire transfer money on the Sellers' account.
- 2.5. Payment in advance 100%. All expenses connected with transfer money on the Sellers' account belong to the Buyers. Payment Buyers' liabilities are considered fulfilled from the moment of placing money on the Sellers' account.

### 3. Insurance and risk of Goods loss

- 3.1. The Sellers must make an insurance agreement from the risk of goods loss or damage during transportation.

### 4. Time and Terms of Delivery



4.1. Goods delivery under the present contract is to be effected by the representative of the company just before the date of the operation. The date of the operation will be determined additionally.

#### 5. Quantity of Goods and guarantees

5.1. The Sellers guarantee that delivered Goods under the present contract must be original.

5.2. The Sellers guarantee that Goods to be supplied has been manufactured in the full conformity with the description and technical specification.

5.3. The Sellers guarantee high quality of the materials used in the manufacture of the Goods.

5.4. The Sellers guarantee the completion of the Goods to be delivered.

#### 6. Packing

6.1. Packing is to secure the full safety of Goods and to protect it during transportation by all kinds of transport.

6.2. In case of Goods delivery in defective tare all responsibility for safety of Goods is on the Sellers.

#### 7. Goods Acceptance

7.1. Acceptance of Goods is effected according to quantity indicated in Quotation and quality indicated in Technical Specification.

#### 8. Sanctions

8.1. In case of defection of serious faults (which can't be eliminated without spending much time, ineradicable faults and other similar faults) before surgery or after it. The Buyers have the right to demand the replacement of Goods for Goods of the same brand (model, article) and also replacement for the same Goods by the other brand (model, article) with appropriate recalculation of the price or refuse the fulfillment of the contract and demand the refund paid for the Goods.

8.2. In case of defection of faults in process of technical support during surgery, adjustment of parameters of the device, training specialists of Children's Clinical Hospital N 1 city of Novosibirsk or after these services during acceptance or during guarantee period of the device. The Buyers have the right to demand free of charge elimination of faults of services or appropriate reduction of price of fulfilled work (service).



8.3. The Sellers did not determine personally that the equipment is appropriate for the intended patient and is not responsible for any problems which may arise due to the patient's medical condition.

#### 9. Force Majeure

9.1. Parties are released from responsibility for partial or complete non-fulfillment their liabilities under the present contract if this non-fulfillment is caused by the circumstances of Force Majeure arisen after signing of the present contract, which Parties could not foresee or prevent by reasonable measures.

9.2. Force Majeure are events which Parties can not have influence on and do not bear responsibility for their origin.

#### 10. Arbitration

10.1. All disputes and differences which may arise out of the present contract will be settled by means of negotiations between Parties. In case of not settlement of disputes by means of negotiations the matter is to be submitted for settlement to Arbitration of Novosibirsk Region. The Arbitration award is final and binding upon both Parties.

10.2. The Present Contract is under the jurisdiction of Russian Federation.

#### 11. Other terms

11.1. No Party has the right to transfer its rights and obligations under the present contract to a Third Party without written consent from the other Party.

11.2. All alterations and supplementsto the Present Contract are in value in written form only and signed by representatives of both Parties. The Present Contract is made in two copies in Russian and English, both texts are authentic and have the same validity. The Present Contract comes into force from the moment of its signing by Parties and remains valid till complete fulfillment of the obligations by the Parties.

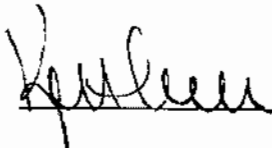
#### 12. Addresses of the Parties

##### Sellers:

Avery Biomedical Devices, Inc.  
61 Mall Drive  
Commack, NY 11725-5703 USA

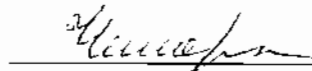


J.P.Morgan Chase Bank  
A.B.A.#021000021  
IBAN/BIC Code:CHASUS33  
4 New York Plaza, NY.10004  
FOR CREDIT TO:  
Avery Biomedical Devices, Inc.  
Account#9071-1513-6265

 /Kenneth Aron, Vice-President/

Buyers:

Julia Chemova  
Nemchinovskaya street 49  
Town of Tara  
Omsk Province  
Russian Federation  
Passport: 52 05#195829  
Issued : 08 August, 2005  
By The Department of Internal Affairs of Tara Region  
Of Omsk Province  
552-033

 /Julia Chemova/

