ENDOLOGIX LLC
GENERAL TERMS AND CONDITIONS OF SALE AND CONSIGNMENT

1. General

1.1 Scope of Application. These Terms and Conditions ("**Terms and Conditions**") apply to all orders for the purchase and/or consignment of Endologix products where there is no separate mutually executed written agreement between Endologix and Buyer. These Terms and Conditions consist of this Section 1 – *General*, which applies to all orders, and Parts A and B, which apply depending on the nature of the order. In the event of any inconsistency or conflict between a provision of this Section 1 and Parts A or B, the latter shall prevail to the extent of the inconsistency or conflict. For purposes of this Agreement, references to: (i) "**Endologix**" shall mean Endologix LLC (or an affiliate designated by Endologix LLC), (ii) "**Buyer**" shall mean the entity that wishes to purchase or retain Products on a consignment basis and (iii) "**Products**" shall mean the medical surgical products for the treatment of vascular disease sold by Endologix as further detailed in the order for such Products.

1.2 Buyers Terms and Variation. The Products are sold and/or offered for consignment only on these Terms and Conditions, and Endologix rejects any terms and conditions applied by Buyer. Irrespective of any terms or conditions on Buyer's order form, Endologix's performance is expressly made conditional on Buyer's agreement to these Terms and Conditions, unless expressly agreed otherwise in writing by Endologix. No variation to these Terms and Conditions shall be binding unless expressly agreed in writing and executed by a duly authorized representative of Endologix. For the avoidance of doubt, any provision in an order that would modify or adjust the pricing expressly provided in such order based upon pricing offered to or agreed to by Endologix with any other purchaser of Endologix's Products, whether prior, concurrent with or subsequent to Buyer's purchase of the Products, and whether phrased as a "price guarantee," "best pricing," "competitive pricing," "most favored pricing," "market pricing," or similar term, is hereby expressly rejected and null and void.

1.3 Formation of Contract. Endologix may reject any orders placed by Buyer. A contract will be deemed to have been formed after Endologix has confirmed an order placed by Buyer in writing, or if Endologix has commenced the execution of that order, whichever occurs first.

1.4 Modifications. Endologix reserves the right to make at any time, without notice, changes in design or additions to or improvements to its Products, without liability or obligation to replace any Products delivered prior thereto to Buyer. In addition, Endologix reserves the right to discontinue or withdraw any Products without notice.

1.5 Lead Times. Times and dates indicated by Endologix for delivery of Products are estimates only. Endologix will use all reasonable efforts to meet the estimated times and dates but will not be in default for its failure to meet any such estimated times and dates.

1.6 Product Recall. Endologix shall promptly inform Buyer in the event it issues a product recall and Buyer shall promptly provide all necessary cooperation in connection with the same. Buyer shall follow all instructions given by Endologix if Endologix determines that Products made available to Buyer have to be removed from the market, or that patients have to be warned or that any other measure has to be taken in the light of any recall. Endologix' liability towards Buyer for a product recall will be limited to the amount equal to the actual price paid by Buyer for the recalled Products. Buyer shall ensure that it has an adequate system in place to identify whether the Product has been implanted in a patient, was scheduled to be implanted or resides in inventory at Buyer's facility, including any Products held in consignment. At the request of Endologix, Buyer shall provide all information regarding its recall procedures. Buyer shall immediately report to Endologix in writing (including a detailed description) of any adverse incidents it becomes aware of or reasonably suspects involving the Products.

1.7 Suspension and Termination. Endologix will be entitled to immediately suspend performance of its obligations or to terminate any order by Buyer, in whole or in part, if: (i) any Products made available by Endologix to Buyer become subject to attachment; (ii) Buyer is granted a moratorium of payment, is declared bankrupt or an application to that effect is pending; (iii) any required permit or license is withdrawn; (iv) Buyer ceases or materially reduces its business; (v) Endologix has sound reasons to believe that Buyer is unable to fulfill its obligations hereunder; or (vi) Buyer does not follow the specifications and instructions as issued by Endologix for use of the Products. Any right of Buyer to suspend performance is expressly excluded.

1.8 Confidentiality. Any data or information acquired by Buyer, including but not limited to information regarding Endologix's business affairs, correspondence, customers, finances, methods, Products, pricing or technology and specifications shall be treated as confidential proprietary information that shall be protected from disclosure by Buyer and its employees, except for (i) information that at the time was already readily available in the public domain; and (ii) information of which disclosure is required pursuant to court order, request of an administrative agency or

governmental body, provided that prior written notice is given to Endologix. Buyer shall adequately inform its employees of its obligations under this provision and ensure that its employees comply.

1.9 IP Rights. All current and future intellectual property rights, including but not limited to trademark rights, copyrights, patent rights and design rights, with respect to Endologix's Products, and any specifications regarding the same, shall at all times exclusively vest in Endologix. Buyer may not reproduce, copy or in any manner disclose the specifications of the Products to third parties without Endologix's prior written consent. If Endologix gives written consent to Buyer to disclose the specifications to third parties, Buyer shall ensure that such third parties shall have the same confidentiality obligations as provided in these Terms and Conditions. Notwithstanding the delivery of, and the passing of title in, any Products, nothing in any agreement shall have the effect of granting, licensing, or transferring to, or vesting in, Buyer any intellectual property rights, including but not limited to trademark rights, copyrights, patent rights, and design rights in or to any Products.

1.10 Force Majeure. Endologix shall not be liable for delays in, or any improper performance of, any order that arises out of causes beyond the control of Endologix (a "***force majeure***"). Causes beyond Endologix's control shall include but not be limited to government actions or the failure of the government to act where such action is required, transport problems, strikes or other labor trouble, fire or unusually severe weather, pandemics or epidemics, delays by Endologix's suppliers or the occurrence of any other circumstances affecting Endologix's suppliers. In the event that Endologix has partially fulfilled its obligations upon the occurrence of a force majeure or is only able to fulfill its obligations in part, it is entitled to separately invoice for the Products already supplied, in which case Buyer shall pay such invoice in accordance with these Terms and Conditions. If the period during which performance is prevented due to an event of force majeure lasts longer or is expected to last longer than two (2) consecutive months, each party shall have the right to terminate the order upon written notice, without giving rise to any right to damages.

1.11 Limitation of Liability. IN NO CASE SHALL ENDOLOGIX BE LIABLE TO ANY PERSON FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES BASED UPON BREACH OF CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER LEGAL THEORY. SUCH DAMAGES INCLUDE, BUT ARE NOT LIMITED TO, LOSS OF PROFITS, LOSS OF SAVINGS OR REVENUE, COST OF ANY SUBSTITUTE EQUIPMENT, FACILITIES OR SERVICES, AND/OR DOWN-TIME OR INJURY TO PROPERTY. IN NO EVENT SHALL THE AMOUNT OF A CLAIM EXCEED THE PURCHASE PRICE PAID UNDER THE PARTICULAR PURCHASE ORDER. THESE TERMS MAY NOT BE ALTERED, AMENDED, REPLACED, SUBSTITUTED OR RESCINDED BY ANY EMPLOYEE, AGENT, INDEPENDENT CONTRACTOR OR CONSULTANT OF ENDOLOGIX, AND ANY SUCH ALTERATION, AMENDMENT, REPLACEMENT, SUBSTITUTION OR RESCISSION SHALL NOT BE BINDING UPON ENDOLOGIX OR ITS AFFILIATES.

1.12 Use of Products and Advice. The Products shall only be for use by a trained physician or a physician who is being trained pursuant to the Endologix training program. The Products include the medical device itself, the immediate packaging and all labeling inclusive of the instructions for the proper handling, storage and use of the Products and all precautions and warnings relating thereto. Endologix may, through field sales representatives and clinical specialists employed by it, render advice to Buyer on the use of the Products and assist physicians in selecting the appropriate Products. Such advice will in no event qualify as medical diagnosis or medical treatment advice, and Buyer and its physicians shall solely be responsible for the final determination of the appropriate Products to be used for medical treatment of patients. Endologix shall not be liable for any advice it renders regarding or in connection with the Products.

1.13 Indemnification. Endologix shall indemnify and hold harmless Buyer from any and all claims, damages, losses or expenses that are caused by or arise out of the use of the Products that are solely and directly caused by Endologix's gross negligence or intentional misconduct. Buyer shall indemnify and hold harmless Endologix from any and all claims, damages, losses or expenses that are caused by or arise out of any act or omission of Buyer, or Buyer's agents, employees or subcontractors, in the handling, storage or use of the Products in a manner inconsistent with Endologix's guidelines, including the instructions for use for such Product. Endologix shall not be subject to any liability, whether based on contract, warranty, tort (including negligence and strict liability) or otherwise, arising out of assistance or advice provided by Endologix that is not expressly provided for in these Terms and Conditions. Endologix will also defend or settle, at its own expense, any suit or action that may be brought against Buyer for alleged infringement of any U.S. patents or other intellectual property of third parties by reason of Buyer's proper use of the Products and will indemnify and hold Buyer harmless from and against all damages and costs which may be adjudged or decreed against Buyer on account of such infringement in any such suit or action and actually paid by Buyer; provided, however, that Buyer shall have given prompt written notice to Endologix of any claim of such alleged infringement and of the commencement, or any written threat of commencement, of any such suit or action, and shall permit Endologix to have full control over the defense or settlement of the same; and provided further, that Buyer shall not settle or compromise any such suit or action without the prior written consent of Endologix. The remedies set forth in these Terms and Conditions shall constitute Buyer's sole and exclusive remedy and Endologix's sole liability in connection with the

Products.

1.14 Assignment. Buyer may not assign or otherwise transfer any of its rights or obligations under these Terms and Conditions to any third party without the prior written consent of Endologix. Any assignment and/or transfer in violation of this Section shall be null and void. Endologix may assign and/or transfer any rights and obligations and/or its contractual position under these Terms and Conditions: (i) to an affiliate of Endologix; or (ii) in connection with the sale or transfer of the business or assets to which it relates, in each case without the prior written consent of Buyer, and Buyer hereby agrees to and cooperates in advance with any such (proposed) assignment and/or transfer. Buyer agrees that Endologix shall have the right to subcontract any of its obligations under these Terms and Conditions.

1.15 Severability. All of the provisions of these Terms and Conditions are separate and severable. If any provision of these Terms and Conditions is held invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the other provisions hereof.

1.16 Non-Waiver. The waiver by Endologix of any term, provision, or condition hereunder must be in writing and shall not be construed to be a waiver of any other term, condition, or provision hereof, nor shall such waiver be deemed a waiver of a subsequent breach of the same condition or provision by Buyer. Any remedies of Endologix provided for in these Terms and Conditions are non-exclusive and shall be in addition to any remedies available by applicable law.

1.17 Applicable Law & Dispute Resolution. The validity, interpretation, construction and performance of these Terms and Conditions shall be governed and construed in accordance with the laws of the State of California, except its conflict of laws rules. Buyer hereby irrevocably consents to the jurisdiction and venue of the state and federal courts located in Orange County, California in connection with any such claim, action, suit, or proceeding. In the event of a controversy, dispute or question arising out of or in connection with these Terms and Conditions, the parties agree that they shall meet and confer at a mutually agreeable time within 10 (ten) calendar days after such controversy, dispute or question is identified to attempt to resolve such controversy, dispute or question. Any claim by Buyer against Endologix shall be brought within one (1) year after such claim arises, notwithstanding any applicable statute of limitations.

1.18 Compliance with Laws, Rules and Regulations. Each party shall comply with all applicable federal, state, and local laws, rules, regulations and ordinances, including the Health Insurance Portability and Accountability Act of 1996 (as the same has been or may be amended, "**HIPAA**"), and each party represents and warrants that it shall have obtained all licenses and permits required by law to engage in the activities necessary to perform its obligations under these Terms and Conditions. While performing its obligations hereunder, Endologix or its representatives may be provided with access to "protected health information" ("**PHI**") as defined by HIPAA. The parties acknowledge that Buyer may disclose PHI to Endologix or its representatives pursuant to HIPAA exceptions for (1) public health purposes related to quality, safety, or effectiveness of an FDA-regulated product and (2) for purposes of providing medical treatment to a patient. Endologix and Buyer acknowledge that the terms of any Business Associate Agreement shall only apply to the extent that Endologix meets the legal definition of a Business Associate as set forth in HIPAA. It is Endologix's position that it does not meet the definition of a Business Associate for the reasons set forth above. Notwithstanding the foregoing, Endologix will maintain any patient information in strict confidence in accordance with current industry standards. Whenever providing Products on Buyer's premises, Endologix's employees and agents shall comply with and observe all of Buyer's rules and regulations that are provided to Endologix concerning conduct on Buyer's premises. By acceptance of Endologix's Products, Buyer acknowledges that United States federal law requires that all Abdominal Aneurysm Stent Grafts be tracked according to 21 CFR 821 and that patient disclosure information is covered under Section 164.512(b)(1)(iii) of the HIPAA Privacy Rule. Buyer shall deliver, via facsimile or overnight mail, an Endologix LLC – Device Tracking Form within 24 hours after the use of such Product by Buyer.

1.19 Federal Program Eligibility. Each party represents and warrants to the other that: (a) neither it nor any of its affiliates are excluded from participation under any federal health care program, as defined under 42 U.S.C. §1320a-7b(f), or state health care program, for the provision of items or services for which payment may be made under a federal or state health care program; (b) neither party has arranged or contracted (by employment or otherwise) with any employee, contractor or agent that it or its affiliates know or should know are excluded from participation in any federal or state health care program; and (c) no final adverse action, as such term is defined under 42 U.S.C. §1320a-7e(g), has occurred or is pending against it or its affiliates or, to its knowledge, against any employee, contractor or agent engaged to provide items or services under this Agreement. Each party shall notify the other party of any exclusion or adverse actions, or any basis therefore, within seven (7) days of its learning of any such exclusion or adverse action. Ineligibility to participate in any federal or state health care program is grounds for immediate termination of this Agreement at the other party's sole discretion.

1.20 No Physician Ownership. Endologix hereby expressly represents and warrants that no physician, no physician organization and no member of a physician's immediate family owns or holds an ownership or financial interest in Endologix, including any affiliated or related entity or person, that is not the subject of an exception or "safe harbor" under applicable law, such as the exception for publicly-traded securities under 42 CFR 411.356(a).

1.21 Change of Terms and Conditions. Endologix may modify these Terms and Conditions by posting new terms and conditions on Endologix′s website, which shall be effective for all orders placed after the effective date of such changes.

PART A - SALE OF PRODUCTS

2. Applicability

2.1 In addition to Section 1, the provisions of this Part A shall apply to all purchases of Products by Buyer.

3. Prices and Taxes

3.1 Buyer shall pay Endologix for the Products according to Endologix's then-current prices. The prices are exclusive of all applicable taxes, which will be charged to Buyer, and Buyer agrees to pay all such taxes unless Buyer provides a valid tax exemption certificate certifying that Buyer is a tax-exempt organization under Sections 501(1) and 501(c)(3) of the Internal Revenue Code of the United States, as amended, or under other applicable laws or regulations. If Endologix is required to pay additional taxes, Buyer shall promptly reimburse and hold Endologix harmless for all such taxes. Each party represents and warrants that the pricing represents the fair market value of the Products. The parties further agree that all pricing has been negotiated at arm's length and has not been determined in any manner with regard to any implicit or explicit agreement to provide favorable procurement decisions with regard to Endologix's Products or to the value or volume of any business or referrals generated between the parties. The parties agree that pricing provided by Endologix under this Agreement may constitute a "discount or other reduction in price" under Section 1128B(b)(3)(A) of the Social Security Act, 42 U.S.C. §1320a-7b(b)(3)(A). Buyer is responsible for reporting and/or providing accurate information on all claims for reimbursement, including all discounts or price reductions, to reimbursing agencies (including Medicare and Medicaid) and other entities in accordance with all applicable laws and regulations, including, without limitation, 42 C.F.R. §1001.952(h). Endologix shall refrain from taking any action that will impede Buyer from meeting its obligations under 42 C.F.R. §1001.952. If any Products sold pursuant to this Agreement are sold at a discount, Endologix shall fully and accurately report such discount on the invoice, coupon or statement submitted to Buyer. If the value of the discount is not known at the time of the sale, Endologix shall fully and accurately disclose the existence of a discount program on the invoice, coupon or statement and, when the value of the discount becomes known, provide Buyer with documentation of the calculation of the discount identifying the specific goods or services purchased to which the discount will or has been applied.

4. Terms of Payment

4.1 Buyer will provide a bill-only purchase order for any carry-in Product within forty-eight (48) hours of completion of the procedure. Payment is due net thirty (30) days from the date of Endologix's invoice. Overdue payments may be subject to finance charges at the lower (i) one and one-half percent (1.5%) of the invoice amount per month or (ii) the maximum rate permissible under the laws of the state of California. In no event shall Buyer set off any payment due in connection with this transaction with any claim or an amount owed by Endologix to Buyer in connection with this or any other transaction. In the event Buyer shall default in its obligations hereunder, Buyer shall be liable for Endologix's costs of collection, including reasonable attorney's fees.

5. Payment Security

5.1 In the event Endologix has any doubt at any time as to Buyer's creditworthiness, Endologix may require Buyer to meet certain additional payment conditions or offer payment security before making further deliveries and/or accepting further orders from Buyer. Such payment and/or security conditions may include that Buyer: (i) makes advance payments; (ii) provides an irrevocable letter of credit meeting Endologix's conditions; (iii) provides any other payment security for the benefit of Endologix as deemed appropriate by Endologix; (iv) fulfills another special payment arrangement as reasonably requested by Endologix; or (v) grants, at the reasonable request of Endologix, a further security on any assets owned by Buyer.

6. Delivery and Transfer of Title and Risk

6.1 For case usage, Endologix's representatives may hand-carry Products into the facility, or Endologix may ship the Products directly to Buyer for brief storage until used in the case upon request by Buyer. All such carry-in Products will remain the property of Endologix until title passes to Buyer as indicated herein. All sales shall be made in accordance with these Terms and Conditions. Title for carry-in Products shall pass and Buyer shall become obligated to pay Endologix: (1) when a Product is used; (2) in the event a Product is damaged (due to improper handling, storage or otherwise); (3) in the event that Product packaging is altered or modified; or (4) in the event that any Product is missing. Based on written notification of Product usage (i.e., a Product Use Report or "**PUR**") by Buyer, Endologix shall invoice Buyer for such Product. Buyer will send to Endologix via email, facsimile or first-class mail, an Endologix *Device Tracking Form* within twenty-four (24) hours after Product usage. Buyer agrees to use commercially reasonable efforts to expedite the return of unused Product to Endologix as soon as possible. All such Products shall be handled and stored in accordance with applicable guidelines, including the instructions for use for such items. From time to time, Buyer may purchase Products prior to case usage based upon receipt of an order from Buyer. Endologix

shall be responsible for all shipping, handling, and insurance costs for delivery of such purchased Product. Unless previously agreed to by Endologix, Products shall ship in the standard Endologix packaging, using a two (2) day delivery service. Endologix reserves the right to ship items in a single shipment or in multiple shipments. Except as provided in Part B for Products stored in Buyer's facility as Consignment Products, the property in or title to, and the risk of loss of, Products shall transfer to Buyer when such Products have left Endologix's facility (e.g., FOB Origin).

6.2 Delivery schedules for the Products are subject to Endologix's then-current lead times and Product availability. Endologix will make reasonable efforts to meet delivery dates quoted or acknowledged, but in no event will Endologix be liable for failure to meet any such date(s). Endologix shall have the right to deliver the Products prior to any agreed upon delivery date. Delay in delivery or default of any installment shall not relieve Buyer of its obligation to accept and pay for remaining installments.

7. Inspection and Acceptance

7.1 For direct sales, Buyer will have the right to visually inspect the Products upon delivery by Endologix. Buyer shall have the right to reject each shipment within five (5) business days of delivery if the Product is damaged or if the Product type or quantity does not conform to the order. All Products shall be deemed accepted by Buyer, unless Buyer provides Endologix with notice of receipt of damaged Products and Buyer's rejection specifies the specific nature of the damage, within five (5) business days of delivery of the Products, by calling Endologix's Customer Service department at 1-800-983-2284 to obtain a Return Goods Authorization ("**RGA**") number. Returned items must be in the original shipping cartons and must be accompanied by the RGA number. Other than as provided in this section, no Products may be returned or exchanged without the prior written authorization of Endologix, which it may withhold in its sole discretion.

8. Limited Warranty

8.1 Endologix warrants that the Products will be free from defects in materials and workmanship under normal conditions of use from delivery of the product until the expiration date indicated on the Product. THE FOREGOING IS IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED. ENDOLOGIX EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. There are no warranties that extend beyond these Terms and Conditions. Buyer acknowledges that the conditions of handling, storage and use of the Products are factors beyond the control of Endologix and may affect the quality and life cycle of the Products and the results obtained from the Products. Endologix's warranty shall not apply in the following situations: (i) normal wear and tear; (ii) Products that are not properly stored; (iii) defects that are caused by mishandling or modification of the Products by Buyer or a third party; and/or (iv) inappropriate or negligent use of the Products, including any use inconsistent with Endologix's instructions or user guidelines and/or use of the Products in combination with any third party products not approved by Endologix. Buyer shall promptly after discovery notify Endologix of any (alleged) warranty claim. In respect of any valid and timely claim by Buyer under this warranty within the warranty period, Endologix shall at its exclusive option either credit the relevant Product(s) for their original purchase price or replace the Product(s), whereby Buyer shall return such Product(s) in accordance these Terms and Conditions and any other instructions given by a duly authorized representative of Endologix. This warranty also applies to any replacement Products.

8.2 Any claims of Buyer with respect to the Products, on whatever legal basis, including non-conformity or breach of warranty, as well as any right to dissolve any agreement on account of the same, will lapse upon expiration of the warranty period for the Products.

9. Retention of title

9.1 All Products supplied by Endologix remain property of Endologix until full payment has been made. Until the amount owed has been paid in full, Endologix remains the legal owner of the Products.

9.2 In case of any attachment measure against Buyer and its assets; declaration of bankruptcy of Buyer or if Buyer has been granted a moratorium of payment, Buyer shall immediately inform the person levying the attachment or the trustee in bankruptcy about the retention of title with respect to the Products.

PART B - CONSIGNMENT OF PRODUCTS

10. Applicability

10.1 In the event Products are made available on a consignment basis, the following terms apply in addition to the provisions set forth above (in Section 1 and Part A.

11. Scope; Term and Termination

11.1 Endologix may provide Buyer with Products ("**Consignment Products**") for storage for a definite or indefinite term ("**Consignment Term**") until title passes to Buyer as indicated herein.

11.2 All Consignment Products will remain the property of Endologix until title passes to Buyer as indicated herein. Title shall pass to Buyer, and Buyer will become obligated to pay Endologix in accordance with these Terms and Conditions:

(i) when a Product is used; (ii) in the event a Product is damaged (due to improper handling, storage or otherwise); (iii) in the event that Product packaging is altered or modified or opened; or (iv) in the event that any Product is missing from Buyer's inventory. Products that are provided pre-packaged and sterile shall be deemed used by Buyer if the packaging has been opened, damaged or marked in any way.

11.3 Endologix will determine the final number of Products initially stocked for consignment.

11.4 All Consignment Products will be coordinated by a local authorized representative of Endologix in due consultation with the authorized representative of Buyer.

11.5 Without prejudice to any other rights under these Terms and Conditions or applicable law, Endologix reserves the right to terminate the consignment and immediately take back any Consignment Products if Buyer fails to comply with any of its obligations under these Terms and Conditions. Moreover, Endologix shall be entitled to reduce the consignment volume and remove Consignment Products at its discretion upon fourteen (14) calendar days' notice if Buyer's actual purchases are below expectations. Upon termination, Buyer shall purchase the Consigned Products if title has passed pursuant to these Terms and Conditions or, if title has not passed, then Buyer may elect to purchase or return Consigned Products as provided in these Terms and Conditions.

12. Inspection

12.1 Buyer agrees to provide to Endologix's representatives unrestricted and routine access to the Consigned Products held under this Agreement. If requested by Endologix during the last fifteen (15) days of each calendar quarter, Buyer shall provide Endologix with an inventory statement of all Consigned Products held in its inventory, including the product number and lot number for each Consigned Product.

13. Obligations of Buyer

13.1 Duty of Care. Buyer shall, at its sole expense, adequately store the Consignment Products in a proper, clean location, segregated from goods belonging to it or third parties and marked in such a manner that the Consignment Products can always be easily identified as the property of Endologix. Buyer shall exercise the care of a good depositary with respect to the Consignment Products in stock. Buyer shall refrain from encumbering the Products or granting any third party any rights to the Consignment Products, and Buyer is not entitled to sell, lend, or give away the Consignment Products.

13.2 Insurance. Buyer shall obtain and maintain adequate insurance coverage for the Consignment Products against theft, fire, water and elementary loss whereby Endologix shall be included as a third-party beneficiary in the relevant insurance policy. At the request of Endologix, Buyer shall provide Endologix with a copy of such insurance policy.

13.3 Return. During the term of consignment, Buyer may return unopened, unexpired, and undamaged Products for exchange of other Consignment Products in accordance with these Terms and Conditions, but only with the prior approval of Endologix. Except for any Products that are deemed to be purchased, Buyer shall, free of charge, promptly return any unused Consignment Products to Endologix upon expiration of the Consignment Term or at an earlier moment as indicated by Endologix.

13.4 Reporting and Payment. Buyer shall promptly, but in no event later than one (1) business day, report the use of a Consignment Product(s) by sending a PUR to Endologix containing the information as instructed by Endologix. Unless agreed otherwise in writing, the PUR shall qualify as the purchase order between parties authorizing Endologix to invoice the Consignment Products sold. Endologix shall charge Buyer the then-current list price for the Product or as otherwise agreed in writing in advance.

14. Replenishment

14.1 Unless otherwise agreed by the parties, any Consignment Products used/purchased by Buyer shall be replaced by Endologix based upon written notification of usage.

15. Bankruptcy

15.1 In case of attachment measures on the assets of Buyer, a moratorium of payment or declaration of bankruptcy on the part of the Buyer, the Buyer shall immediately inform the person levying the attachment, including the administrator or the trustee in bankruptcy, about the Consignment and ownership of Endologix with respect to the Consignment Products.