

PHILIPS NORTH AMERICA LLC
DEMAND SERVICE TERMS AND CONDITIONS (Rev 24)

Philips Healthcare, a division of Philips North America LLC ("Philips") will provide maintenance, calibration, repair, upgrades, Lifecycle Solutions, replacement of parts and accessories, and/or other services listed in the Quotation ("Services") on the equipment owned or operated by Customer ("Equipment") that is at the location in the Quotation ("Site"), as requested by Customer, upon the terms and conditions stated herein.

1. COVERAGE

1.1 Labor: Philips will provide Customer the Services Mondays through Fridays, 8:00 AM to 5:00 PM Customer local time, excluding Philips-recognized holidays (at Philips current standard rates). Subject to the availability of personnel and repair parts, Philips may provide, at Customer request and additional expense, Service outside regular business hours (invoiced at Philips applicable labor rates for out-of-hours service of this type in effect for hourly service customers with similar Equipment, including round trip travel time).

1.2 Parts: If Philips provides replacement parts, then these parts may be either refurbished or new. Replaced parts become Philips property.

1.3 Parts Return: All parts must have a return authorization (RA) before a return will be accepted. Philips may deny a return request thirty (30) calendar days after the date of the part order. Returns will be credited at the current Philips parts purchase price for such parts less the applicable restocking fee. The restocking fee will be 25% of the purchase price for unopened and unbroken seals and 35% of the purchase price for opened or broken seals, with a minimum restocking fee of \$75.00. Philips may inspect parts that are not returned in sealed packaging to assure the part has not been used and may adjust the credit if it determines that the part has been used.

1.4 "Lifecycle Solutions" are quoted items features, options, accessories, and upgrades that enhance the operation of the Equipment. All items purchased through Lifecycle Solutions are subject to these Terms and Conditions of Sale for Lifecycle Solutions. Replacement parts or labor purchased through Lifecycle Solutions are subject to these Demand Service Terms and Conditions.

2. CUSTOMER RESPONSIBILITIES

As a condition to Philips providing Services, Customer will (i) ensure that the Site is in a clean and sanitary condition and that the Equipment has been cleaned and decontaminated after contact with blood or other potentially infectious material; (ii) dispose of any hazardous or biological waste generated as a result of Philips servicing the Equipment; and (iii) provide Philips service personnel full and free access to the Equipment at the scheduled service time and pay Philips at the prevailing standard labor rate for all time spent by Philips service personnel waiting for access to the Equipment.

3. PAYMENT

3.1 Unless formally quoted, the total charges will be the sum of all chargeable Services plus travel time at Philips prices in effect as of the date of Service. Customer shall pay Philips at the current standard labor rates for all time spent by Philips service personnel waiting for access to the Equipment. Customer will be charged a minimum of three hours including onsite Services and travel. Other travel expenses and overnight living expenses will be charged at actual cost, in accordance with Philips' travel policy.

3.2 All payments for this Service are due thirty (30) days from the date of Philips' invoice until the amount and all applicable taxes and interest are paid in full.

3.2.1 Customer will pay interest on any amount not paid when due at the lesser of one percent (1%) interest per month or the maximum rate permitted by applicable law.

3.2.2 Payments may be made by check, ACH or wire. Philips does not accept transaction fees for wire transfers or any other payment method; Philips imposes a surcharge on credit cards of two percent (2%), which is not greater than Philips' cost of acceptance.

3.3 Customer's failure to pay any amount due within thirty (30) days of when payment is due constitutes a default between Customer and Philips. In such an event, Philips may, at its option, (i) withhold performance hereunder or under any or all of the other agreements until a reasonable time after all defaults have been cured, (ii) declare all sums due and to (iii) commence collection activities for all sums due or to become due hereunder, including, but not limited to costs and expenses of collection, and reasonable attorney's fees, (iv) and pursue any other remedies permitted by law.

4. CANCELLATION

A quotation is subject to change or withdrawal prior to written acceptance by Customer. All purchase orders issued by Customer are subject to acceptance by Philips. Parts orders that have been shipped or delivered are non-cancellable by Customer but may be returned as provided in Section 1.3.

5. EXCUSABLE DELAYS

Each party shall be excused from performing its obligations (except for the payment obligations) arising from any delay or default caused by events beyond its reasonable control including, but not limited to, acts of God, acts of third parties, acts of the other party, acts of any civil or military authority, fire, floods, war, terrorism, embargoes, labor disputes, acts of sabotage, riots, accidents, delays of carriers, subcontractors or suppliers, voluntary or mandatory compliance with any government act, regulation or request, shortage of labor, materials or manufacturing facilities.

6. WARRANTY

6.1 Philips parts are warranted to meet Philips' published specifications and Philips labor is warranted to be of good and workmanlike quality. Glassware and Lifecycle Solutions are each warranted under a separate warranty. Philips warranties can be found at

<https://www.usa.philips.com/healthcare/about/terms-conditions>.

6.2. WARRANTY PERIOD

6.2.1 Labor. Diagnostic Imaging (including Ultrasound) labor is warranted for a period of ninety (90) days from the date provided. Monitoring Analytics and Therapeutic Care labor is warranted for a period of ninety (90) days from the date provided.

6.2.2 Parts. Diagnostic Imaging (including Ultrasound) parts are warranted for a period of ninety (90) days if installed by a Philips employee or subcontractor or thirty (30) days from the date of shipment if parts are not installed by Philips. Monitoring Analytics and Therapeutic Care parts are warranted for a period of ninety (90) days.

6.3 Remedy. Philips' obligations are limited, at Philips' option, to the repair or the replacement of the part or a portion thereof, or to a refund of a portion of the price paid by Customer. If Philips determines that any parts or labor fail to meet these warranties, Philips shall correct any such failure, at its sole option either: (a) by repairing any defective or damaged part and furnishing the necessary labor to resolve any

problems directly associated with the Services performed by Philips, or (b) for parts not installed by Philips, by making available at the place of installation any necessary parts or assemblies. The obligations of Philips described herein are Philips only obligations and Customer's sole and exclusive remedy for breach of this warranty.

6.4 Exclusions. This warranty will not apply to defects resulting from parts failures that result from improper installation or service procedures by anyone other than Philips or any other external factors will not be covered under this warranty; defects resulting from improper or inadequate maintenance or calibration by Customer or its agents; Customer or third party supplied software or hardware; use or operation of the Equipment other than in accordance with Philips applicable Equipment specifications and written instructions; abuse, negligence, accident, loss, or damage in transit; improper site preparation; unauthorized maintenance or modifications to the Equipment; viruses or similar software interference resulting from the connection of the Equipment to a network; unless specified in the quote, third party products furnished to Customer by Philips.

6.5 Disclaimer. Any warranties applicable to labor or replacement parts provided in connection with the Services are described herein. EXCEPT AS EXPRESSLY SET FORTH HEREIN, PHILIPS MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AND NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE APPLIES TO ANYTHING PROVIDED BY PHILIPS' SUBCONTRACTOR OR PHILIPS.

7. LIMITATIONS OF REMEDIES AND DAMAGES

7.1 Philips' total liability, if any and Customer's exclusive remedy with respect to the Services or Philips' performance of the Services is limited to an amount not to exceed the price paid for the part or service that is the basis for the claim. THIS LIMITATION SHALL NOT APPLY TO THIRD PARTY CLAIMS FOR BODILY INJURY OR DEATH CAUSED BY PHILIPS' NEGLIGENCE. PHILIPS WILL HAVE NO LIABILITY FOR ANY ASSISTANCE PHILIPS PROVIDES THAT IS NOT REQUIRED UNDER THIS SERVICE.

7.2 IN NO EVENT SHALL PHILIPS OR ITS AFFILIATES BE LIABLE FOR ANY INDIRECT, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUES OR PROFITS, BUSINESS INTERRUPTION, LOSS OF DATA, OR THE COST OF SUBSTITUTE PRODUCTS OR SERVICES WHETHER ARISING FROM BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHER TORT.

8. PROPRIETARY SERVICE MATERIALS

Philips may deliver or transmit certain proprietary service materials (including software, tools and written documentation intended solely to assist Philips and its authorized agents in performing Services hereunder) ("Proprietary Service Materials") that have not been purchased by or licensed to Customer. The presence of this property within the Site will not give Customer any right or title to this property or any license or other right to access, use or decompile this property. Customer will use all reasonable efforts to protect this property against damage or loss and to prevent any access to or use of this property by any unauthorized party. Customer shall immediately report to Philips any violation of this provision.

9. THIRD PARTY MANAGEMENT

If Customer has contracted with a third party service management organization, asset management company, maintenance management company, technology management company,

maintenance insurance organization, or the like ("Third-Party Organization") for purposes of centralized billing and management of services provided to Customer, at Customer's written request, Philips will route invoices for payment of services rendered by Philips to such Third-Party Organization and accept payment from them on Customer's behalf. Notwithstanding the above, the services provided by Philips are subject solely to the terms and conditions set forth herein. Customer guarantees the payment of all monies due or that may become due in spite of any collateral arrangements Customer may have with such Third-Party Organization or any payments Customer has made to the Third-Party Organization. Philips has no contractual relationship for the Services rendered to Customer except as set forth herein. To the extent that the parts and services Philips provides are not covered by Customer's arrangement with such Third-Party Organization, Customer shall promptly pay for such parts and services on demand.

10. TAXES

Any applicable tax will be invoiced to and payable by Customer, along with the agreed Price in accordance with the payment terms set forth, unless Philips receives a tax exemption certificate from Customer which is acceptable to the taxing authorities. Customer will not be obligated to pay any federal, state, or local tax imposed upon or measured by Philips' net income.

11. INDEPENDENT CONTRACTOR

Philips is Customer's independent contractor, not Customer's employee, agent, joint venture, or partner. Philips' employees and Philips subcontractors are under Philips' exclusive direction and control. Philips has no liability or responsibility for and does not warrant Customer's or Customer's employees' acts or omissions related to any services that are performed by Customer's employees under this Agreement.

12. RECORD RETENTION AND ACCESS

Philips and Customer shall comply with the Omnibus Reconciliation Act of 1980 (P.L. 96-499) and its implementing regulations (42 CFR, Part 420). Philips agrees that until the expiration of four (4) years after furnishing services pursuant to these Terms and Conditions of Service, Philips shall make available, upon written request of the Secretary of the Department of Health and Human Services, or upon request of the Comptroller General, or any of their duly authorized representatives, these Terms and Conditions of Service and the books, documents and records of Philips that are necessary to verify the nature and extent of the costs charged to Customer hereunder. Philips further agrees that if Philips carries out any of the duties of these Terms and Conditions of Service through a subcontract with a value or cost of ten-thousand U.S. dollars (\$10,000.00) or more over a twelve (12) month period, with a related organization, such subcontract shall contain a clause to the effect that until the expiration of four (4) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon written request to the Secretary, or upon request to the Comptroller General, or any of their duly authorized representatives the subcontract, and books and documents and records of such organization that are necessary to verify the nature and extent of such costs. This paragraph relating to the retention and production of documents is included because of possible application of Section 1861(v) (1) (1) of the Social Security Act (42 U.S.C. 1395x (v) (1) (I) (1989)), as amended from time to time to these Terms and Conditions of Service. If Section 1861(v) (1) (1) should be found to be inapplicable, then this paragraph shall be deemed inoperative and without force and effect.

13. HIPAA; COMPLIANCE

13.1 Each party shall comply with all laws, rules, and regulations applicable to the party in connection with the performance of its obligations in connection with the transactions contemplated by the quotation, including, but not limited to, those relating to affirmative action, fair employment practices, FDA, Medicare fraud and abuse, and the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). Health care providers are reminded that if this Agreement includes a discount, they must fully and accurately report such discount or loan on cost reports or other applicable claims for payment submitted under any federal or state health care program, including but not limited to Medicare and Medicaid, as required by federal law (see 42 CFR 1001.952[h]).

13.2 Customers most current Business Associate Agreement ("BAA"), duly executed with Philips and in effect at the time of Philips performance of the services shall apply and is incorporated into this Agreement. In the event terms expressly set forth in the BAA conflict with terms set forth in this Agreement, the terms set forth in the BAA shall govern in such instance; otherwise, the terms expressly set forth herein shall apply.

13.3 In the course of providing the Services to Customer, Philips may need to access, view, or download computer files from the Equipment that might contain Personal Data. Personal Data includes information relating to an individual, from which that individual can be directly or indirectly identified ("Personal Data"). Personal Data can include both personal health information (e.g., images, heart monitor data, and medical record number) and non-health information (e.g., date of birth and gender). Philips will process Personal Data only to the extent necessary to fulfill its Service obligations.

14. CONFIDENTIALITY

Each party will maintain as confidential any information furnished or disclosed to one party by the other party, whether disclosed in writing or disclosed orally, relating to the business of the disclosing party, its customers, or its patients, and this Service and its terms, including its pricing terms. Each party will use the same degree of care to protect the confidentiality of the disclosed information as that party uses to protect the confidentiality of its own information, but not less than reasonable care. The obligation to maintain the confidentiality of such information will not extend to information in the public domain at the time of disclosure, or to information that is required to be disclosed by law or by court order and will expire five (5) years after the Services are completed.

15. SUBCONTRACTS AND ASSIGNMENTS

Philips may subcontract to service contractors of Philips' choice any of Philips' service obligations to Customer. No such subcontract will release Philips from those obligations to Customer. Customer may not assign the responsibility for payments due under it without Philips' prior express written consent, which will not be unreasonably withheld.

16. SURVIVAL, WAIVER, SEVERABILITY, CHOICE OF LAW

Customer's obligation to pay any money due to Philips in connection with the Services shall continue until Philips has received all such amounts. All of Philips' rights, privileges, and remedies with respect to the Services will continue in full force and effect. A party's failure to enforce any provision of these terms is not a waiver of that provision or of such party's right to later enforce each and every provision. Notices or other communications will be in writing, and will be deemed served if delivered personally, or if sent by facsimile transmission, by overnight mail or courier, or by certified mail, return receipt requested.

The law of the state in which the Equipment is located will govern any interpretation of these Services and dispute between Philips and Customer without regard to the principles of choice of law.

17. ENTIRE AGREEMENT

These terms constitute the entire understanding of the parties and supersede all other agreements, written or oral, regarding its subject matter. No additional terms, conditions, consent, waiver, alteration, or modification will be binding unless in writing and signed by Philips' authorized representative and Customer. Additional or different terms and conditions, whether stated in a purchase order or in other documents issued by Customer, are rejected and will not apply to the transactions contemplated herein. No prior proposals, statements, course of dealing, course of performance, usage of trade or industry standard will apply to the Services or modify these terms. If any terms set forth in an exhibit conflict with terms set forth in these Terms and Conditions of Sale, the terms set forth in the schedule shall govern.

18. AUTHORITY TO EXECUTE

Upon Customer's issuance of a purchase order or Philips' executing this Service, the parties acknowledge that they have read the terms and conditions hereof on behalf of their respective interests, that they know and understand the same, and that they have requested the services with the express authority to do so.