

## General Terms and Conditions

valid from December 1<sup>st</sup>, 2008

### 1. General

The following terms and conditions of payment and delivery shall apply to the entire business relationship with our customers. The customer acknowledges them as binding in relation to the present contract and for all future business. Any agreement to the contrary shall require our written confirmation. The customer agrees that he shall not enforce his own terms and conditions of purchase. They shall not become part of the contract due to silence on our part or because we have effected delivery.

### 2. Offers

- 2.1 Our offers are made without obligation. The customer shall be bound by his order for a period of four weeks. No contract shall be formed until we have acknowledged the order in writing.
- 2.2 The minimum order value is 400 €. We reserve the right to reject orders under this amount.

### 3. Reservation of right of modification

- 3.1 We reserve the right to modify our goods or to replace them by new goods and to cease production either in part or in full. The modification shall become effective on the date that the customer receives our unilateral declaration.
- 3.2 The details contained in our sales catalogues and price lists are subject to possible modifications. We expressly reserve the right to make such modifications.

### 4. Delivery

- 4.1 If we are prevented from performing the contract in good time due to interruptions in procurement, production or supplies – incurring to us or to our suppliers – e.g. due to lack of energy, traffic disturbances, strikes, lock-outs, the delivery period shall be extended for an appropriate period of time. The customer may only rescind the contract in accordance with the provisions set out in clause 14.
- 4.2 If it should be partially or completely impossible for us to perform the contract for the reasons set out in clause 4.1, we shall not be obliged to effect delivery.
- 4.3 We shall immediately notify the customer of any hindrance in accordance with clause 4.1 and any impossibility of performance in accordance with clause 4.2.
- 4.4 Any rights which the customer may have to rescind the contract and/or to claim damages in the case of any delay due to a fault on our part or if delivery should be impossible shall be governed by the provisions set out in clause 14.
- 4.5 We shall be entitled to make partial deliveries and to issue partial invoices.

### 5. Prices

The prices are quoted ex works Hamburg plus freight, packaging and VAT applicable at the time of delivery and, at the customer's request and expense, insurance against damage during transport.

### 6. Passing of the risk

The risk shall pass to the customer when the goods have been shipped or collected.

### 7. Payment

- 7.1 The invoice amounts must have been credited to our account free of any deductions within 30 days of the date that the invoice is issued.
- 7.2 In the case of late payment on the part of the customer we shall be entitled to charge interest at a rate of 8 % above the applicable base rate of the European Central Bank.
- 7.3 The customer may only exercise a right of retention in as far as this is based on claims under the same contract. The customer shall only be entitled to set off claims if we have recognized the counter claims or this has been established through a non-appealable judgement.

### 8. Packaging

- 8.1 The packaging is non-returnable and no reimbursement shall be made if it is returned.
- 8.2 If there is any damage to the packaging of the goods sent to us this shall be renewed or completed at a charge.

### 9. Documentation

The technical documentation is available in English.

### 10. Retention of title

- 10.1 The goods shall remain our property until the payment of all claims in respect of our business relationship, including any future claims. The retention of title shall also extend to any goods delivered by way of exchange.
- 10.2 If the goods under retention of title should be processed or combined in the meaning of sections 947 and 950 of the German Civil Code (BGB) with other items that do not belong to us we shall have a right to co-ownership of the new item in the same ratio as that between the value of the goods under retention of title, including VAT, and the value of the other items processed or combined at the time of processing or combination. The customer shall store the item on our behalf free of charge.
- 10.3 Until further notice the customer is authorized to dispose of the goods under retention of title within the framework of its ordinary business operations. For this event the customer hereby assigns to us his claims from a resale of the goods under retention of title (the resale price including VAT) including the corresponding claims from bills of exchange and together with all ancillary claims. If the customer should sell the goods under retention of title together with goods that do not belong to us at a total price the assignment shall only apply to the sum which we have charged the customer for the goods under retention of title which have been sold.
- 10.4 If the customer's claims from the resale form part of the balance in a current account, the customer hereby assigns to us his claims against his own customer in respect of the claims in the current account. The assignment shall apply to the resale price including VAT.
- 10.5 Until further notice the customer shall be entitled to collect the claims that have been assigned to us. Any assignment or pledging of such a claim shall only be permissible with our written consent. If the customer defaults on payment or fails to comply with his obligations in respect of the retention of title, the customer shall, on our request, provide the debtors with written notification of the assignment, supply us with all information, submit and send us the documents and transfer any bills of exchange. If necessary, the customer must grant us access to the relevant documents.
- 10.6 On the occurrence of the circumstances set out in clause 10.5 sentence 3 the customer must grant us access to the goods under retention of title which are still in his possession and send us an exact list of the goods. The customer must separate these from other goods and return them to us. After issuing a warning and setting an appropriate time limit we may realize the amount credited against the price charged to the customer through sale by private treaty at the best achievable price.
- 10.7 If the value of this security exceeds the sum of our claim by more than 20 %, we shall at our option and upon the customer's request release the security.
- 10.8 The customer must immediately notify us in writing if any third parties should seize the goods under retention of title or take possession of the claims assigned to us and must give us every possible support in the intervention.
- 10.9 The costs for complying with the said duty to co-operate in enforcing all rights in respect of the retention of title and for all arrangements made for the maintenance and storage of the goods shall be borne by the customer.
- 10.10 In case of insolvency proceedings over the customer's property we are entitled to withdraw from the contract provided the goods under retention of title have not been fully paid.

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### 11. Warranty

- 11.1 For brand new goods claims of defects are subject to limitation 12 months after delivery. This shall not apply in cases of injury to life, body or health and in the case of intentional act and gross negligence. This shall not affect the statutory provisions regarding suspension and the recommencement of the time limits.
- 11.2 The customer shall have no claims as regards material defects in second-hand goods.
- 11.3 Any warranty claims shall be excluded in the case of merely a slight deviation from the agreed quality, an immaterial impairment to utility, natural wear and tear or damage which occurs after the passing of risk as a result of improper treatment, excessive strain, unsuitable operating materials, failure to observe the operating instructions, defective preconditions on the customer's premises or technical details provided by the customer or due to external influences which were not foreseen when the contract was formed. This shall also apply if there have been interventions or changes made to the goods by the customer or by third parties without our prior written consent.
- 11.4 Warranty claims can only be asserted if the defective good is sent to the following address together with written notice of the defect and, in the case of vacuum articles, also with the completed form entitled "Technical Tube Report":

Dunlee Medical Components  
Branch of Philips Medical Systems DMC GmbH  
Roentgenstrasse 24  
22335 Hamburg

The good about which a warranty claim has been made shall be checked immediately after its arrival. The customer will be given written notice of the result.

- 11.5 Goods which have material defects at the time of the passing of risk shall be repaired free of charge or replaced by goods which are not defective at our choice.
- 11.6 If the remedy fails, the customer may rescind the contract or reduce the purchase price. Claims for damages shall be governed by the provisions in clause 14.
- 11.7 In the case of notice of defect about whose justification there can be no doubt the customer may withhold payment to a reasonable extent. If the notice of defect was unjustified, we shall be entitled to demand that the customer reimburses us for our expenses.
- 11.8 The customer shall have no further claims due to defects or any other claims than those governed by this clause 11.
- 11.9 Vacuum articles shall additionally be governed by our **Special warranty conditions for vacuum articles**.

### 12. Repairs

- 12.1 After-warranty-repairs shall be carried out at a charge according to the actual effort involved and at our current rates.
- 12.2 We shall give 12 months' warranty for such repairs.
- 12.3 Claims for damages shall only be recognized to the extent set out in clause 14.

### 13. Industrial property rights

- 13.1 We shall assume liability for the delivered goods as such being free of industrial property rights and the copyrights of third parties (hereinafter referred to as "industrial property rights") in the Federal Republic of Germany.
- 13.2 If any third parties should assert justified claims against us we shall either obtain a license for the customer, modify the relevant good free of charge or replace it by a good that is free of industrial property rights. Which of these options shall be taken shall be at our choice and shall be done within the time limit set out in clause 11 and at our expense. If these measures are unenforceable or only enforceable with an unreasonable economic burden, the customer shall be entitled to rescind the contract or reduce the purchase price in accordance with the statutory provisions.
- 13.3 We assume no liability in case the application of the goods infringes industrial property rights of third parties.
- 13.4 We shall only be liable for further claims to the extent set out in clause 14.

### 14. Rescission, damages

- 14.1 The customer shall only be entitled to rescind the contract within the framework of the statutory provisions in as far as any delay or impossibility to deliver or perform is due to a fault of our own. The declaration must be made in writing.
- 14.2 The customer's claims for damages, regardless of the legal grounds, especially due to a breach of contractual obligations and on grounds of tort shall be excluded. In the case of a delay in delivery both claims for damages and damages in lieu of performance shall be excluded even if the customer has set a deadline which has expired.  
This shall not apply in as far as we are liable under the compelling rules of law, e.g. under the Product Liability Act (Produkthaftungsgesetz), in cases of intentional act and gross negligence, due to injury to life, body or health, due to having given a guarantee for the quality of an item or due to the breach of major contractual obligations. Any claim for damages due to a breach of major contractual obligations, however, shall be limited to the typical foreseeable damage in the absence of liability on grounds of intentional act or gross negligence or due to injury to life, body or health.
- 14.3 If the customer has claims for damages under this clause 14 these claims shall be subject to limitation with expiry of the effective limitation period for claims of defects pursuant to clause 11. This shall not apply in cases of intentional act or gross negligence, for claims due to injury to life, body or health or claims under the Product Liability Act.
- 14.4 The foregoing provisions shall not alter the burden of proof to the customer's disadvantage.

### 15. The re-utilisation of processed parts

For the protection of the environment we process components and integrate them into new goods. Due to our strict provisions concerning selection and quality in the production process these processed components are equivalent to new parts in every respect.

### 16. Validity

If any of the foregoing provisions should be or become void – irrespective of the legal grounds – this shall not affect the validity of the remaining provisions.

### 17. Place of performance and place of jurisdiction

- 17.1 The place of performance for all obligations resulting from the delivery transaction shall be Hamburg for both contracting parties.
- 17.2 If the customer deals as a business or a legal entity under public law the place of jurisdiction for all litigation arising directly or indirectly from the contractual relationship shall be Hamburg. We shall also be entitled to take legal action against the customer at his own general place of jurisdiction.
- 17.3 The contract shall be governed by the law of the Federal Republic of Germany. The UN Sales Convention (CISG) shall not apply.

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### Special warranty conditions for vacuum articles

- The following terms and conditions apply to both first deliveries and to substitute deliveries. In as far as no provisions to the contrary are agreed here our **General Terms and Conditions** shall apply accordingly to supplement these provisions.
- In the case of material defects in brand-new vacuum articles we shall replace them by supplying vacuum articles that are free of defects (substitute delivery).
- The warranty period shall commence when the vacuum article is ready to be put into operation at end user's site or 3 months after the date of delivery to our customer, whatever comes first. The mode of the replacement, i.e. a full replacement or a proportionate refund, depends on how long the article has been in use or how intensively it has been used according to the attached table.
- Within the warranty period the replacement of the vacuum articles shall be 100 % without charging for the involved expenses such as transport and the cost of labor and materials; the customer shall bear the costs in the case of a pro rata refund.
- We reserve the right to take back vacuum articles for which we have recognized complaints.

Vacuum article	Period of use	Intensity of use
<b>X-ray, general</b>	24 months, 100 % for the first three months and a pro rata temporis refund thereafter. From the 4 <sup>th</sup> month, we reimburse one twenty-fourth of the invoice price applicable on the date of the replacement for each month not yet expired during the warranty period.	
<b>Cardiovascular</b>	12 months, 100 % for the first three months and a pro rata temporis refund thereafter. From the 4 <sup>th</sup> month, we reimburse one-twelfth of the invoice price applicable on the date of the replacement for each month not yet expired during the warranty period.	
<b>Computer tomography</b>	Within the warranty period of 12 months, we reimburse the number of scans/scanseconds which have failed to reach the number of scans/scanseconds shown in the attached table. The number of scans/scanseconds not used are being divided by the number of scans/scanseconds according to the table below, multiplied by the sales price.	40.000 Scans      DA/MX 100 CT MAX, CTR 1555RC/RCPN 50.000 Scans      GS 1089, 1579, 1584, 1587, 2079, DA/B 180 Philips, DA/B 220 Philips, DA/B 180 Shimadzu, DA/B 220 Shimadzu, DA/B 180 Toshiba, DA/B 220 Toshiba, CTR 1562 RC/RCPN, CTR 1568 RC/RCPN, CTR 1569 RC/RCPN, CTR 1563 RC/RCPN, CTR 1762 80.000 Scans      DA/MX 115 Sytec Pace, DA/MX 135 HiLight Advantage, DA/MX 135 CT/e Pegasus, CTR 1590RC, CTR 1791 100.000 Scans      GS 2077, 3074, CTR 1790, DA 240 Shimadzu, DA 240 Toshiba 100.000 Scanseconds      GS 6079 120.000 Scans      DA/MX 165 PS, CTR 1792 130.000 Scanseconds      S 502 140.000 Scans      DA 165 HiSpeed, DA/MX 165 NP Solarix 300.000 Scanseconds      GS 3077, 5079 Information Dunlee DA 200 ULTRA, PRO, Advantage CT/i, QX/i
<b>Image intensifier</b>	24 months, 100 % for the first 12 months and a pro rata temporis refund thereafter. From the 13 <sup>th</sup> month, we reimburse one twenty-fourth of the invoice price applicable on the date of the replacement for each month not yet expired during the warranty period.	