



General Terms and Conditions of Dunlee Medical Components for Grids

valid from February 16, 2011

1. General

The following terms and conditions of payment and delivery shall apply to the entire business relationship between Philips Medical Systems DMC GmbH, Dunlee Medical Components ("Dunlee") and its customer(s) concerning the sale of grids. The customer acknowledges them as binding in relation to the present contract and for all future business. Any agreement to the contrary shall require Dunlee's 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 Dunlee's part or because Dunlee has effected delivery.

2. Offers

2.1 Dunlee's 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 Dunlee has acknowledged the order in writing.

2.2. The minimum order value is 400 €. Dunlee reserves the right to reject orders under this amount.

2.3. With orders below a value of 1000 €, Dunlee reserves the right to charge an administrative fee of 50 €.

3. Reservation of right of modification

3.1 Dunlee reserves the right to modify Dunlee's goods, including but not limited to make changes in the design or specifications, or to replace them by new goods.

The modification shall become effective on the date that the customer receives Dunlee's unilateral declaration.

3.2 The details contained in Dunlee's sales catalogues and data performance sheets are subject to possible modifications. Dunlee expressly reserve the right to make such modifications.

3.3 Dunlee reserves the right to cease production either in part or in full at any time.

4. Dispatch and Delivery

4.1 If Dunlee is prevented from performing the contract in good time due to interruptions in procurement, production or supplies --- incurring to Dunlee or to Dunlee's 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 19.

4.2 If it should be partially or completely impossible for Dunlee to perform the contract for the reasons set out in clause 4.1, Dunlee shall not be obliged to effect delivery.

4.3 Dunlee 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 Dunlee's part or if delivery should be impossible shall be governed by the provisions set out in clause 19.

4.5 Dunlee shall be entitled to make partial deliveries and to issue partial invoices.

4.6 In case Dunlee cannot despatch the Products to their destination at the date scheduled, due to reasons attributable to customer, Dunlee shall be entitled to store the Products concerned at the customer's expense and risk. In such case the warehouse receipt(s) shall serve as substitute(s) for the shipping documents in all respects and the customer undertakes to reimburse within fourteen (14) days of Dunlee's first demand any and all additional expenses so incurred.

The estimated date of dispatch and/or completion of the installation works, if offered, has to be calculated from the date of the bank's advice that the letter of credit and/or other payment instrument agreed upon has been established in conformity with the Conditions of Sale, and/or the advance payment, if applicable, has been received.

5. Prices

The prices are quoted in EURO and EXW Best, the Netherlands (Incoterms 2000) plus freight, packaging and VAT applicable at the time of delivery and, at the customer's request and expense, insurance against damage during transport. The prices as set out in the quotation are exclusive of any applicable sales, excise, use, import or customs duties or other taxes in effect or later levied. Unless the customer provides Dunlee with an appropriate exemption certificate reasonably in advance of the date the Product is available for delivery, Dunlee shall invoice the customer for those taxes, and the customer shall pay those taxes in accordance with the terms of the invoice.

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 Dunlee's account free of any deductions within 30 days of the date that the invoice is issued, unless other payment terms are agreed upon.

7.2 Alternatively to clause 7.1, customer has the option to pay in EURO's by means of a divisible, irrevocable, documentary and confirmed letter of credit, in a form acceptable to Dunlee, payable at sight against the shipping documents, at or confirmed by a first class German bank acceptable to Dunlee and opened for the benefit of Dunlee, or by such other means as Dunlee may authorize in writing. Customer shall establish the letter of credit by a first class bank that has adopted the Uniform Customs and Practice for Documentary Credits issued by the International Chamber of Commerce, prior to shipment and in favour of Dunlee on the basis of 100 % of the value of the respective order. The letter of credit must be valid for at least six (6) months from issuance, must allow for partial shipments and must allow at least thirty (30) days for presentation. The customer shall pay all bank charges outside of Germany. If the customer requests that shipment be made other than the agreed delivery conditions, the letter of credit must be drawn in an amount sufficient to pay for any additional shipping costs, if any.

7.3 In the case of late payment on the part of the customer, Dunlee shall be entitled to charge interest at a rate of 8 % above the applicable base rate of the European Central Bank.

7.4 Moreover, if customer fails to pay any amount when due, Dunlee may discontinue the performance of services, discontinue the delivery of Product(s), or deduct the unpaid amount from any amounts otherwise owed to the customer by Dunlee or any of its affiliates under any agreement with the customer, in addition to any other rights or remedies available to Dunlee.

7.5 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 Dunlee has recognized the counter claims or this has been established through a non-appealable judgment.

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 Dunlee this shall be renewed or completed at a charge.

9. Complaints and returns

9.1 The customer shall notify Dunlee in writing and shall substantiate any complaints of erroneous despatch and/or damage to the Products supplied within ten (10) days after receipt of the Products including the date and number of Dunlee's invoice.

9.2 Dunlee shall issue, if the complaint is accepted, a return authorisation notice and customer shall return the relevant Products in accordance with Dunlee's instructions. All Products returned must be insured and carriage prepaid by customer and packed in their original packing.

10. Documentation

The technical documentation is available in English only.

11. Retention of title

11.1 The goods shall remain Dunlee's property until the payment of all claims in respect of Dunlee's business relationship, including any future claims. The retention of title shall also extend to any goods delivered by way of exchange.

11.2 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 Dunlee, Dunlee 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 Dunlee's behalf free of charge.

11.3 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 Dunlee 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 Dunlee at a total price the assignment shall only apply to the sum which Dunlee has charged the customer for the goods under retention of title which have been sold.

11.4 If the customer's claims from the resale form part of the balance in a current account, the customer hereby assigns to Dunlee 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.

11.5 Until further notice the customer shall be entitled to collect the claims that have been assigned to Dunlee. Any assignment or pledging of such a claim shall only be permissible with Dunlee's 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 Dunlee's request, provide the debtors with written notification of the assignment, supply Dunlee with all information, submit and send Dunlee the documents and transfer any bills of exchange. If necessary, the customer must grant Dunlee access to the relevant documents.

11.6 On the occurrence of the circumstances set out in clause 14.5 sentence 3 the customer must grant Dunlee access to the goods under retention of title which are still in his possession and send Dunlee an exact list of the goods. The customer must separate these from other goods and return them to Dunlee. After issuing a warning and setting an appropriate time limit Dunlee may realize the amount credited against the price charged to the customer through sale by private treaty at the best achievable price.

11.7 If the value of this security exceeds the sum of Dunlee's claim by more than 20 %, Dunlee shall at Dunlee's option and upon the customer's request release the security.

11.8 The customer must immediately notify Dunlee in writing if any third parties should seize the goods under retention of title or take possession of the claims assigned to Dunlee and must give Dunlee every possible support in the intervention.

11.9 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.

11.10 In case of insolvency proceedings over the customer's property Dunlee is entitled to withdraw from the contract provided the goods under retention of title have not been fully paid.

12. Warranty ("Sachmaengelhaftung")

12.1 For brand new goods claims of defects ("Sachmaengelhaftung") are subject to limitation 24 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.

12.2 The customer shall have no claims as regards material defects in second-hand goods.

12.3 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 Dunlee's prior written consent.

12.4 Warranty claims can only be asserted if the defective good is sent to Dunlee in Best, The Netherlands, together with written notice of the defect. Before sending back the defective good, the customer must always ask for a RA number and return instructions from the order desk.

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.

12.5 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 Dunlee's choice.

12.6 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 18.

12.7 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, Dunlee shall be entitled to demand that the customer reimburses Dunlee for Dunlee's expenses.

12.8 The customer shall have no further claims due to defects or any other claims than those governed by this clause.

13. Repairs

13.1 After-warranty-repairs shall be carried out at a charge according to the actual effort involved and at Dunlee's current rates.

13.2 Dunlee shall give 24 months' warranty for such repairs.

13.3 Claims for damages shall only be recognized to the extent set out in clause 18.

14. Intellectual property rights

14.1 Dunlee shall assume liability for the delivered goods as such being free of intellectual property rights, including but not limited to patent, utility model, industrial design, copyright, trade secret, mask work, or

trademark, of third parties (hereinafter collectively referred to as "Intellectual Property Rights") in the Federal Republic of Germany at the time of delivery.

14.2 If a third party makes, or attempts to make, a claim against the customer and/or Dunlee alleging that a Dunlee Product delivered hereunder infringes a valid claim under an Intellectual Property Right, the customer shall (a) provide Dunlee prompt written notice of the claim, and (b) grant Dunlee full and complete information; and if Dunlee chooses in writing to defend, settle or negotiate the claim customer shall (i) give Dunlee sole control of any defence or settlement that it may undertake and (ii) provide Dunlee with all reasonable assistance if so desired by Dunlee.

14.3 If any third parties should assert justified claims Dunlee 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 intellectual property rights. Which of these options shall be taken shall be at Dunlee's choice and shall be done within the time limit set out in clause 15 and at Dunlee's 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.

14.4 Dunlee assumes no liability and no obligation for any claim of infringement and customer shall reimburse all reasonable costs (including, but not limited to, attorneys fees) in case a claim arises from: (a) Dunlee's compliance with the customer's designs, specifications, or instructions; (b) Dunlee's use of technical information or technology supplied by the customer; (c) modifications to the Product by the customer or its agents; (d) use of the Product other than in accordance with the product specifications or applicable written product instructions; (e) use of the Product with products not manufactured by Dunlee if infringement would have been avoided by the use of a current unaltered release of either the Dunlee Product, the third party products or both.

14.5 Dunlee shall only be liable for further claims to the extent set out in clause 18.

15. Rescission, damages

15.1 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 Dunlee's own. The declaration must be made in writing.

15.2 The customer's claims for damages, regardless of the legal grounds, including but not limited 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.

These limitations and exclusion of liability shall not apply in as far as Dunlee is liable 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 contractual obligations which is of major importance for and goes to the root of the contract ("wesentliche Vertragspflichten"). 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.

15.3 If the customer has claims for damages under this clause 18 these claims shall be subject to limitation with expiry of the effective limitation period for claims of defects pursuant to clause 15. 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.

15.4 The foregoing provisions shall not alter the burden of proof to the customer's disadvantage.

16. Use and ownership of documents

All technical information in relation to the Products and their maintenance are Dunlee proprietary information, covered by Dunlee copyrights and remain Dunlee's property and may not be copied, reproduced, transmitted or communicated to or utilized by third parties without Dunlee's prior written consent. Data such as but not limited to illustrations, catalogues, colours, drawings, dimensions, statements of weight and measurements made available as (printed) information are an approximation only and customer cannot derive any rights based on these data.

17. The re-utilisation of processed parts

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

18. Disposal

Customer will oblige its European customers to dispose Dunlee Products, at their own expense, according to the law (WEEE legislation) and to insert a corresponding clause in case of further transfer. Customer shall indemnify and hold us harmless from and against all claims, liabilities and damage with regard to the disposal of Products delivered by Dunlee. These claims will not become time-barred until 2 years after Dunlee received a written notice of the end of use of the product.

19. 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.

20. Export Control

The delivery of any Product may be subject to the granting of governmental export licenses. In the event that such licenses or an end-user statement are required, Dunlee will contact the customer immediately and the customer shall provide Dunlee with such documents on first written request. In case the delivery of Products becomes restricted or forbidden due to changed export control laws, Dunlee may suspend or terminate at its option the execution of its obligations under any agreement without incurring any liability towards customer other than reimbursing any amounts received.

The customer acknowledges that it is familiar with such export control regulations. The customer furthermore agrees that it will not deal with the Products and/or documentation in violation of such regulations, and more specifically will not (re-)export or otherwise dispose of such goods without the applicable, prior written authorisation of the competent authorities. Such export control regulations shall include without limitation U.S. statutes and regulations regarding embargoes and prohibiting the participation in unsanctioned international boycotts.

21. Confidentiality

Each party shall maintain as confidential any information furnished or disclosed to one party by the other party, whether disclosed in writing, electronically or disclosed orally, relating to the Products and business of the disclosing party, its customers and/or its patients, and this quotation or sale and its terms, including any pricing information. Each party shall 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 like information, but not less than reasonable care. Each party shall disclose such information only to its employees having a need to know such information to perform the transactions contemplated by this quotation. Dunlee may also disclose, or request that the Customer disclose, confidential information to Philips Affiliates that need to know the confidential information for performing the transactions contemplated by this quotation, provided that they are advised of and obliged to the obligations of this clause 24 accordingly. Dunlee shall be responsible for any negligent or willful breach of this clause by its Affiliates. An Affiliate is any corporation, company, or other entity, which: (i) is under the control of Dunlee; or (ii) has Control of Dunlee hereto; or (iii) is under common Control with Dunlee. For this purpose "Control" means that more than fifty percent (50%) of the controlled entity's shares or ownership interest representing the right to make decisions for such entity are owned or controlled, directly or indirectly, by the controlling entity. The obligation to maintain the confidentiality of such information shall not extend to

information in the public domain at the time of disclosure, and/or information that is required to be disclosed by law or by court order.

22. Force majeure

Each party is entitled to suspend the performance of its obligations as a result of any delay or default caused by events beyond its reasonable control including, but not limited to, acts of God, war, civil war, insurrection, fires, floods, labour disputes, epidemics, governmental regulations and/or similar acts, freight embargoes, Dunlee's non-availability of any permits, licenses and/or authorisations required, defaults or force majeure of suppliers or subcontractors.

If force majeure prevents Dunlee from filling any order from customer or otherwise performing any obligation arising out of the sale, Dunlee shall not be liable for any compensation, reimbursement or damages whether for direct, indirect or consequential loss or otherwise.

23. Place of performance of jurisdiction and governing law

23.1 The place of performance for all obligations resulting from the delivery transaction shall be Hamburg for both contracting parties.

23.2 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 exclusively be Hamburg, Germany.

23.3 Dunlee shall also be entitled to take legal action against the customer at his own general place of jurisdiction.

23.4 The contract and the business relationship between Dunlee and customer shall be governed by the law of the Federal Republic of Germany. The UN Sales Convention (CISG) shall not apply.

24. Miscellaneous

24.1 If the customer becomes insolvent, is unable to pay its debts when due, files for bankruptcy, is the subject of involuntary bankruptcy, has a receiver appointed, or has its assets assigned or frozen, Dunlee may cancel any unfulfilled obligations, or suspend performance; however, the customer's financial obligations to Dunlee shall remain in effect.

24.2 The customer may not assign any rights or obligations in connection with the transactions contemplated by this quotation or sale without the prior written consent of Dunlee, and any attempted assignment without such consent shall be of no force or effect.

24.3 Notices or other communications shall be in writing, and shall be deemed served if delivered personally, or if sent by facsimile transmission, by overnight mail or courier, or by certified mail, return receipt requested and addressed to the relevant party.