valid from November 20th, 2018

General Terms and Conditions for Dunlee Business

1. General
The following terms and conditions of payment, delivery and warranty 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.

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 1.000 € excluding VAT. 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. Prices
4.1 All prices are quoted Ex Works plus freight and packaging.

4.2 For housings of vacuum articles we charge an extra fee. This is defined in the “Special conditions for vacuum articles” at the end of this document.

5. Transportation and Risk Passing
5.1 The standard incoterm for transportation is Ex Works. Any other incoterm needs to be confirmed by us on the order confirmation document. Additional cost related to the incoterms will be on invoice.

5.2 The risk shall pass to the customer in accordance to the incoterm confirmed.

6. Delivery
6.1 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.

6.2 If the delivery of products, services and/or documentation is subject to the granting of an export or import license by certain governmental authorities or otherwise restricted or prohibited due to export/import control regulations, we may suspend our obligations and the customer’s end user’s rights until such license is granted or for the duration of such restrictions or prohibitions. Furthermore, we may even terminate the relevant Purchase Order in all cases without incurring any liability towards customer or end-user.

6.3 The customer will comply with all domestic, foreign and international export control regulations concerning the products including but not limited the "U.S. Export Administration Regulations “as well as all restrictions regarding end users, end use and destination country. At resale, customer has to pass on these obligations accordingly to the new customer.

6.4 If it should be partially or completely impossible for us to perform the contract for the reasons set out in clause 6.1, we shall not be obliged to effect delivery.

6.5 We shall immediately notify the customer of any hindrance in accordance with clause 6.1 and any impossibility of performance in accordance with clause 6.2 and 6.3.

6.6 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.

6.7 We shall be entitled to make partial deliveries and to issue partial invoices.

6.8 CUSTOMER may, without charge, change or cancel any portion of the Purchase Order including without limitation, quantity required, provided CUSTOMER gives SUPPLIER written notice at least thirty (30) calendar days prior to the scheduled Delivery Date.

6.9 If CUSTOMER is in delay with the payment of a previous delivery or other service, we are entitled to withhold deliveries, without being liable for any damage.

7. Payment
7.1 The invoice amounts must have been credited to our account free of any deductions within the period of time stated on the invoice document.

7.2 In case the VAT number of the customer is unknown, we will invoice the applicable VAT to the customer.

7.3 In the case of late payment on the part of the customer we shall be entitled to charge interest at a rate of 9 % 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.

7.4 We may claim, without prejudice to any other rights and claims, payment of a lump sum of 40 € for delayed payment. The lump sum pursuant to sentence 1 shall be set off against any damages owed, insofar as the damage is justified in the costs of prosecution. This also applies if the payment is a down payment or other installment payment.
8. Documentation
The technical documentation is available in English.

9. Retention of title
9.1 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.

9.2 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.

9.3 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.

9.4 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.

9.5 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.

9.6 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 on our behalf free of charge.

9.7 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.

9.8 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.

9.9 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.

9.10 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.

10. Warranty
10.1 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.

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

10.3 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.

10.4 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
A Business of Philips Medical Systems DMC GmbH
Roentgenstrasse 24
22335 Hamburg
Germany

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

10.5 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.

10.6 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.

10.7 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.

10.8 The customer shall have no further claims due to defects or any other claims than those governed by this clause 10.
10.9 Vacuum articles shall additionally be governed by our Special conditions for vacuum articles in this document.

11. Returning Tubes

11.1 Packaging must be used for returning of defect tubes or of the housing.

11.2 Any different packaging used must be confirmed prior shipment with Dunlee Hamburg order desk.

12. Repairs

We do not offer any repair service for our vacuum articles.

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, 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 laws of the Federal Republic of Germany without giving effect to its principles of conflicting laws. The UN Sales Convention (CISG) shall not apply.

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Special conditions for vacuum articles

1. The following terms and conditions apply to all vacuum articles delivered based on a purchase order placed by the customer. In as far as no provisions to the contrary are agreed here our General Terms and Conditions shall apply accordingly to supplement these provisions.

2. The warranty period shall commence when the vacuum article is ready to be put into operation at end user’s site or latest 3 months after the date of delivery to our customer, whatever comes first.

3. Within the warranty period the customer shall bear the costs of transport and packaging.

4. We reserve the right to take back vacuum articles for which we have recognized complaints.

5. Any X-ray tube, not listed in table below, comes with
   - 12 months or 100,000 scan seconds whatever comes first with pro rata temporis warranty
   - Thereof the first 3 months or first 3,000 scan seconds whatever comes first with full warranty with 100% refund of sales price

5. Warranty and housing fees for replacement business only:

<table>
<thead>
<tr>
<th>Vacuum Article</th>
<th>Warranty Terms</th>
<th>Housing Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer-</td>
<td>Products with 12-months full warranty get 100% refund of sales price for a warranty claim within the first 12 months period.</td>
<td></td>
</tr>
<tr>
<td>tomography</td>
<td>Products with 12-month or amount of usage (eg. Scans/scanseconds) full warranty get 100% refund of sales price for a warranty claim as long as the claim is still within the first 12 months period AND within the amount of usage limit. If at least one of those limits has been exceeded, the warranty claim stops.</td>
<td></td>
</tr>
<tr>
<td>DA 200 Ultra</td>
<td>12 months, full warranty</td>
<td>2.500 EUR</td>
</tr>
<tr>
<td>DA 200 P40</td>
<td>12 months or 6,000 patient exams, full warranty</td>
<td>2.500 EUR</td>
</tr>
<tr>
<td>Reevo 240G</td>
<td>12 months, full warranty</td>
<td>4.200 EUR</td>
</tr>
<tr>
<td>DA 135 CT/e</td>
<td>8,000 slices/90 days full, 80,000 slices or 12 months pro-rated</td>
<td>2.000 EUR</td>
</tr>
<tr>
<td>DA 165 NP</td>
<td>14,000 slices/90 days full, 140,000 slices or 12 months pro-rated</td>
<td>2.000 EUR</td>
</tr>
<tr>
<td>S532B / Akron</td>
<td>100%: 40,000 ss or 6 months 70%: 80,000 ss or 8 months 40%: 150,000 ss or 12 months</td>
<td>4.000 EUR</td>
</tr>
<tr>
<td>S532Q / Akron</td>
<td>100%: 30,000 ss or 6 months 70%: 60,000 ss or 8 months 40%: 120,000 ss or 12 months</td>
<td>4.000 EUR</td>
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