

# PHILIPS HEALTHCARE SERVICE AGREEMENT TERMS AND CONDITIONS

- 1. <u>SERVICES PROVIDED</u>. The services listed in the quotation (the "Services") are offered by Philips Healthcare, a division of Philips Electronics North America Corporation ("Philips") only under the terms and conditions described below, and on any exhibits and attachments, each of which are hereby incorporated (the "Agreement").
- 2. **EXCLUSIONS.** The Services do not include:
  - **2.1.** Servicing or replacing components of the system other than those systems or components listed in the Exhibits (the "System") that is at the listed location ("Site");
  - 2.2. Servicing System if contaminated with blood or other potentially infectious substances;
  - 2.3. Any service necessary due to: (i) a design, specification or instruction provided by Customer or Customer representative; (ii) the failure of anyone to comply with Philips' written instructions or recommendations; (iii) any combining of the System with other manufacturers product or software other than those recommended by Philips; (iv) any alteration or improper storage, handling, use or maintenance of the System by anyone other than Philips' subcontractor or Philips; (v) damage caused by an external source, regardless of nature; (vi) any removal or relocation of the System; or (vii) neglect or misuse of the System;
  - 2.4. Any cost of materials, supplies, parts, or labor supplied by any party other than Philips or Philips' subcontractors.
- 3. **<u>CUSTOMER RESPONSIBILITIES</u>**. During the term of this Agreement, Customer will:
  - **3.1.** Ensure that the Site is maintained in a clean and sanitary condition; and that the System, product or part is decontaminated prior to service, shipping or trade-in as per the Instructions in the User manual;
  - 3.2. Dispose of hazardous or biological waste generated;
  - **3.3.** Maintain operating environment within Philips specifications for the Site (including temperature and humidity control, incoming power quality, incoming water quality, and fire protection system);
  - 3.4. Use the System in accordance with the published manufacturer's operating instructions.
- 4. <u>SYSTEM AVAILABILITY</u>. If Customer schedules service and the system is not available at the agreed upon time, then Philips may cancel the service or charge the Customer at the prevailing demand service rates for all time spent by Philips service personnel waiting for access to the System.
- 5. <u>PAYMENT</u>. All payments under this Agreement are due thirty (30) days from the date of Philips' invoice until the Agreement amount and all applicable taxes and interest are paid in full. Customer will pay interest on any amount not paid when due at the lesser of 1.5% interest per month or the maximum rate permitted by applicable law.
- 6. <u>EXCUSABLE DELAYS</u>. Philips is excused from performing under this Agreement when Philips' delay or failure to perform is caused by events beyond Philips 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.

## 7. TERM AND TERMINATION

- 7.1. The term of this Agreement shall be set forth in the quotation(s) attached hereto and incorporated herein.
- 7.2. This Agreement is non-cancelable by Customer and will remain in effect for the term specified in this Agreement. However, Customer may cancel this Agreement upon 60 days written notice to Philips (i) representing that the System is being permanently removed from the Site and that the System is not being used in any other Customer site, or (ii) specifically describing a material breach or default of the Agreement by Philips, provided that Philips may avoid such cancellation by curing the condition of breach or default within such 60 day notice period.
- 7.3. In addition, if the Customer sells or otherwise transfers any of the System to a third party and the System remains installed and in use at the same location, but such third party does not assume the obligations of the Customer under this Agreement or enter into a new service agreement with Philips with a term at least equal to the unexpired term of this Agreement, then the Customer may terminate this Agreement with respect to such System upon no less than thirty (30) days prior written notice to Philips, in which case the Customer shall pay to Philips (i) all amounts due under this Agreement through the effective date of termination (based on the notice requirement) and (ii) as liquidated damages and not as a penalty, an amount equal to 30% of the remaining payments due under this Agreement for such System from the date of termination through the scheduled expiration of the term of this Agreement.
- 7.4. If this Agreement includes a Pool and terminates for any reason and Customer has expended more funds from its Pool than it has contributed to the Pool, then Customer shall pay Philips the amount by which its expenditures exceeded its contributions within five (5) business days of such termination.



- 8. <u>DEFAULT</u>. Customer's failure to pay any amount due under this Agreement within 30 days of when payment is due constitutes a default of this Agreement and all other agreements between Customer and Philips. In such an event, Philips may, at its option, (i) withhold performance under this Agreement and 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) terminate this Agreement with 10 days' notice to Customer, and (v) pursue any other remedies permitted by law.
- 9. <u>END OF LIFE</u>. If Philips determines that its ability to provide the Service Coverage is hindered due to the unavailability of parts or trained personnel, or that the system can no longer be maintained in a safe or effective manner as determined by Philips, then Philips may terminate this Agreement upon notice to the Customer and provide Customer with a refund of any Customer pre-payments for periods of Service Coverage not already completed.
- 10. <u>WARRANTY DISCLAIMER</u>. Philips' full contractual service obligations to Customer are described in this Agreement. Philips provides no additional warranties under this Agreement. All service and parts to support service under this Agreement are provided AS IS. NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE APPLIES TO ANYTHING PROVIDED BY PHILIPS' SUBCONTRACTOR OR PHILIPS.

## 11. LIMITATIONS OF LIABILITY AND DISCLAIMER.

- 11.1 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 stated in this Agreement for the 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 AGREEMENT.
- 11.2 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.
- 12. <u>PROPRIETARY SERVICE MATERIALS</u>. Philips may deliver or transmit certain proprietary service materials (including software, tools and written documentation) 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.
- 13. <u>THIRD PARTY MANAGEMENT</u>. 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 in this Agreement. Customer guarantees the payment of all monies due or that may become due under this Agreement 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.
- 14. <u>TAXES</u>. Any applicable tax will be invoiced to and payable by Customer, along with the Agreement Price in accordance with the payment terms set forth in this Agreement, 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.
- 15. <u>INDEPENDENT CONTRACTOR</u>. 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' act or omissions related to any services that are performed by customer's employees under this agreement.

- 16. <u>RECORD RETENTION AND ACCESS</u>. If Section 1861(v)(1)(I) of the Social Security Act applies to this Agreement, then Subsections (i) and (ii) of that Section are made a part of this Agreement. In such an event, Philips shall retain and make available, and insert the requisite clause in each applicable subcontract requiring Philips subcontractor to retain and make available, the contract(s), book(s), document(s), and record(s) to the person(s), upon the request(s) for the period(s) of time required by these Subsections.
- 17. <u>HIPAA, PRIVACY</u>. Philips complies with all applicable provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). Upon Customer request Philips will provide a mutually agreeable Business Associates agreement. In the course of providing the Services to Customer, Philips may need to access, view, or download computer files from the System 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 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 under this Agreement.
- **18.** <u>CONFIDENTIALITY</u>. 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 Agreement 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. Each party will disclose such information only to its employees having a need to know such information to perform the transactions contemplated by this Agreement. 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 years after the Exhibit terminates or expires.
- 19. <u>SUBCONTRACTS AND ASSIGNMENTS</u>. Philips may subcontract to service contractors of Philips' choice any of Philips' service obligations to Customer or other activities performed by Philips under this Agreement. No such subcontract will release Philips from those obligations to Customer. Customer may not assign this Agreement or the responsibility for payments due under it without Philips' prior express written consent, which will not be unreasonably withheld.
- 20. **INSURANCE.** Upon Customer request, Philips will provide a Certificate of Philips insurance coverage.
- <u>RULES AND REGULATIONS</u>. To the extent made known in writing to Philips, Philips and its subcontractors will comply with Customer's rules and regulations provided such rules and regulations do not conflict with established Philips policies.
- 22. <u>EXCLUDED PROVIDER</u>. Philips represents and warrants that Philips, its employees, and subcontractors, are neither debarred, excluded, suspended, or otherwise ineligible to participate in a federal health care program, nor have they been convicted of any health care related crime for the products and services provided under this Agreement (an "Excluded Provider"). Philips shall promptly notify Customer if it becomes aware that Philips or any of its employees or subcontractors, providing the Services becomes an Excluded Provider, whereupon Customer may terminate this order by express written notice for services not yet rendered.
- 23. <u>SOLICITATION OF PHILIPS EMPLOYEES</u>. For the duration of this Agreement and for one year following the expiration or termination of this Agreement, Customer and its affiliates will not directly or indirectly solicit any employee of Philips or its affiliates engaged in providing the services.
- 24. <u>SURVIVAL, WAIVER, SEVERABILITY, NOTICE, CHOICE OF LAW</u>. Customer's obligation to pay any money due to Philips under this Agreement survives expiration or termination of this Agreement. All of Philips' rights, privileges, and remedies with respect to this Agreement will continue in full force and effect after the end of this Agreement. A party's failure to enforce any provision of this Agreement is not a waiver of that provision or of such party's right to later enforce each and every provision. If any part of this Agreement is found to be invalid, the remaining part will be effective. 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 and addressed to the party at the address set forth on the face of this Agreement. This Agreement may be executed in one or more counterpart copies, each of equal validity, that together constitute one and the same instrument. Any photocopy or facsimile of this Agreement or any such counterpart



is deemed the equivalent of an original and any such facsimiles constitute evidence of the existence of this Agreement. The law of the state in which the System is located will govern any interpretation of this Agreement and dispute between Philips and Customer without regard to the principles of choice of law.

25. ENTIRE AGREEMENT; EXHIBITS. This Agreement constitutes the entire understanding of the parties and supersedes 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 other document issued by Customer, are rejected and will not apply to the transactions contemplated by this Agreement. No prior proposals, statements, course of dealing, course of performance, usage of trade or industry standard will be part of this Agreement. The service specific exhibits listed below, and any associated attachments, are incorporated herein as they apply to the services listed on the quotation and their additional terms shall apply solely to Customer's purchase of the services specified therein. If any terms set forth in an exhibit conflict with terms set forth in these Terms and Conditions of Service, the terms set forth in the schedule shall govern.

Exhibit 1: Additional Imaging System Service Terms and Conditions
Exhibit 2: Philips Technology Upgrades
Exhibit 3: Additional Support & Assist Coverage Terms and Conditions
Exhibit 4: Uptime Guarantee
Exhibit 5: Additional Clinical Education Training Terms and Condition
Exhibit 6: Additional Software Maintenance Agreement Terms and Conditions
Exhibit 7: Software Maintenance Agreement Hardware Support
Exhibit 8: Additional Patient Care Services Terms and Conditions

**<u>26. AUTHORITY TO EXECUTE</u>**. The parties acknowledge that they have read the terms and conditions of this Agreement, that they know and understand the same, and that they have the express authority to execute this Agreement.



# Exhibit 1 ADDITIONAL IMAGING SYSTEM SERVICE TERMS AND CONDITIONS

# (for Philips and/or Non-Philips Equipment)

## 1. SERVICES PROVIDED

- 1.1. Initial Covered System Inspection. Within 90 days after the Effective Date, Philips will inspect the Covered System not previously serviced by Philips and notify Customer of any covered system that does not meet manufacturers' specifications. Philips will provide Customer a written estimate for repairs necessary to bring any of the Covered System within proper manufacturers specifications. Upon Customer's request, Philips will provide necessary repairs at Philips' then contract labor rate. If customer elects not to have System repaired, then Philips may remove such System from coverage in this agreement.
- 1.2. Repair Service. Commencing on the Effective Date and subject to the repair limitation below, Philips or Philips' subcontractors will provide repair services for Covered System. Philips will provide all replacement parts, which may be refurbished, and labor necessary to repair Covered System, unless excluded in paragraph 3. All components used are subject to Philips inspection and quality control procedures, and shall be warranted to the same extent that a non-refurbished component is warranted. Parts removed for replacement become the property of Philips and Philips shall remove parts from the System Site. Philips may increase its contract prices if the System is upgraded or reconfigured.
- **1.3. Planned Maintenance Service.** Philips will provide Customer a planned maintenance schedule for the Covered System. Philips will provide such planned maintenance during the Service Coverage hours (as defined in the agreement) at a time that is mutually agreed upon. Customer will make the Covered System available in accordance with this schedule. Philips or its subcontractors will provide planned maintenance on the Covered System at scheduled intervals. If Philips cannot locate Covered System, or Covered System was not made available for planned maintenance when scheduled, Philips will notify the Customer that Customer has 90 days to make available Covered System for planned maintenance, otherwise customer waives right to service and Philips may delete Covered System from the contract.
- 1.4. Software Updates. Philips will install operating system software updates provided by the Original Equipment Manufacturer (OEM) for Covered System. Software updates mean revisions to OEM proprietary operating system software that enhance existing System functions and operation without hardware changes, but will not install operating system software upgrades to new software platforms or software options offered separately for sale by the OEM.

## 2. CONTRACT ADMINISTRATION

- 2.1. System Additions and Deletions. After completing the inspection, Customer may add a System to the Covered System list by contacting Philips. Customer and Philips will agree on a mutually-agreeable price and contract start date. The covered System will be added to the contract after receipt of the signed inventory modification form. Customer may delete Covered System only if: (i) Customer permanently removes it from operation or (ii) it is no longer under Customer's exclusive ownership or control and Customer notifies Philips in writing. The covered System will be deleted from the contract after receipt of the signed inventory modification form.
- **2.2. Management and Staffing.** If on-site staffing is provided, Philips will determine and provide the management and service staff necessary to provide the Services under this Exhibit. Philips will pay all salaries, payroll and other employment taxes or fees, worker's compensation insurance, and other charges or insurance levied or required by any federal, state, or local statutes, relating to its employees.
- **2.3.** If applicable, customer shall execute the Subcontracting Confirmation and Agency Authorization Agreement as required by Philips to perform certain duties and responsibilities included within this Exhibit.
- 3. <u>EXCLUSIONS</u> Unless specifically included in this Agreement, the Services do not include providing or paying the cost of:
  - 3.1. Any rigging or structural alteration incident to the Services;
  - **3.2.** Consumable items and supplies (such as biomedical laser tubes and patient used pads), cryogens, PET calibration sources, film, batteries, cassettes;
  - 3.3. Cosmetic repairs;
  - **3.4.** The cost of factory reconditioning, rebuilds, or overhauls if repairs cannot maintain the equipment in satisfactory operating condition;
  - 3.5. Disposing hazardous, infectious, or biomedical waste or materials;



- **3.6.** Providing service to any System under a current service agreement between Customer and another vendor until such agreements expire or are terminated by Customer. Philips is not liable for any cancellation penalty or cost associated with Customer's termination of any such agreement;
- 3.7. Unless otherwise specified in the quotation, maintaining or repairing third-party products including but not limited to nuclear camera detector crystals, CT Tubes and radiation therapy tubes, x-ray tubes, flat panel detectors, image intensifiers magnet replacement, magnet refrigeration system (coldhead, compressor, chillers), MR RF rooms, surface coils HVAC systems, power conditioners, uninterruptible power supplies, special ultrasound transducers (probes) (accessory or attach), TEE probes, TV camera pick-up tubes, photo multiplier tubes, accelerator center beam lines, piped medical gases (up to the wall outlets), copier drums, electron guns, fiber optic bundles, foot/hand controls (switches, accessory, or attachment), klystrons and thyratrons, magnetrons, plumbicons, waveguides, and attachments.
- **3.8.** If this agreement includes coverage for biomedical services: arthroscopy instruments, blood pressure cuffs (accessory or attachment), centrifuge motor brushes, electronic thermometer probes, electrosurgical instruments (pencils & pads), general or surgical instruments, laboratory glass, laser tubes, phaco hand pieces (cataract extraction units, accessory or attachment), non-electrical surgical equipment, rigid & semi-rigid scopes.
- 4. <u>COVERAGE</u> Philips will provide services on-site during the hours listed in Customer's service agreement, excluding Philips observed holidays, unless otherwise set forth in attachments or exhibits ('Service Coverage'). Customer may request service outside of the Service Coverage or service that is not otherwise included in this Agreement and, subject to the availability of personnel and repair parts, Philips will provide such service at Philips's then-current preferred rates and for material and labor. Customer will be charged a minimum of three hours on-site time plus applicable travel charges and expenses per service visit.
- 5. <u>DOCUMENTATION</u> Upon Customer's written request, Philips will provide repair and planned maintenance records for the Covered System.
- 6. <u>CUSTOMER RESPONSIBILITIES</u> During the term of this Agreement, Customer will:
  - **6.1.** Attend a start-up meeting at Customer's facility, prior to the Effective Date of this Agreement, so Philips can explain the Services to the Customer's management and selected staff;
  - **6.2.** Provide a secure dedicated space within Customer's main facility and at each additional facility or location as necessary for the resident Philips staff.
  - 6.3. Provide Philips with broadband internet or Wi-Fi access for business purposes.
  - 6.4. Provide Philips with the System service manuals for any non-Philips System;
  - 6.5. Maintain all software licenses applicable to the Covered System.
  - **6.6.** For Philips use in remote servicing of the System, provide Philips a secure location for hardware to connect System to Philips Remote Service ("PRS").
    - 6.6.1. The PRS hardware remain Philips' property and is only provided during the term of this Agreement;
    - **6.6.2.** Provide Philips and its vendors full and free access to the PRS hardware to enable Philips to remotely access the System or non-Philips System; and
    - **6.6.3.** Provide Philips at each System Site, at all times during the term of this Agreement, a dedicated broadband Internet access node, including public and private interface access, suitable to establish a successful connection to the System through the PRS and Customer network..
    - **6.6.4.** If the System cannot be connected to the PRS, and Customer fails to provide the access described in section 6, then Customer waives its rights to Services under this Agreement and any uptime guarantee.

## 7. CRYOGENS (Applies only to MRI Service)

- **7.1.** If Cryogens are included in this agreement, Customer shall report any magnet cooling system (cold-head, compressor, or chiller) malfunction within 24 hours. If customer fails to report any malfunctions or provide continuous chilled water or power, then customer is responsible for any additional cryogen expenses.
- **7.2.** If the System is not connected to the PRS, then Customer shall report Cryogen level readings for all Systems covered by this Agreement into the Magnet Monitoring System at 1-800-722-9377 (follow prompts) each week.

# PHILIPS

# Exhibit 2 PHILIPS TECHNOLOGY UPGRADES

If Philips Technology Upgrade Option ("PTU Option") is purchased under this Agreement, then Philips will upgrade the System software and hardware as follows:

- 1. For System software Upgrades, Philips will provide the latest available Upgrades, if any, when available and approved by Philips, to the System operating system software, basic application software and software options purchased with the System or purchased separately from Philips for the System. This paragraph (1) does not apply if the PTU Option is for hardware only.
- 2. For System hardware Upgrades, Philips will provide the latest available upgrade, if any, to the System hardware component(s) expressly described on the Agreement under the PTU Option. Philips will provide such hardware at the time and quantity as expressly described on the Agreement under the PTU Option. In no case will Philips obligation under any System hardware provided under the Agreement exceed the greater of \$5,000 or the amount expressly described on the Agreement under the PTU Option is for software only.
- 3. Such Upgrades to the System software and hardware are available only for the System at the System Site. Such Upgrades do not include functionality, applications, options or the like that were not purchased with the System, including but not limited to virus protection software. Customer may not resell, transfer, or assign the right to such Upgrades to any third party. All Upgrades to the System software and hardware provided under the Agreement are subject to the terms and conditions of the Agreement and any licensing terms and conditions included in the purchase of the System from Philips. The System must have the most recent software or hardware version (prior to the then current software or hardware update) to be eligible for an upgrade under the PTU Option.
- 4. If the Agreement is terminated due to the fault of Customer or Customer defaults under the Agreement after any Upgrades to the System software or hardware are provided by Philips, then Customer will pay Philips the list price of the provided Upgrades within thirty days of such termination or default.



Exhibit 3

# ADDITIONAL SUPPORT AND ASSIST COVERAGE TERMS & CONDITIONS

#### 1. SERVICES PROVIDED:

1.1 Training. If training is included with the Agreement, then Philips will admit the number of employees of Customer identified on the face of the Agreement ("Trainee(s)") into the next scheduled training course that relates to the System identified in the quotation or this agreement where space is available, or to any subsequent scheduled course as the parties may agree. Philips will provide training to the Trainee(s) only to the extent service training for the System is included in Philips' training course offerings then in effect and is included on the face of the Agreement. Training will be conducted at Philips' service training facilities, or through remote training options as defined by Philips for the applicable course. All travel and living expenses incurred by the Trainee(s) will be borne by Customer, unless otherwise indicated on the face of the Agreement. Philips may cancel or reschedule courses.

Philips' obligation to provide training hereunder is expressly subject to the Customer Non-Disclosure Terms and Conditions set forth in <u>Attachment 3-1</u> to this Exhibit (which are incorporated into this Exhibit) and expressly contingent on each Trainee signing a Customer Employee Non-Disclosure Agreement set forth as <u>Attachment 3-2</u> to this Exhibit. Trainee(s) must meet the minimum admission requirements set forth in the course syllabus, and must satisfy all prerequisites prior to admission. Philips makes no warranty that any Trainee will pass all or any portion of the training courses provided or that the training will result in any Trainee being qualified or able to troubleshoot and repair any or all possible malfunctions that may occur in the Covered System.

1.2 Customer Service Documentation; Customer Diagnostic Software License. If software and documentation are included in the Agreement, then Philips grants to Customer and Customer accepts from Philips a limited, non-exclusive and non-transferable license (the "License") to load and run the customer diagnostic software issued for the Philips-manufactured Covered System ("Diagnostic Software") and use customer service documentation issued for the Philips-manufactured Covered System ("Service Documentation") in conjunction with the maintenance, service and repair of the Covered System and at the Covered System Site, and subject to Customer Non-Disclosure Terms and Conditions and Customer Employee Non-Disclosure Agreement. Customer acknowledges that the Diagnostic Software and Service Documentation, and all trademarks, copyrights, patents, trade secrets, proprietary rights, or other property rights of Philips associated therewith, are and will remain the exclusive property of Philips. Customer acknowledges that the Diagnostic Software and the Diagnostic Software and the Service Documentation included in this Agreement are only for the Philips-manufactured Covered System, not for any Covered System manufactured by third parties.

The Diagnostic Software and Service Documentation are licensed by Philips for ultimate end use by government agencies only under the following conditions: (a) software and technical data rights in the Software and Documentation include only those rights customarily provided to end user customers as defined in the Agreement; (b) this customary commercial License in the Software and Documentation is provided in accordance with FAR 12.211 (Technical Data) and FAR 12.212 (Computer Software) and, for Department of Defense purchases, DFAR 252.227-7015 (Technical Data - Commercial Items) and DFAR 227.7202-3 (Rights in Commercial Computer Software or Computer Software Documentation); (c) if a federal government or other public sector customer has a need for rights not conveyed under these terms, it must negotiate with Philips to determine if there are acceptable terms for transferring such rights, and a mutually acceptable written agreement specifically conveying such rights must be executed by both parties.

- 1.3 Parts Coverage. If Parts or Combination (parts and labor) Pool coverage is not included in the Agreement, then Philips will sell parts to Customer at Philips' published list price. If Parts coverage is included in the Agreement, then the cost of parts used in corrective maintenance of the Covered System at the Covered System Site is included in this Exhibit, subject to the terms and conditions of the Agreement. Customer may request parts to maintain, service, or repair only Covered Systems at the Site. Customer may not resell or exchange such parts with any third party. If a replaced part is a returnable part as indicated by Philips, Customer must return to Philips the returnable part within 14 days of shipment. If the parts are resold or exchanged, or the part is not returned to Philips in the time stated, Customer shall pay Philips , published list price for such parts plus freight and any other amounts due Philips. Unless priority parts delivery is included in the Agreement, all replacement parts ordered under this Exhibit will be shipped using Philips standard shipping priority prepaid subject to availability. Other freight arrangements will be at Customer's request and expense.
- 1.4 On-Site Coverage. If on-site coverage is included in the quotation, than prior to receiving such coverage, Customer shall follow this process. Customer's trained engineer shall attempt to resolve issue. If Customer's trained engineer is unable to resolve issue then Customer shall contact Philips Customer Solutions Center. If Philips Customer Solutions Center is unable to remotely resolve the issue, than Philips shall dispatch an engineer to the customer site. The Customer's engineer will be present during all such visits. If the Covered System requires any major component replacements, (for example: tubes, flat panel detectors, and coldheads), then Philips must be present for such replacements. Second Response coverage does not include planned maintenance unless otherwise stated on the face of the Agreement.



- 1.5 Combination Pool (Parts and Labor). If Customer purchased Combination Pool option, the initial account balance and the site to which that balance applies (site balance) is specified in the quotation. As Customer requests or uses either on-site labor or parts under Combination Pool coverage, the Combination Pool monetary level stated on the face of the Agreement will be reduced at Philips then current standard rates for on-site labor and Philips then current published list price for parts. If Combination Pool coverage is exhausted during any year of the term then Customer may request on-site labor or parts at Philips' list price less the discount specified in the quotation. Combination Pool coverage expires on an annual basis and no credit for any unused portion is carried forward. Customer may allocate the site balance to on-site labor or parts purchased by Customer between the Covered Systems at the site. Customer may not allocate the site balance to System not listed in the quotation.
- **1.6 Additional Requested Services.** If Customer purchased assist without labor coverage, then Philips will provide requested on-site labor to Customer at Philips' then-current standard hourly rates.
- **1.7 Tubes, Flat Detectors and Image Intensifiers.** If tube, flat detector, or image intensifier coverage is included in the Agreement, then Philips will provide and install these parts on the Covered System.

## 2. CUSTOMER RESPONSIBILITIES

- 2.1 Customer shall assign the Trainee to perform the obligations of Customer described under the Agreement.
- 2.2 Customer shall notify Philips if the Trainee's employment with Customer terminates or Customer assigns another trained employee to maintain or repair the Covered System. Customer's selected employee shall attend training and customer shall pay list price for such training.
- 2.3 Customer shall maintain the Covered Equipment in strict compliance with the planned and remedial maintenance requirements specified by Philips, utilizing replacement parts that meet or exceed Philips' specification. If Customer does not meet these responsibilities, then Philips may terminate any or all of the options specified above and may void any warranty provided herein.
- 3. <u>TERMINATION</u>. In addition to the termination rights described in the Agreement, Philips may immediately terminate this Exhibit or the Agreement and the License without liability to Customer by providing Customer written notice of termination on the happening of any of the following: (a) Customer removes the system from operation at the Covered System Site; (b) Customer no longer owns sole and exclusive title to the Covered System (c) someone other than Customer, Philips, or an authorized Philips distributor or dealer services the Covered System; (d) a competitor of Philips acquires an ownership interest in Customer; or (e) Customer or the Trainee(s) violates any condition or restriction set forth in Customer Non-Disclosure Agreement Terms and Conditions or Customer Employee Non-Disclosure Agreement. Customer must notify Philips immediately upon the happening of any of the above events.

If Customer or Trainee(s) breaches any other term, covenant, or condition herein, then Philips may terminate this Exhibit or the Agreement and the License without liability to Customer upon three (3) days written notice to Customer.

Upon expiration or termination of this Exhibit or the Agreement, the License expires and Customer must immediately return the Philips' Diagnostic Software and Service Documentation and all copies or reproductions thereof to Philips at Customer's expense. Such termination or expiration will not relieve Customer of any of its obligations incurred prior to such termination or expiration, and will not impair any of Philips' rights that have accrued prior to such date. The covenants of Customer contained herein will survive the expiration or termination of this Exhibit or the Agreement and the License. In addition to all other rights and remedies, Philips is entitled to injunctive relief for any breach by Customer of <u>Section 1.2 or 3</u> of these terms and conditions.

4. WARRANTY AND WARRANTY DISCLAIMER. In addition to the warranty obligations described in the Agreement, Philips warrants that any replacement parts or special service tools and Service provided under this Exhibit will be free from defects in material and workmanship for a period of 90 days from the date of installation (when installed by Philips) or 30 days from the date the parts were delivered to Customer (when not installed by Philips). Certain items such as x-ray tubes, photomultiplier tubes, cathode-ray tubes, and high voltage transformers may carry separate warranties that are provided at the time of purchase. This warranty does not include any defect or failure to perform that is the direct or indirect result, in whole or in part, of accident, abuse, misuse, operation of the Covered System in which the part is installed outside of its environmental, electrical or performance specifications, power fluctuations or failures, fires, floods or other similar or dissimilar natural causes, or improper installation or calibration. If a Part does not comply with this warranty, then Customer shall promptly return part to Philips and Philips shall repair or replace such part. THE WARRANITES STATED ABOVE ARE EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT WITH RESPECT TO ANYTHING PROVIDED BY PHILIPS OR ITS SUBCONTRACTOR UNDER THIS EXHIBIT OR THE AGREEMENT. CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR ANY BREACH OF THIS WARRANTY IS THE REPAIR OR REPLACEMENT OF A NON-CONFORMING PART AND THE REPAIR OF COVERED SYSTEM FOR ANY NON-CONFORMING SERVICE.



#### Support and Assist Coverage Exhibit Customer Non-Disclosure Terms and Conditions Attachment 3-1

- 1. Philips holds and owns certain proprietary and trade secret information ("Philips Proprietary Information"), relating to the installation, service, maintenance, and repair of the products, whether or not manufactured or sold by Philips, including the Software and Documentation and any work product or diagnostic results derived therefrom, any oral, written, or electronically recorded information regarding the installation, service, maintenance, repair, construction, design, theory of design, theory of operation, diagnostic tools, teaching materials, hardware schematics, electrical schematics, software of any nature in any form and on any media, repair analysis techniques or maintenance of any Covered System, service notes, safety bulletins, installation manuals, service manuals, service diagnostic tools and techniques, and any other corresponding information of Philips or any of its predecessors, successors, affiliates, subsidiaries, or assigns.
- 2. Customer warrants that all Trainees attending any Philips training are Customer's employees. For the purpose of this Attachment, the term "employee", or other words contemplating the same relationship as "employee", will have the same meaning as when the term is used by the Internal Revenue Service (as distinct from an "independent contractor") to determine whether there is an obligation to withhold income taxes, withhold and pay Social Security and Medicare taxes, and pay unemployment tax on wages paid.
- 3. Prior to the disclosure or dissemination of any Philips Proprietary Information to Customer's Trainee(s) and prior to attending training, Customer must deliver an original copy of the signed Customer Employee Non-Disclosure Agreement (Attachment C1) to Philips. The execution by Customer's Trainee(s) of the Customer Employee Non-Disclosure Agreement and its delivery to Philips is a CONDITION PRECEDENT to Philips' obligation to train or otherwise disclose or disseminate any Philips Proprietary Information to said Customer Trainee(s).
- 4. Customer will treat any Philips Proprietary Information that is received in strictest confidence and will refrain from disclosing or disseminating any of the Philips Proprietary Information without Philips' prior, express, written consent, except to those employees of the Customer who have executed a Customer Employee Non-Disclosure Agreement. Except as permitted under this Attachment, Customer will not directly or indirectly disclose, copy, access, run, perform, display, disassemble, decompile, reverse engineer, modify, adapt, translate, create derivative works, distribute, sublicense, sell, assign, or otherwise transfer all, or any part, of the Proprietary Information, or cause or permit the Proprietary Information, or any part thereof, to be used by any persons, other than the Trainees, and only on the System and at the applicable System Site. Except as permitted under this Attachment, Customer will not, directly or indirectly, permit or authorize its employees to use the Philips Proprietary Information.
- 5. All information disclosed to Customer's Trainee(s) in connection with said training, and all related information regarding the Covered System that Customer may have access to, is presumed to be Philips Proprietary Information.
- 6. The use or disclosure of any of the Philips Proprietary Information by Customer's Trainee(s) for purposes other than the service, maintenance, or repair of the Covered System without Philips' prior, express, written consent is a breach of this Attachment and an unauthorized use or disclosure of Philips' trade secrets or other proprietary rights. If there is such an unauthorized use or disclosure, Philips will be entitled to compensation for all damages arising out of or resulting therefrom, including all consequential damages and attorney's fees incurred by Philips. Considering the substantial investment that Philips has in the Philips Proprietary Information, a violation by or for Customer of any provision of this Attachment or the Customer Employee Non-Disclosure Agreement by Customer's Trainee(s) will cause irreparable injury to Philips and Philips will be entitled, in addition to any other rights and remedies it may have at law or in equity, to an injunction enjoining and restraining the Customer from violating, or continuing to violate, its obligations under this Attachment. Customer confers jurisdiction to enforce the provisions of this Attachment upon the courts of any State of the United States. Customer shall indemnify and hold Philips harmless from any damages resulting from Customer or Trainee's breach of this Attachment.
- 7. The obligations hereunder to maintain the confidentiality of Philips Proprietary Information will endure permanently. Customer may not assign this Attachment nor may any party succeed to Customer's rights and obligations hereunder, unless with the prior written approval of Philips. The terms and conditions of this Attachment will inure to and be binding upon Customer's affiliates, parent, subsidiaries, officers, directors, employees, agents, or other representatives and its permitted assigns and successors.



#### Support and Assist Coverage Exhibit Customer Employee Non-Disclosure Agreement Attachment 3-2

(Name of Employee)		(Cu	(Customer Name)		
(Residence Address)	(City)	(State)	(Zip)		

In consideration of the training, Customer service documentation, or Customer service software received or to be received by me from Philips, and in further consideration of Philips' disclosure to me of its proprietary information, I agree to the following:

- 1. "Philips Proprietary Information" means information disclosed to me, known by me, or acquired by me as a result of my training by Philips or its agents or in my subsequent use of such information in the installation, service, maintenance, or repair of Covered System, including any oral, written, or electronically recorded information regarding the installation, service, maintenance, repair, construction, design, theory of design, theory of operation, diagnostic tools, teaching materials, hardware schematics, electrical schematics, software of any nature in any form and on any media, repair analysis techniques or maintenance of any Covered System, service notes, safety bulletins, installation manuals, service manuals, service diagnostic tools or techniques, and any other corresponding information of Philips or any of its predecessors, successors, affiliates, subsidiaries, or assigns.
- 2. I acknowledge that as part of Philips' training of me in the installation, service, maintenance, and repair of the Covered System, I may receive the benefit of Philips' substantial investment in the Philips Proprietary Information, including thousands of man-hours of work by Philips employees in the development of teaching materials for its training school and development of special troubleshooting and diagnostic methods and protocols relating to the installation, service, maintenance, and repair of the Covered System. I further acknowledge that as part of the Philips training I may be given extensive teaching regarding the theory of design and operation of the Covered System, including training on how to set up and operate such System. As part of the training, I may be taught to analyze the design and details of operation of the system and subsystems in the Covered System. During the training program, I may have disclosed to me Philips Proprietary Information that is not available outside of Philips, including detailed schematic diagrams of the Covered System; the Philips instructors may go through the schematics with me and discuss the operation of the System, system and subsystems, their potential trouble spots and how to isolate and repair such trouble spots. Selected detailed manufacturing instructions developed by Philips may be disclosed to me. Philips' troubleshooting methods and protocols for the service and maintenance of its System include detailed computer diagnostic programs and special codes to perform tests and analysis to help locate and repair particular malfunctions of components of the Covered System. I acknowledge that the Philips training will be extremely valuable and cannot be duplicated elsewhere and that only at the Philips training school will I have access to the special troubleshooting methods and protocols that Philips has developed through painstaking effort and at great expense.
- 3. I will treat the Philips Proprietary Information in strictest confidence, and will not, directly or indirectly, disclose, reverse engineer, decompile, modify, adapt, translate, create derivative works, disassemble, disseminate, lecture upon, publish, copy, or duplicate any such information without Philips' prior, express, written consent. This obligation to maintain the confidentiality of Philips Proprietary Information will endure permanently.
- 4. Upon my employment with my current employer ("Employer") terminating, prior to or upon my retirement, or upon a change in my employment responsibilities wherein my use of the Philips Proprietary Information is no longer required, I will turn over to a designated individual employed by the Employer, all Philips Proprietary Information then in my possession, custody, or control. I will not retain any copies or reproductions of correspondence, memoranda, reports, notebooks, drawings, photographs, excerpts, or any other documents relating in any way to the Philips Proprietary Information that are entrusted to me at any time during my employment with the Employer. If Employer does not designate an employee or agent to accept the surrender of the information and material as required above, I will immediately inform Philips of these circumstances.
- 5. For a period of one year from the date of termination or retirement of my employment with Employer, I will not directly or indirectly install, service, maintain or repair the type of Covered System on which I am being trained, unless I become employed by Philips, one of its authorized dealers or distributors, or a Philips customer having an agreement similar to the agreement that permitted me to attend the training.
- 6. I acknowledge that no license or right is granted hereby and no license or right will be incorporated herein by reference, by implication, or by other means with respect to or under any invention, patent application, patent, copyright, trade secret, or proprietary right contained in or in any way relating to the Philips Proprietary Information.
- 7. This Agreement and all matters relating to the construction, interpretation, and enforcement thereof will be governed by the laws of the State of Washington, without regard to principles of choice of law.
- 8. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable, the unenforceable provision may be stricken without affecting the remainder of this Agreement.

(Employee's Signature)

(Date)

# PHILIPS

# Exhibit 4 UPTIME GUARANTEE

1. <u>GENERAL</u> Philips shall provide to Customer the uptime guarantee specified below ("Uptime Guarantee") on the System listed in the quotation or Attachment A as having uptime as an entitlement ("Uptime System"). Uptime System does not include peripherals, such as external printers, archiving devices, external display monitors, or attached cameras. If Customer does not meet its responsibilities described in <u>Section 6</u> of Exhibit 1, then Customer is not entitled to the benefits of this Uptime Guarantee.

If an item of Uptime System fails to achieve the Uptime Percentage (as defined below) set forth on <u>Schedule 3(a)</u> below, then Customer, as its sole and exclusive remedy, will receive a discount of future Agreement payment(s), as described in <u>Section 3</u> below.

## 2. DEFINITIONS

- a) Measurement Period: The measurement period for determining Uptime Percentage is 12 months beginning on the effective date of the Agreement and thereafter on the annual anniversary date of the effective date.
- b) Base Hours means the hours/day and days/week over which Uptime Hours and Downtime will be calculated during the Measurement Period. The Base Hours will be the contracted hours of coverage provided for under the Agreement for each particular piece of Uptime System.
- c) Downtime means the time that the Uptime System is unable to produce diagnostic images during the Base Hours of any given Measurement Period solely due to Philips' design, manufacturing, materials, or Service performance failure. Measurement of Downtime commences when the Customer notifies the Philips customer service center that the Uptime System is unable to produce diagnostic images. Downtime does not include time due to planned maintenance service, cryogen replenishment, installation of upgrades and updates, x-ray tube replacement, or an occurrence or condition excluded under the Agreement. Philips may verify Downtime and adjust calculations accordingly.
- d) Uptime Hours is determined by subtracting the total Downtime from the Base Hours for a particular piece of Uptime System [Uptime Hours = Base Hours Downtime].
- e) Uptime Percentage is determined by dividing the Uptime Hours by the Base Hours, and multiplying the result by 100 [Uptime Percentage = (Uptime Hours/Base Hours) x 100].

**3.** <u>ADJUSTMENT SCHEDULE</u> If the Uptime Percentage specified in Schedule 3(a) is not achieved for Uptime System then the specified discount will be applied to all payments due during the next Uptime Measurement Period for the Uptime System that did not achieve the Uptime Percentage.

Schedule 3(a): Agreement Payment Adjustment Schedule for Uptime System

99% Uptime Guarantee		98% Uptime	e Guarantee	96% Uptime Guarantee		
Uptime Percentage	Discount	Uptime Percentage	Discount	Uptime Percentage	Discount	
99% - 100% 96% - 98.9% 93% - 95.9% <92.9%	None 5% 10% 15% *	98% - 100% 95% - 97.9% 92% - 94.9% <91.9%	None 5% 10% 15% *	96% - 100% 91% - 95.9% <90.9%	None 5% 10% *	

\* Maximum adjustment available



**4.** <u>UPTIME PERCENTAGE DETERMINATION</u> The Uptime Percentage is determined according to the following formula: Uptime Percentage = (Uptime Hours/Base Hours) x 100. Below are examples of how Uptime Percentage is determined:

a. MEASUREMENT EXAMPLE # 1:
Base Hours = 8 AM to 5 PM Monday through Friday over the 12 month Measurement Period.
9 hours x 5 days x 52 weeks = 2,340 Base Hours
2,340 Base Hours - 60 Downtime hours = 2,280 Uptime Hours
(2280 / 2340) \* 100 = 97.4% Uptime Percentage

b. MEASUREMENT EXAMPLE # 2:
Base Hours = 8 AM to 9 PM Monday through Friday over the 12 month Measurement Period.
13 hours x 5 days x 52 weeks = 3,380 Base Hours
3,380 Base Hours - 60 Downtime hours = 3,320 Uptime Hours
(3320 / 3380) \* 100 = 98.2% Uptime Percentage

5. <u>REPORTS</u> Uptime Percentage performance reports will be provided at the Customer's request for any Measurement Period while this Uptime Guarantee remains in effect. To receive any applicable discount, Customer must notify Philips in writing that the Uptime Percentage was not achieved for a particular System within 60 days after the end of a Measurement Period.

6. <u>WARRANTY DISCLAIMER</u> Philips full Uptime Guarantee obligations to Customer are described in this Exhibit. Philips provides no warranties under this Uptime Guarantee. NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE APPLIES TO THIS UPTIME GUARANTEE.

7. <u>LIMITATIONS OF REMEDIES AND DAMAGES</u> Philips total liability, if any, and Customer's exclusive remedy with respect to this Uptime Guarantee and Philips performance hereunder is limited to the remedies stated herein.



## Exhibit 5 ADDITIONAL CLINICAL EDUCATION TRAINING TERMS & CONDITIONS

- 1. <u>TRAINING COVERAGE</u>. Philips will provide the clinical education and product applications training ("Training") that customer has selected from the Philips' course catalog(s) ("Course Catalog(s)").
- 2. <u>EXCLUSIONS</u>. Training does not include (a) maintenance or diagnostic related technical training or (b) clinical applications training on hardware or software not installed or provided by Philips.
- 3. <u>SCHEDULING</u>. Training must be scheduled at least eight (8) weeks in advance except for on-line training. Changes to scheduled Training must be received in writing by Philips at least two (2) weeks prior to scheduled delivery
- 4. <u>ATTENDANCE</u>. Philips will train the number of Customer employees ("Trainee(s)") for the course specified in the quotation, when space is available. Trainee(s) must meet the minimum admission requirements set forth in the course syllabus, must satisfy all prerequisites prior to admission, and may be required to sign or acknowledge Philips safety checklist prior to receiving Training.
- 5. <u>COURSE LOCATION</u>. Training may be conducted at Philips' training facilities, the Customer location(s) described in this Agreement ("Customer Site(s)"), through on-line or remote training, or at a third party location determined by Philips.

## 6. PAYMENT OPTIONS

- 6.1 Flexible Spending Agreements. If Customer purchased Flexible Spending Agreement option, the initial account balance is specified in the quotation. The account balance is reduced by the list price for the specified course per attendee. When the balance is depleted, customer may add funds to their account. If the account balance is negative, then customer shall promptly pay Philips the balance due. Account balances carry over from year to year during the agreement. However, any remaining account balance at the end of the agreement will not be refunded.
- 6.2 Direct Course Purchase. Customer may purchase individual courses at then current prices.
- 7. <u>TRAVEL</u>. Philips' travel expenses for all Training delivered at the Customer Site are included in the price described in the applicable Course Catalog(s). Unless otherwise indicated in the Course Catalog(s), all travel and living expenses incurred by the Trainee(s) are the Customer's responsibility.
- 8. <u>WARRANTY DISCLAIMER</u>. PHILIPS MAKES NO WARRANTY THAT ANY TRAINEE WILL PASS ALL OR ANY PORTION OF THE TRAINING COURSES PROVIDED OR THAT THE TRAINING WILL RESULT IN ANY TRAINEE BEING QUALIFIED OR ABLE TO OPERATE THE SYSTEM.



## EXHIBIT 6 PATIENT CARE SOFTWARE MAINTENANCE AGREEMENT

1. <u>SERVICES PROVIDED</u>. Commencing on the Effective Date and subject to the limitations below, Philips will provide services listed on the quotation(s) for Covered System.

Table 1 - Coverage Types					
Coverage Types	Telephone and Remote Support	Software Updates and Upgrades	Installation Services for Software Updates and Upgrades	Hardware Coverage	
Software Maintenance Agreement	Included	Included	Included	Not Available	
Software Maintenance Agreement with Hardware Support	Included	Included	Included	See Hardware Support Attachment	

## 2. <u>TELEPHONE AND REMOTE SUPPORT.</u>

- 2.1 Telephone Support. Telephone and Remote Support coverage is included with all Service Agreements identified in the Exhibit. Technical Telephone and Remote Support coverage Services are available twenty-four hours per day, seven days per week including Philips recognized holidays. Clinical Telephone and Remote Support coverage is available Monday through Friday between 8:00 AM and 5:00 PM local time, excluding Philips observed holidays.
- **2.2 Initial Telephone Response.** If Philips receives a Customer request for service Monday through Friday between 8:00 AM and 5:00 PM local time, excluding Philips observed holidays, then Philips will make reasonable efforts to make an initial response within one hour from the receipt of the request. Otherwise, Philips will respond within two hours of the receipt of the original message.
- 2.3 Remote Access & Diagnostics. Philips may remotely access the System to perform services. Customer shall provide Philips access to the System.
- 2.4 On-Site Response. Philips primary method for Software services is telephone and Philips Remote Services. Philips may provide on-site Software support services to resolve software issues that cannot be resolved through Philips' primary resolution method. On-site services is next business day, Monday through Friday, excluding Philips recognized holidays, 8:00 AM to 5:00 PM local time, and provides for labor and travel necessary for the delivery of corrective Services.
- 2.5 Philips Internet-based Customer Support Tools. Philips will provide access to Philips web based support tool for the System(s) covered under the Service Agreement.
- 3. <u>INTERFACE SUPPORT</u>. Philips supports the DICOM and HL7 communication to and from the System as they exist at the System Site at the time of installation. In the case of upgrades, Philips shall provide the following Software maintenance Services:
  - 3.1 If the Philips System, interoperability mapping engine, or biomedical device is upgraded to the latest version, Philips will restore the inbound / outbound communication to the pre-upgrade condition with like-for-like parameters. If incremental parameters or functionality are available as a result of the upgrade and Customer purchases or chooses to use these parameters or functionality, then Customer shall pay the cost of any additional work required to implement and support the new communication capabilities at Philips' then-current standard labor and material rates for such Service.
  - **3.2** Philips' interface support does not include the modification of any interface due to interface changes in third party Hardware or Software or replacement of Philips interoperability mapping engine product with a different interoperability engine product. In the case of a planned upgrade of the System that involves modifications to the interface specifications, Philips requires that detailed technical information on such modifications be made available to Philips at least ninety (90) days in advance of the planned upgrade. In such a case Philips shall work with the third party to understand changes in interface specifications and format and may modify and upgrade the System to support such new interface specifications at a schedule and additional cost to be mutually approved by Philips and the Customer. The Customer shall pay the cost of any additional work required to implement and support the new interface specifications at Philips' then-current standard labor and material rates for such Service.
- 4. <u>SOFTWARE, UPDATES, UPGRADES AND FIXES</u>. If a software upgrade, update, or fix is available for the System, is included in the Agreement, and the requirements of the Agreement are satisfied, then Philips will update or upgrade the System application software during the term of the Agreement as follows:
  - 4.1 Philips will provide Software updates and upgrades consisting of revisions to, and new versions of, Software for existing applications. Third party software including, but not limited to operating system licenses, database software licenses, client access licenses, and anti-virus software is not included. Hardware updates and upgrades are not included. Customer has no right to updates and upgrades that are released before the start date of the Agreement. If the Agreement expires after Philips notifies Customer than an



update or upgrade is available, then the Customer is entitled to receive the offered update or upgrade for three (3) months following such termination.

- **4.1.1** Functionality. Customer is entitled to additional functionality or options previously purchased or bundled with the software if available in the update or upgrade released on or after the start date of the Agreement. Customer may purchase new, separately-licensed functionality or options for the System separately after the start date of the Agreement. Customer acknowledges that certain functionality in current and previous software versions may not be available in upgrades.
- **4.1.2** Hardware updates and upgrades. Software updates and upgrades may require hardware updates or upgrades. Customer is responsible for any such hardware updates or updates. Upgrade installation and clinical support of the installation are subject to the terms of this Agreement.
- 4.2 To receive an upgrade:

**4.2.1** Customer must be in compliance with all terms and conditions of this Exhibit and the Agreement, including the availability of Philips remote service capability and access to the System by Philips personnel; **4.2.2** Customer must identify one Customer representative, in writing to Philips, that will manage and be responsible for Customer's selection and scheduling of upgrades installation under this Exhibit; and

**4.2.3** The System that will receive the update or upgrade must meet the specifications of the update or upgrade. Customer shall provide the System hardware or software necessary to meet such specifications.

- 4.3 Unless specifically included elsewhere in this agreement, software updates, upgrades, and fixes do not include: functionality, applications, options or the like that were not purchased with the System, including virus protection software, security patches, custom interface software, operating system software, software updates of third party software (e.g. Citrix). Philips shall have no responsibility to provide software upgrades, updates or fixes for minor software defects.
- 4.4 Customer may not resell, transfer, or assign the right to such upgrades, updates, or fixes to any third party. All upgrades, updates, and fixes provided to the System under this Exhibit are subject to the terms and conditions of this Exhibit, the Agreement, and any license terms and conditions included in the purchase of the System from Philips or later provided to Customer.
- 5. <u>INSTALLATION SERVICES FOR SOFTWARE, UPGRADES, UPDATES AND FIXES</u>. Philips will install the upgrades, updates, or fixes that Customer is entitled to receive under this Agreement either on-site or remotely, at Philips sole discretion, at a time mutually agreed to by Philips and the Customer.

Philips will provide clinical support or clinical education during the installation that Customer is entitled to receive under the purchased coverage type. If Customer requires additional clinical services, then Philips will provide such services to Customer at Philips' then current labor and material rates. Clinical support at the installation will be provided in support of the new software revision installation and does not include end-user clinical education. Clinical support at the installation may be provided remotely at Philips sole discretion.

Update or upgrade installation and clinical support of the installation shall take place during standard coverage hours, Monday through Friday between 8:00 AM and 5:00 PM local time, excluding Philips observed holidays. If Customer requires additional installation support or clinical services, then Philips will provide such installation or services to Customer at Philips then current labor and material rates.

6. <u>CLINICAL EDUCATION</u>. Philips will perform the clinical support of the installation or clinical education for upgrades, updates, or fixes that Customer is entitled to receive under this Agreement, at a time mutually agreed to by Philips and the Customer. Scope, duration and delivery methodology of the clinical support of the installation or clinical education will vary by upgrade, update, or fix and will be defined by Philips at Philips sole discretion.

## 7. CUSTOMER RESPONSIBILITIES.

- **7.1 System administrator.** The Customer shall designate an individual(s) to serve as Customer system administrator ("System Administrator) and an alternate, who will serve as Philips' primary support contacts. These individuals should be familiar with all aspects of training provided by Philips, including end-user and system administrator training. In addition, the System Administrator shall maintain the integrity of the System operation and ensuring that proper backup procedures are in place.
- **7.2 Remote access.** Customer must provide necessary remote access, required information, and support for the System to connect to Philips Remote Service (PRS). PRS is the basis for Services delivered under this Exhibit. Customer waives all rights to services and service deliverables under this agreement unless PRS connectivity is enabled and maintained.
- **7.3 Security.** The Customer is solely responsible for providing adequate security to prevent unauthorized System access to Philips (or its third party vendors) proprietary and confidential information.
- 7.4 Software version levels. Customer must maintain its Systems at a currently supported version to receive support under this Exhibit.
- **7.5 Hardware revision levels.** The Customer must maintain all associated System hardware, firmware, and middleware at the required revision levels for the software version. To receive software updates and upgrades, the Customer must maintain all associated hardware to the then-current specification for the software updates or upgrades.



- 7.6 Data reconstruction. The Customer shall follow the recommended back-up processes as outlined in the System Installation or Reference Guides. The Customer is also responsible for the reconstruction, restoration, retrieval, or recovery of any lost or altered patient records, files, programs, or data. Philips is not responsible for the reconstruction, restoration, retrieval, or recovery of any lost or altered patient recovery of any lost or altered files, data, or programs. For an additional charge based upon published labor and material rates, Philips will offer services on a commercially reasonable efforts basis to reconstruct data.
- 7.7 Intermediate Resolutions. Customer shall implement any intermediate System resolutions or workarounds as requested by Philips while Philips seeks a long term System resolution.

## 8. SERVICE LIMITATIONS.

- **8.1 Software Restoration.** If the Software fails and the supported application Software requires restoration, then Philips will reinstall the application Software, database Software, and operating system to the revision level that existed prior to the malfunction or failure and Philips will attempt to reinstall the customer-created data backup. If the customer-created data backup cannot be used to re-install any data to the System, the customer will hold sole responsibility for the loss of data. Custom or third party Software, custom database configurations or reports, and Customer-written product interfaces are not included. If a system failure is attributed to Hardware not supported under the Agreement, the Customer shall restore the Software, operating system, and database Software before Philips begins any Software restoration efforts. Philips may offer, for an additional charge based upon published labor and material rates, Hardware support and Software restoration Services.
- **8.2** Anti-Virus Statement. Philips Software is a computer-based medical product and, therefore, may be subject to attack by outside computer viruses. The Software required to prevent attack by a computer virus must be constantly monitored and updated. Customer shall install and maintain anti-virus Software in accordance with the System Installation or Reference guides. After installing the software, Customer shall have the burden of proof if it claims that Philips introduced a Virus discovered in the software . Customer will pay an additional amount based on Philips' then-current time and materials rates for such work in respect of Services rendered in connection with a Virus that was not introduced by Philips. Philips shall use reasonable efforts to notify Customer if Philips becomes aware of any Virus in the Software licensed to Customer under this Agreement.
- **8.3 Non-Philips Software Assistance.** Requests for assistance with Hardware, operating systems, communications network, Third Party Software, printer configuration, etc., are outside the scope of this Agreement. However, if Customer's request, then Philips may provide non-Philips Software assistance on a time and materials basis at Philips then-current time and materials rates, as available.
- 9. <u>EXCLUSIONS</u>. In addition to the Service Exclusions set forth in the Agreement, the following Service Exclusions apply to Services.
  - **9.1** Any combining of the System with a non-qualified device. A non-qualified device is:
    - **9.1.1** Any product (hardware, firmware, software, or cabling) not supplied by Philips, whether used internal or external to System without Philips' approval. Examples include, software patches, security fixes, and service packs from the operating system, web browser, or database software manufacturer(s);
    - 9.1.2 Any product supplied by Philips that has been modified by the Customer or any third party; and
    - **9.1.3** Any product maintained under this Agreement in which the Customer does not allow Philips to incorporate engineering improvements.
    - **9.1.4** Any product that has reached its "End of Life". "End of Life" means software and or hardware equipment that has surpassed the published end of support life date by the original equipment manufacturer.
  - **9.2** Operating system software issues that manifest themselves in non-performance of another installed application and affect use or performance of the System.
  - **9.3** If the System covered by this Exhibit is software only, then notwithstanding anything to the contrary in the Agreement or this Exhibit, hardware and parts are not included in the Services.
  - **9.4** Any network related problems.
  - **9.5** The cost of consumable materials, including batteries, software media, and cassettes.



# EXHIBIT 7 PATIENT CARE SOFTWARE MAINTENANCE AGREEMENT HARDWARE SUPPORT COVERAGE

If included in the Agreement, Philips will provide hardware support Services during standard coverage hours, Monday through Friday, 8:00 AM to 5:00 PM local time, excluding Philips recognized holidays. Hardware support coverage provides Customer's technical or biomed support organization with clinical and technical phone support, troubleshooting, parts, and repairs, as follows:

**1. Support Parts.** If the Agreement includes Support Parts, then Philips will provide the technical and clinical phone support and parts for corrective services for System hardware covered under this Exhibit. Unless otherwise specified, parts will be shipped via priority delivery.

2. Exchange. If the Agreement includes Exchange coverage, then Philips will provide technical and clinical phone support and determine whether corrective maintenance for particular System components will include System exchange instead of parts. Defective, broken, or otherwise replaced components will become Philips property and will be promptly removed from the System Site. Unless otherwise specified, exchange Systems will be shipped via priority delivery.

**3. Bench**. If the Agreement includes Bench coverage, then Philips will provide the technical and clinical phone support and determine whether corrective maintenance for particular bench repairs instead of parts or System exchange. Defective, broken, or otherwise replaced components will become Philips property. Unless otherwise specified, bench repairs will be return shipped via priority delivery. Customer shall ship the System to Philips in accordance with Philips shipping instructions.

## EXHIBIT 8 ADDITIONAL PATIENT CARE SERVICES TERMS & CONDITIONS

1. <u>SERVICES PROVIDED:</u> Commencing on the Effective Date and subject to the limitations below, Philips will provide services listed on the quotation(s) for Covered System.

Agreement Type	Telephone and Remote Support	On-Site Response Time	On-Site Labor	On-Site Travel	Parts	Priority Parts Delivery
Comprehensive Onsite Support	24x7x365 Two Hour Response	On-Site Next Business Day†	Included	Included	Included††	Included
Support Parts Agreement	24x7x365 Two Hour Response	Not Applicable	Not Applicable	Not Applicable	Included††	Included
Support Parts Agreement with Second Response	24x7x365 Two Hour Response	On-Site Next Business Day†	Included	Included	Included††	Included
Bench Repair Service	24x7x365 Two Hour Response	Not Applicable	Included – Remote Only	Not Applicable, Return Shipping Only	Included††	Typical Bench Repair Time: 3- 6 business day return <del>†</del>
Unit Exchange Services	24x7x365 Two Hour Response	Not Applicable	Not Applicable	Not Applicable	Unit exchange only	Typical Unit Exchange Time: Next business day exchange†
Biomed Assist Services	24x7x365 Two Hour Response	Not Applicable	Not Applicable	Not Applicable	Discount Applied	Included

†Excluding Philips recognized holidays ††Excluding Supplies and Accessories

2. RESPONSE TIME DEFINITIONS.

- **2.1** "Initial Telephone Response" is the time for a qualified Philips service representative to make direct telephone contact with the Customer following a request for Service.
- 2.2 "On-Site Response Time" is the time for a qualified Philips service representative to arrive on site to begin service.
- **2.3** *"Typical Bench Repair Time"* is the time for a qualified Philips service representative to repair and return the Customers' existing Patient Care Equipment (from Philips receipt of the device to Philips shipment of such equipment to Customer).
- **2.4** *"Typical Unit Exchange Time"* is the time for a qualified Philips service representative to exchange the Customers' Patient Care Equipment with a new and/or refurbished device.
- 2.5 "Philips Next Business Day" response depends on the location of the Customer. Philips response time will be: (i) next business day response time for System Sites located within 100 miles of the responding Philips Field Service Engineer, (ii) two business days for System Sites located within 101 200 miles of the responding Philips Field Service Engineer, (iii) three business days for System Sites located within 201 300 miles of the responding Philips Field Service Engineer, and (iv) the response time described in the Agreement for System Sites located greater than 301 miles of the responding Philips Field Service Engineer.

## 3. <u>COVERAGE</u>.

- **3.1 Telephone and Remote Support.** Telephone and remote support coverage is included with all Service Agreements identified in the Exhibit.
- **3.2 Remote Access & Diagnostics.** Philips may remotely access the System to perform services. Customer shall provide Philips access to the System.
- **3.3 Philips Internet-based Customer Support Tools.** Philips will provide one (1) seat license to Philips web based support tool for the System(s) covered under the Service Agreement.
- **3.4 On-Site Labor and Travel.** Philips will provide the labor and travel necessary for the delivery of corrective maintenance Services during on-site Service Coverage hours. On-site service coverage hours are Monday to Friday, 8:00 am to 5:00 pm excluding holidays.

- **3.5 Extended Coverage Hours.** Extended coverage hours for on-site labor coverage is seven (7) days per week, twenty-four (24) hours per day, including Philips holidays.
- **3.6 Overtime On-Site Labor and Travel.** If extended coverage hours are not included, then overtime on-site labor will be billed at a preferred rate.
- **3.7 Parts and Priority Delivery of Parts.** Philips will provide the parts for corrective maintenance services. Priority Delivery of parts is next business day delivery for parts ordered prior to 3:00 PM Eastern.
- **3.8 Planned Maintenance**. If Planned Maintenance Service is included in the agreement, then Philips will provide Customer a planned maintenance schedule for the Covered Equipment. Philips will provide such planned maintenance during the Service Coverage hours at a mutually agreed upon time. Customer will make the Covered Equipment available in accordance with this schedule. Philips will provide planned maintenance on the Covered Equipment at scheduled intervals. Philips may perform Planned Maintenance activities at the Philips repair facility for certain Patient Care Equipment. If loaner equipment is included in the Service Agreement and provided to Customer, then Customer will execute a loaner agreement to document its responsibility for any loss or damage to such equipment while in Customer's possession. All terms and conditions of the Service Agreement and this Services Exhibit will apply to the loaner equipment.

## 4. CUSTOMER RESPONSIBILITIES.

## 4.1 Support Parts Agreement.

- **4.1.1** Ensure that all Patient Care Equipment of the same model number at the Patient Care Equipment Site is covered by the same Support Parts Agreement program, a separate Philips service agreement (except Biomed Assist Services), or Philips standard warranty. If such service agreement or warranty expires during the term of the Service Agreement, then all equipment of the same model as the Patient Care Equipment must be added to the existing Support Parts Agreement program (except Biomed Assist Services) or a new Philips service agreement that includes a Support Parts Agreement.
- **4.1.2** Designate and train a biomedical engineer and an alternate, who will serve as Philips' primary support contacts. Such individuals must be familiar with all aspects of biomedical training provided by Philips. In addition, the biomedical engineer shall maintain the integrity of the Patient Care Equipment. If the Customer does not have a trained biomedical engineer who meets Philips requirements, then Customer shall purchase the optional Biomedical Engineer (BMET) Training course.
- **4.1.3** If Customer cannot resolve the Patient Care Equipment problem and requires on-site assistance of Philips, then Philips will provide such on-site service at Philips then current standard rates for demand service plus applicable travel charges per service visit (unless Second Response coverage is included in the Service Agreement).
- 4.2 Biomed Assist Services. If Biomed Assist Services coverage is included in the Service Agreement, then Customer will ensure that any Patient Care Equipment not covered by Biomed Assist Services is covered under a Support Parts Agreement, a separate Philips service agreement, or Philips standard warranty. If such Support Parts Agreement, service agreement, or warranty expires during the term of the Agreement, then all Patient Care Equipment covered under such expiring agreement or warranty must be added to the existing Biomed Assist Services coverage or a new Philips service agreement.
- 4.3 Parts. If Parts coverage is included in the Service Agreement, then, subject to the terms and conditions of this Agreement, the cost of parts used in corrective maintenance of the Patient Care Equipment at the Patient Care Equipment Site is included in this Agreement. Philips may reject any Customer requests for parts that is not for the Equipment. The following applies regardless if Parts coverage is included or not included in the Service Agreement: Customer acknowledges and agrees that all parts furnished pursuant this Agreement will only be used in the maintenance, service and repair of the Patient Care Equipment at the Patient Care Equipment Site. Customer may not resell or exchange such parts with any third party. Unless Priority Parts Delivery is included in the Services Agreement, all replacement parts ordered under the this Services Exhibit will be shipped using Philips standard shipping priority prepaid subject to availability. Other freight arrangements will be at Customer's request and expense. Philips may use refurbished components in the repair of the Patient Care Equipment; the refurbished components shall be subject to the same inspection and quality control procedures as all other materials used in the manufacture of the Patient Care Equipment, and shall be warranted to the same extent that a non-refurbished component is warranted.
- **4.4 Exchange Unit:** If a replaced part is a recyclable or exchange part as indicated on Philips' published price book, then Customer must return to Philips the failed recyclable or exchange part for which the replacement part was furnished within seven (7) days of shipment of the replacement part. If the failed part is not returned to Philips in the time stated, Customer will pay Philips, in addition to any other amounts due Philips, Philips' published list price for such parts plus freight.
- 4.5 Remote Access. For Philips to provide remote support, Customer must provide remote access to the Patient Care Equipment via Philips specified connection as described in the Service Agreement and notify Philips of any changes to connection procedures. Customer must also provide Philips with access to domain accounts, passwords, and connections that are necessary to perform required Services.

- **4.6 Security**. Customer shall provide security to prevent unauthorized Patient Care Equipment access to proprietary and confidential information
- **4.7 Software version levels.** Customer must maintain its Systems at a currently supported version to receive support under this Exhibit.
- **4.8 Hardware revision levels.** The Customer must maintain all associated System hardware, firmware, and middleware at the required revision levels for the software version. To receive software updates and upgrades, the Customer must maintain all associated hardware to the then-current specification for the software updates or upgrades.
- 4.9 Data reconstruction. The Customer shall follow the recommended back-up processes as outlined in the System Installation or Reference Guides. The Customer is also responsible for the reconstruction, restoration, retrieval, or recovery of any lost or altered patient records, files, programs, or data. Philips is not responsible for the reconstruction, restoration, retrieval, or recovery of any lost or recovery of any lost or altered patient records, files, programs, or data. Philips is not responsible for the reconstruction, restoration, retrieval, or recovery of any lost or altered files, data, or programs. For an additional charge based upon published labor and material rates, Philips will offer services on a commercially reasonable efforts basis to reconstruct data.
- **4.10Intermediate Resolutions**. Customer shall implement any intermediate System resolutions or workarounds that Philips requests while seeking a long term System resolution.

## 5. SERVICE LIMITIONS.

- **5.1 Software Restoration.** If the Software fails and the supported application Software requires restoration, then Philips will reinstall the application Software, database Software, and operating system to the revision level that existed prior to the malfunction or failure and Philips will attempt to reinstall the customer-created data backup. If the customer-created data backup cannot be used to re-install any data to the System, the customer will hold sole responsibility for the loss of data. Custom or third party Software, custom database configurations or reports, and Customer-written product interfaces are not included. If a system failure is attributed to Hardware not supported under the Agreement, the Customer shall restore the Software, operating system, and database Software before Philips begins any Software restoration efforts. Philips may offer, for an additional charge based upon published labor and material rates, Hardware support and Software restoration Services.
- 5.2 Anti-Virus Statement. Philips Software is a computer-based medical product and, therefore, may be subject to attack by outside computer viruses. The Software required to prevent attack by a computer virus must be constantly monitored and updated. Customer shall install and maintain anti-virus Software in accordance with the System Installation or Reference guides. After installing the software, Customer shall have the burden of proof if it claims that Philips introduced a Virus discovered in the software. Customer will pay an additional amount based on Philips' then-current time and materials rates for such work in respect of Services rendered in connection with a Virus that was not introduced by Philips. Philips shall use reasonable efforts to notify Customer if Philips becomes aware of any Virus in the Software licensed to Customer under this Agreement.
- **5.3 Non-Philips Software Assistance**. Requests for assistance with Hardware, operating systems, communications network, Third Party Software, printer configuration, etc., are outside the scope of this Agreement. However, if Customer's request, then Philips may provide non-Philips Software assistance on a time and materials basis, at Philips then-current time and materials rates, as available.
- 6. <u>EXCLUSIONS</u>. In addition to the Service Exclusions set forth in the Agreement, the following Service Exclusions apply to Services.
  - 6.1 Any combining of the System with a non-qualified device. A non-qualified device is:
    - 6.1.1 Any product (hardware, firmware, software, or cabling) not supplied by Philips, whether used internal or external to System without Philips' approval. Examples include software patches, security fixes and service packs from the operating system, web browser, or database software manufacturer(s);
    - 6.1.2 Any product supplied by Philips that has been modified by the Customer or any third party; and
    - **6.1.3** Any product maintained under this Agreement in which the Customer does not allow Philips to incorporate engineering improvements.
    - **6.1.4** Any product that has reached its "End of Life". "End of Life" means equipment that is at least six (6) months beyond the end of life date, which is determined by the manufacturer.
    - **6.1.5** Operating system software issues that manifest themselves in non-performance of another installed application and affect use or performance of the System.
    - 6.1.6 Any network related problems.
    - 6.1.7 The cost of consumable materials, including batteries, software media, and cassettes