

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



Contract Number

2.858

SAP Number

Arrowhead Regional Medical Center

Department Contract Representative	William L. Gilbert
Telephone Number	(909) 580-6150
Contractor	Philips Healthcare, a division of Philips North America LLC
Contractor Representative	Laura Hermann
Telephone Number	(619) 318-6090
Contract Term	
Original Contract Amount	\$150,000
Amendment Amount	
Total Contract Amount	\$150,000
Cost Center	

Briefly describe the general nature of the contract: Quote and Amendment to the Quote with Philips Healthcare, a division of Philips North America LLC, for the one-time purchase of a Philips Ultrasound System in the amount not to exceed \$150,000.

FOR COUNTY USE ONLY

Approved as to Legal Form



Charles Phan, Deputy County Counsel

Date 8/20/2021

Reviewed for Contract Compliance



Date

Reviewed/Approved by Department



William L. Gilbert, Director

Date

9/14/21

Non-Standard Contract Coversheet

Revised 3/14/19

PHILIPS HEALTHCARE
22100 Bothell Everett Highway
PO Box 3003
Bothell, Washington 98041- 3003
Tel: (800) 934-7372
Fax: (800) 947-3299



**AMENDMENT
BETWEEN
PHILIPS HEALTHCARE
A DIVISION OF
PHILIPS NORTH AMERICA LLC ("Philips")
and**

San Bernardino County on behalf of Arrowhead Regional Medical Center

("Customer") DATED: 7/9/2021

The following provisions of Philips' Quotation No. 1-21ERDH3, Rev. 4 dated October 15, 2021 are hereby amended as follows:

QUOTE

Delete the following language in its entirety from page 1 of the quote:

This quotation contains confidential and proprietary information of Philips Healthcare, a division of Philips North America LLC ("Philips") and is intended for use only by the customer whose name appears on this quotation. It may not be disclosed to third parties without the prior written consent of Philips.

and insert in its place:

This quotation contains confidential and proprietary information of Philips Healthcare, a division of Philips North America LLC ("Philips") and is intended for use only by the customer whose name appears on this quotation. Except as prohibited by applicable laws or regulations (which may require disclosure), it may not be disclosed to third parties without the prior written consent of Philips.

PHILIPS STANDARD TERMS AND CONDITIONS OF SALE

Delete Section 8 in its entirety and insert in its place:

8. Limitation of Liability.

8.1 THE TOTAL LIABILITY, IF ANY, OF PHILIPS AND ITS AFFILIATES FOR ALL DAMAGES AND BASED ON ALL CLAIMS, WHETHER ARISING OR RELATING TO BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHER TORT, OR OTHERWISE, ARISING FROM A PRODUCT, LICENSED SOFTWARE, AND/OR SERVICE IS LIMITED TO THE PRICE PAID HEREUNDER FOR THE PRODUCT, LICENSED SOFTWARE, OR SERVICE GIVING RISE TO THE LIABILITY.

8.2 THIS LIMITATION SHALL NOT APPLY TO:

8.2.1 THIRD PARTY CLAIMS FOR DIRECT DAMAGES FOR BODILY INJURY OR DEATH TO THE EXTENT CAUSED BY PHILIPS' NEGLIGENCE OR PROVEN PRODUCT DEFECT;

8.2.2 CLAIMS OF TANGIBLE PROPERTY DAMAGE REPRESENTING THE ACTUAL COST TO REPAIR OR REPLACE PHYSICAL PROPERTY TO THE EXTENT CAUSED BY PHILIPS' NEGLIGENCE OR PROVEN PRODUCT DEFECT;

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PHILIPS

8.2.3 OUT OF POCKET COSTS INCURRED BY CUSTOMER TO PROVIDE PATIENT NOTIFICATIONS, REQUIRED BY LAW, TO THE EXTENT SUCH NOTICES ARE CAUSED BY PHILIPS' UNAUTHORIZED DISCLOSURE OF PHI;

8.2.4 FINES/PENALTIES LEVIED AGAINST CUSTOMER BY GOVERNMENT AGENCIES CITING PHILIPS UNAUTHORIZED DISCLOSURE OF PHI AS THE BASIS OF THE FINE/PENALTY, ANY SUCH FINES OR PENALTIES SHALL CONSTITUTE DIRECT DAMAGES; and,

8.2.5 PHILIPS' INDEMNIFICATION OBLIGATIONS SET FORTH IN THE VIZIENT AGREEMENT

Delete Section 9 in its entirety and insert in its place:

9. Disclaimer

9.1 IN NO EVENT SHALL PHILIPS OR ITS AFFILIATES BE LIABLE FOR ANY INDIRECT, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY 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. Philips may not disclaim any amounts paid or payable under the indemnification obligations in the Vizient Agreement; all such amounts will be deemed direct damages.

Add Section 12 as follows:

12. Signatures

12.1 This Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Amendment. The parties shall be entitled to sign and transmit an electronic signature of this Amendment (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Amendment upon request.

Philips' Quotation No. 1-2IERDH3, Rev. 4 dated October 14, 2021, including the descriptions of the items of equipment, together with this Amendment represents the entire agreement between the parties and supersedes all previous communications, representations, agreements and negotiations between the parties on this matter. Any modification, amendment or supplement shall not be binding unless it is in writing and signed by an authorized representative of San Bernardino County on behalf of Arrowhead Regional Medical Center and Philips Healthcare a division of Philips North America LLC.

The offer to enter into this Amendment is valid 90 days from Oct 15, 2021.

Accepted and agreed by:

San Bernardino County on behalf of
Arrowhead Regional Medical Center.

Signature:

Printed Name:

Chairman, Board of Supervisors

Title:

Philips Healthcare a division of Philips North
America LLC

Laura Hermann

Signature:

Laura Hermann

Printed Name:

Account Manager -10-15-2021

Title:

PHILIPS HEALTHCARE
A division of Philips North America LLC
414 Union St, 2nd Floor
Nashville, TN 37219



Quotation #: 1-2IERDH3	Rev: 4	Effective From: 15-Oct-21	To: 14-Dec-21
Presented To: COUNTY OF SAN BERNARDINO ARROWHEAD REGIONAL MEDICAL CENTER 400 N PEPPER AVE COLTON, CA 92324-1819 Tel: Alternate Address:		Presented By: Laura Hermann Account Manager Bert Foreman Regional Manager Tel: (619) 318-6090 Fax: Tel: Fax:	
Date Printed: 15-Oct-21			

This quotation contains confidential and proprietary information of Philips Healthcare, a division of Philips North America LLC ("Philips") and is intended for use only by the customer whose name appears on this quotation. It may not be disclosed to third parties without the prior written consent of Philips.

IMPORTANT NOTICE: Health care providers are reminded that if the transactions herein include or involve a loan or discount (including a rebate or other price reduction), they must fully and accurately report such loan or discount on cost reports or other applicable reports or claims for payment submitted under any federal or state health care program, including but not limited to Medicare and Medicaid, such as may be required by state or federal law, including but not limited to 42 CFR 1001.952(h).

Quote Solution Summary

<u>Line #</u>	<u>Product</u>	<u>Qty</u>	<u>Price</u>
	101978 EPIQ Elite Diagnostic Ultrasound System	1	\$139,545.40
Equipment Total:			\$139,545.40

Solution Summary Detail

<u>Product</u>	<u>Qty</u>	<u>Each</u>	<u>Monthly</u>	<u>Price</u>
101978 EPIQ Elite Diagnostic Ultrasound System	1	\$139,545.40		\$139,545.40

Buying Group: VIZIENT SUPPLY LLC

Contract #: XR0432 US

Add'l Terms: The specific Contract # referenced above represents the Novation or Vizient agreement with Philips containing discounts, fees and any specific terms and conditions, including the Vendor's Terms and Conditions of Sale (subject to such Contract), applicable to the purchase of any Product identified as part of this quoted Solution.

Each Quotation solution will reference a specific Buying Group/Contract Number representing an agreement containing discounts, fees and any specific terms and conditions which will apply to that single quoted solution. If no Buying Group/Contract Number is shown, Philips' Terms and Conditions of Sale will apply to the quoted solution.

Each equipment system listed on purchase order/orders represents a separate and distinct financial transaction. We understand and agree that each transaction is to be individually billed and paid.

Payment Terms: 0% Down, 100% due upon Invoicing Net 30

Quote Summary

101978 EPIQ Elite Diagnostic Ultrasound System

Qty	Product
1	NNAV418 EPIQ Elite G
1	NNAV458 Essential Radiology High Frequ
1	NUSY041 Radiology
1	FUS9186 mC12-3 Transducer
1	FUS7000 English Manual
1	NUSY301 HD Max Display
4	SP059T Xtend Coverage
1	SEBLRSVNP1 Customer Note

101978 EPIQ Elite Diagnostic Ultrasound System

System Type: New
Freight Terms: FOB Destination
Warranty Terms: Part numbers beginning with two (2) asterisks (**) are covered by a System 12 Months Warranty. All other part numbers are third (3rd) party items.
Special Notations: Contingencies must be removed 120 days before scheduled shipment to assure delivery on specified date. Any rigging costs are the responsibility of the Purchaser.
Additional Terms: The specific Contract # referenced above represents the Novation or Vizient agreement with Philips containing discounts, fees and any specific terms and conditions, including the Vendor's Terms and Conditions of Sale (subject to such

Line #	Part #	Description	Qty
1	**NNAV418	EPIQ Elite G	1

EPIQ Elite for general imaging is a premium diagnostic ultrasound system featuring an uncompromised level of clinical performance, design and intelligence to meet the challenges of today's most demanding practices.

- Proprietary nSIGHT Imaging architecture for elevated levels of tissue uniformity, frame rate and penetration.
- Supports PureWave family of transducers
- xMATRIX upgradable
- Supports 3D/4D imaging modes across various clinical options
- XRES Pro next generation image processing, Variable XRES
- Supports MicroFlow Imaging option with MicroFlow HD across various transducers and applications
- Supports Needle Visualization enhancement (eL18-4 transducer)
- Supports CEUS clinical option
- Supports TrueVue Pro photorealistic 3D option
- Supports FlexVue curved MPR capability
- Supports TouchVue with MPR touch
- Supports Fusion and Navigation Interventional option
- Active Native data for post-processing of frozen image data and Cineloop image data
- Supports strain elastography, ElastPQ and ElastQ Imaging shear wave elastography clinical options across various applications and transducers
- AutoScan (real time iSCAN) automatically optimizes gain and TCG continuously
- SmartExam system-guided protocols
- Tablet-like user interface with gesture control
- Infinite articulation of control panel and monitor allows for perfect alignment whether sitting or standing
- Control panel adjustability with 720 degrees of freedom to scan ergonomically
- Enhanced mobility with battery backup options
- MaxVue High Definition Ultrasound with over a 1 million more pixels and 38% larger viewing area
- Standard 21-inch high definition LED display for easy viewing in virtually any environment
- Optional 24-inch HD MAX immersive display monitor for the ultimate ultrasound visualization
- 4 active transducer ports
- Supports Anatomically Intelligent Ultrasound (AIUS) options (some options require xMATRIX upgrade)
 - AI Breast
 - Dynamic HeartModel
 - AAA Model
 - AutoRegistration for Fusion/Nav
 - aBiometry Assist
 - aReveal
- Windows 10 Operating System
- Defense in depth security support
- Multi-Modality Query Retrieve (Allows for the viewing of DICOM CT, Mammography, NM, MRI and ultrasound images – you can review these images while you are live imaging)

101978 EPIQ Elite Diagnostic Ultrasound System

Line #	Part #	Description	Qty
		<ul style="list-style-type: none">• NetLink/DICOM 3.0 provides network print and store, commit, modality worklist, DICOM Query and Retrieve, and structured reporting for adult and pediatric echo, vascular, and OB/GYN• DICOM 3.0 Print and Store capability to internal drive or DVD/CD• Integrated Wireless DICOM• On-board workstation-class data management with thumbnail previews and storage of images, loops,• Retrospective and prospective clip capture to internal drive or removable media and reports	

MicroFlow Imaging

MicroFlow Imaging (MFI) enhances visualization of small and weak blood. Now includes MFI HD a sub mode that offers twice the sensitivity and resolution of MFI feature.

DVD Option

Integrated DVD/CD burning capability for storage of DICOM images or export in JPEG and .avi for PC compatibility.

SafeGuard

This is a standard computer administration tool used to prevent unauthorized programs (malware) from running on the ultrasound system.

Security Plus

Security Plus provides a Defense-in-depth strategy implementing security features designed to help healthcare facilities provide additional patient data privacy, and protection from unauthorized access via the ultrasound systems on hospital networks. New data security enhancements will make EPIQ and Affiniti compatible with data security on medical devices.

Extended Life Battery

Highly recommended for portable ultrasound studies. Doubles the time to be in transport mode when going mobile as compared to the Battery Standard Life. Allows system to be place in sleep mode and booted up in 20 seconds. Allows activation of the smart handle when not plugged in to central power.

Clinical Education

Clinical Education

***2 days of Implementation Onsite Training (expires 90 days after install, provided Mon-Fri during normal business hours), an Online e-Learning Bundle for one person (expires 60 days after install), a 1 Day 2D AST w/Travel & Accom (expires 180 days after install), and an Onsite

101978 EPIQ Elite Diagnostic Ultrasound System

Line #	Part #	Description	Qty
		Readiness Assessment (expires 180 days after install). All offsite training includes travel, see travel disclaimer**	
		<p>**Travel packages included with education entitlements are available if needed, to cover the customer's airfare, transportation, hotel, and meals while attending a Philips program at one of our Philips corporate training centers. These packages are only provided if needed and are not intended to provide a dollar value to the customer to use towards alternative programs. Travel packages included with entitlements do not cover travel and accommodations to one of our premium education symposiums. Customer will be required to purchase a premium travel package in order to attend. Philips reserves the right to deliver virtually or through live stream, any live in person courses that may be impacted due to facility shut down, inclement weather, natural disaster, speakers inability to travel, or any other situation that is outside Philips control. Note: 21 day Cancellation/Rescheduling policy is strictly enforced.</p> <p>***Note: Philips Healthcare personnel are not responsible for actual patient contact or operation of equipment during education sessions except to demonstrate proper equipment operation. The training sessions should be attended by the appropriate healthcare professional as identified by the department director. Repeat training for staff non-attendance will not be accepted. Site must be patient-ready to meet training expectations.</p>	
2	**NNAV458	Essential Radiology High Frequ	1
		<p>C5-1 Transducer PureWave curved array transducer with 5 to 1 MHz extended operating frequency range. C5-1 PureWave Curved Array for high performance OB/GYN, Fetal Echo, Abdominal and Interventional applications. Now, one transducer provides exceptional clinical performance for a wide range of patient types including obese and technically challenging patients.</p> <p>L12-3 Ergo Transducer L12-3 ERGO is an ergonomically designed Linear array transducer with 12 to 3 MHz extended operating frequency range for vascular applications. Also supports musculoskeletal, pediatric radiology, small parts applications.</p> <p>eL18-4 EMT Transducer Ultra-broadband 18-4 MHz PureWave Linear multi-row array transducer with fine elevation focusing. This transducer incorporates integrated EM (electro-magnetic) tracking coils for AI Breast and Fusion/Navigation compatibility. This transducers supports a broad range of high resolution applications including breast, small parts, vascular and musculoskeletal imaging. Also supports pediatric and specialty OB imaging. The eL18-4 transducer features exceptional imaging performance and supports advanced clinical tools such as full solution elastography, MicroFlow Imaging and precision biopsy</p>	
3	**NUSY041	Radiology	1
		<p>Includes the following:</p> <ul style="list-style-type: none"> - Abdominal Clinical Option - Gynecology Clinical Option - Vascular Clinical Option - Pediatric GI Clinical Option - Small Parts Clinical Option - Musculoskeletal Clinical Option - Obstetrical Clinical Option - Fetal Echocardiography Option 	

101978 EPIQ Elite Diagnostic Ultrasound System

Line #	Part #	Description	Qty
		<ul style="list-style-type: none"> - Urology Clinical Option - TCD Clinical Option - Interventional Clinical Option 	

Clinical Education

A Virtual CSS Led Lecture (Up to 2 Hrs) for one (expires 180 days after install), a 1:1 CSS Led Virtual Session (Up to 2 hrs) (expires 180 days after install), Virtual Speaker Led Lecture (Up to 2 Hrs) qty 3 (expires 180 days after install), a 1 Day Vascular AST w/Travel (expires 180 days after install), and a 1 Day Virtual Speaker led Vascular Course for one (expires 180 days after install). All offsite training includes travel, see travel disclaimer**

**Travel packages included with education entitlements are available if needed, to cover the customer's airfare, transportation, hotel, and meals while attending a Philips program at one of our Philips corporate training centers. These packages are only provided if needed and are not intended to provide a dollar value to the customer to use towards alternative programs. Travel packages included with entitlements do not cover travel and accommodations to one of our premium education symposiums. Customer will be required to purchase a premium travel package in order to attend. Philips reserves the right to deliver virtually or through live stream, any live in person courses that may be impacted due to facility shut down, inclement weather, natural disaster, speakers inability to travel, or any other situation that is outside Philips control. Note: 21 day Cancellation/Rescheduling policy is strictly enforced.

4	**FUS9186	mC12-3 Transducer	1
		mC12-3 PureWave micro convex transducer for pediatric and vascular applications.	
5	**FUS7000	English Manual	1
		Operation Manual	
6	**NUSY301	HD Max Display	1
		24-inch HD MAX immersive display monitor for the ultimate ultrasound visualization	
7	SP059T	Xtend Coverage	4
		Xtended Warranty	
		Xtend Coverage is offered under the terms and conditions set forth in the "Ultrasound Addendum Xtend Coverage and Philips Maximizer Package Terms and Conditions" attached hereto and incorporated herein. 1-year coverage will begin at the completion of standard Warranty period. Coverage is for ultrasound console and Philips will provide for the replacement of one standard probe per year on probes purchased with the system due to failure or accidental damage (excluding TEE and laparoscopic transducers). Additional transducer replacements due to failure or accidental damage at 50% off the Philips Service Exchange Program price. This excludes TEE and laparoscopic transducers.	

Labor: Labor and travel coverage for on-site service 8:00 am-5:00 pm, Monday - Friday, excluding Philips published holidays. Planned maintenance coverage from 8:00 am-5:00 pm, Monday-Friday, excluding Philips published holidays.

Standard parts coverage: This provides coverage on parts used to maintain and repair System hardware and software items. This excludes all transducers.

101978 EPIQ Elite Diagnostic Ultrasound System

Line #	Part #	Description	Qty
		<p>Lifecycle: System software updates. This includes on-site or remote labor, travel and parts necessary to complete safety, performance and reliability modifications to the System software or hardware.</p> <p>Customer Care Solutions Center: Unlimited Technical telephone support. Unlimited Clinical telephone support from 8:00 am - 5:00 pm, Monday – Friday. Remote Services: System diagnostics and monitoring, including Remote Desktop and Remote Proactive Monitoring (requires connection to Philips Remote Services network). Philips equipment is connected via an Internet secure single point of access network to our Solutions Center as described in the Terms and Conditions Exhibit. Features may vary by equipment and software release level.</p> <p>Philips Technology Maximizer (PTU): 1-year coverage will begin at the completion of standard Warranty period, and includes software upgrades only. Hardware updates are not included.</p>	
8	SEBLRSVNP1	Customer Note	1
		Philips will ship the Product as soon as commercially reasonable, which Philips expects to be approximately 45 days, and no more than 60 days, from the date the order is accepted.	

*****PROMOTIONS*****

Promotion Name	Description
EPIQ Elite Xtend Buy 1 Get 1 Free Promotion GI	Customers purchasing a new EPIQ Elite ultrasound system will have an opportunity to take advantage of this promotion. When purchasing 2 years of Xtend Service, only 1 year will be charged to your purchase. Following the 12mo. warranty coverage, you will receive 24mo. Xtend service coverage at the Value Service Agreement level. Federal Government, VA, and DoD may not be quoted Xtend Coverage.
EPIQ Elite Fleet Expansion Promotion	Select customers purchasing a new EPIQ Elite ultrasound system will have an opportunity to take advantage of this promotion when they do not provide a system trade-in. This promotion provides a \$5,000 discount.

101978 EPIQ Elite Diagnostic Ultrasound System

LIST PRICE	\$271,480.00
DISCOUNT	\$131,934.60
	\$0.00
NET PRICE	\$139,545.40

Buying Group: VIZIENT SUPPLY LLC

Contract #: XR0432 US

Add'l Terms: The specific Contract # referenced above represents the Novation or Vizient agreement with Philips containing discounts, fees and any specific terms and conditions, including the Vendor's Terms and Conditions of Sale (subject to such Contract),

Each Quotation solution will reference a specific Buying Group/Contract Number representing an agreement containing discounts, fees and any specific terms and conditions which will apply to that single quoted solution. If no Buying Group/Contract Number is shown, Philips' Terms and Conditions of Sale will apply to the quoted solution.

Each equipment system listed on purchase order/orders represents a separate and distinct financial transaction. We understand and agree that each transaction is to be individually billed and paid.

Price above does not include any applicable sales taxes.

The preliminary delivery request date for this equipment is: _____.

If you do not issue formal purchase orders indicate by initialing here _____.

Tax Status:

Taxable _____ Tax Exempt _____

If Exempt, please indicate the Exemption Certification Number: _____, and attach a copy of the certificate.

Delivery/Installation Address:

Invoice Address:

Contact Phone #:

Contact Phone #:

Purchaser approval as quoted:

Date:

Title:

This quotation is signed and accepted by an authorized representative in acknowledgement of the system configuration, terms and conditions stated herein.

SCHEDULE 10 XTEND COVERAGE TERMS AND CONDITIONS

1. SERVICES PROVIDED:

If Xtend Coverage (the "Coverage") for the systems listed in the quotation (the "Covered Systems") is purchased under this Agreement and the requirements of the Agreement are satisfied, then Philips will provide customer the Xtend Coverage terms and conditions described below.

1.1. Repair Service.

Commencing on the effective date and subject to the repair limitation below, Philips or Philips' subcontractors will provide repair services for Covered Systems for material defects. Philips will provide all replacement parts, which may be refurbished, and labor necessary to repair Covered Systems. 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 Customer's Site. Philips may increase its contract prices if a Covered System is upgraded or reconfigured.

1.2. Planned Maintenance Service.

Philips will provide Customer a planned maintenance schedule for each Covered System. Philips will provide such planned maintenance during the Service Coverage hours (as defined in the Quotation) at a time that is mutually agreed upon. Customer will make Covered Systems available in accordance with this schedule. Philips or its subcontractors will provide planned maintenance on each Covered System at scheduled intervals. If Philips cannot locate a Covered System, or a Covered System was not made available for planned maintenance when scheduled, Philips will notify the Customer that Customer has 90 days to make available such Covered System for planned maintenance, otherwise customer waives right to service and Philips may delete such Covered System from the list of Covered Systems in the Quotation.

1.3. Software Updates.

Philips will install operating system software updates provided by the Original Equipment Manufacturer (OEM) for Covered Systems. 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.

1.4 Transducer coverage.

Each year if one standard probe (excluding TEE and laparoscopic transducers) purchased with the system requires replacement due to failure or accidental damage, then Philips will replace such probe. If any additional transducers (excluding TEE and laparoscopic transducers) require replacement due to failure or accidental damage, Philips will provide such replacement at 50% off the Philips Service Exchange Program price.

2. EXCLUSIONS.

Unless specifically included in the Quotation, the Coverage does not include:

- 2.1. Servicing a Covered System if contaminated with blood or other potentially infectious substances;
- 2.2. 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 a Covered System with other manufacturers product or software other than those recommended by Philips, except for products delivered by Philips and sold under the applicable Quotation; (iv) any alteration or improper storage, handling, use or maintenance of a Covered System by anyone other than Philips' subcontractor or Philips; (v) damage caused by an external source, regardless of nature, unless caused by Philips or Philips' subcontractor; (vi) any removal or relocation of a Covered System; or (vii) neglect or misuse of a Covered System;
- 2.3. Any cost of materials, supplies, parts, or labor supplied by any party other than Philips or Philips' subcontractors.
- 2.4. Any rigging or structural alteration incident to the Services;
- 2.5. Consumable items and supplies (such as biomedical laser tubes and patient used pads), cryogenics, PET calibration sources, film, batteries, cassettes;
- 2.6. Cosmetic repairs;
- 2.7. The cost of factory reconditioning, rebuilds, or overhauls if repairs cannot maintain a Covered System in satisfactory operating condition;
- 2.8. Disposing hazardous, infectious, or biomedical waste or materials;
- 2.9. Providing service to any Covered 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;
- 2.10. Unless otherwise specified in the Quotation, maintaining or repairing Philips and/or 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, 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 thyatron, magnetrons, plumbicons, waveguides, and attachments.
- 2.11. Unless otherwise specified in the Quotation: 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.

3. CUSTOMER RESPONSIBILITIES.

During the term of the Coverage, Customer will:

- 3.1. Ensure that the Site is maintained in a clean and sanitary condition; and that each Covered 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 Covered Systems in accordance with the published manufacturer's operating instructions.
- 3.5. If applicable, attend a start-up meeting at Customer's facility, prior to the effective date of the Coverage, so Philips can explain the Coverage to the Customer's management and selected staff;
- 3.6. Provide a secure dedicated space within Customer's main facility and at each additional facility or location as necessary for the resident Philips staff;
- 3.7. Provide Philips with broadband internet or Wi-Fi access for business purposes;
- 3.8. For any non-Philips system, provide Philips with the Covered System's service manuals;
- 3.9. Maintain all software licenses applicable to each Covered System;
- 3.10. For Philips use in remote servicing of Covered Systems, provide Philips a secure location for hardware to connect Covered Systems to Philips Remote Service Network ("PRS" aka "RSN");
 - 3.10.1. The PRS hardware remains Philips' property and is only provided during the term of the Coverage;
 - 3.10.2. Provide Philips and its vendors full and free access to the PRS hardware to enable Philips to remotely access the Covered System or non-Philips System;
 - 3.10.3. Provide Philips at each Site, at all times during the term of the Coverage, a dedicated broadband Internet access node, including public and private interface access, suitable to establish a successful connection to the Covered Systems at the Site through the PRS and Customer network; and
 - 3.10.4. If the Covered System cannot be connected to the PRS and Customer fails to provide Philips with reasonably requested access, then Customer waives its rights to Coverage on such Covered System and any uptime guarantee

4. SYSTEM AVAILABILITY.

If Customer schedules service and a Covered 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 a Covered System.

5. COVERAGE

To the extent a repair issue cannot be remedied remotely, Philips will provide services on-site during the hours listed in the quotation, 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.

6. DOCUMENTATION

Upon Customer's written request, Philips will provide repair and planned maintenance records for each Covered System.

7. TERM AND TERMINATION

7.1. The term of this Agreement shall be set forth in the Quotation and incorporated herein.

7.2. This Agreement is non-cancelable and will remain in effect for the term specified in the Quotation.

8. WARRANTY DISCLAIMER

Philips' full contractual Coverage obligations to Customer are described in this Schedule. Philips provides no additional warranties under this Agreement. All service and parts to support the Coverage under this Schedule are provided AS IS. NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE APPLIES TO ANYTHING PROVIDED BY PHILIPS' SUBCONTRACTOR OR PHILIPS.

9. INDEPENDENT CONTRACTOR

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

10. SUBCONTRACTS

Philips may subcontract to service contractors of Philips' choice any of Philips' Coverage obligations to Customer or other activities performed by Philips under this Quotation. No such subcontract will release Philips from those obligations to Customer.

11. RULES AND REGULATIONS

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.

12. SOLICITATION OF PHILIPS EMPLOYEES

For the duration of the Coverage and for one year following the expiration or termination of the Coverage, Customer and its affiliates will not directly or indirectly solicit any employee of Philips or its affiliates engaged in providing the services.

13. Philips Maximizer (Technology Upgrades "PTU")

If Maximizer is purchased under this Agreement, then Philips will upgrade the Covered System's software as follows:

- 13.1. Philips will provide the latest available system software upgrades, if any, when available and approved by Philips, to the Covered System operating system software, basic application software, and software options purchased with the Covered System
- 13.2. 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. In addition to these terms and conditions, all Upgrades to a Covered System's software provided under this Section 7 are subject to the licensing terms and conditions included in the purchase of the Covered System from Philips.

PHILIPS PRODUCT WARRANTY

This product warranty document is an addition to the terms and conditions set forth in the quotation to which this warranty document is attached. Unless specifically listed below, this warranty does not apply to replacement parts. The terms and conditions of the quotation are incorporated into this warranty document. The capitalized terms herein have the same meaning as set forth in the quotation.

1. Twelve (12) Month System Warranty

- 1.1 Philips Healthcare, a division of Philips North America LLC (Philips) warrants to Customer that the Philips' Ultrasound Systems (System) will perform in substantial compliance with its performance specifications, in the documentation accompanying the System, for a period of twelve (12) months after completion of installation and availability for first patient use.
- 1.2 If your purchase includes a Lumify Ultrasound Solution, then the above warranty extends to cover all standard transducers as part of the solution, for a period of sixty (60) months from the date of shipment of the System to the Customer.
- 1.2.1 If your purchase includes a Diamond Select Lumify Ultrasound Solution the standard twelve (12) Month System Warranty applies.
- 1.3 If your purchase includes a Rugged Lumify System Bundle Solution, then the above warranty extends to the Lumify Transducer and the associated Rugged Tablet for a period of sixty (60) months from the date of shipment to the Customer.
- 1.4 In addition, if your purchase includes a Lumify System Bundle (including transducer(s), commercial off the shelf smart device and smart device sleeve), then the warranty extends to cover the included smart device for a period of twelve (12) months from the date of shipment of the System to the Customer.
- 1.5 If your purchase includes a Sparq or CX50 Ultrasound Solution, then the above warranty extends to cover all standard transducers purchased with the System for a period of sixty (60) months after completion of installation or first patient use, whichever occurs first (not applicable in Canada).
- 1.6 If your purchase includes an Xperius Ultrasound Solution, then the above warranty extends for a period of Sixty (60) months from the date that is ten (10) calendar days after shipment of the System to the Customer.
- 1.7 If your purchase includes an InnoSight Ultrasound Solution, then the above warranty extends for a period of thirty six (36) months from the date that is ten (10) calendar days after shipment of the System to the Customer.

2. Planned Maintenance

- 2.1 During the warranty period, Philips' service personnel will schedule planned maintenance visits in advance at a mutually agreeable time on weekdays, between 8:00 am and 5:00 pm, excluding Philips' observed holidays.
- 2.2 If your purchase includes a Lumify Ultrasound Solution, Lumify System Bundle, or InnoSight solution, then planned maintenance is not required and any technical support is provided remotely.
- 2.3 If your purchase includes an Xperius Ultrasound Solution, then Planned Maintenance is not required.

3. System Options, Upgrades or Accessories

- 3.1 Any Philips' authorized options, upgrades, or accessories for the System which are delivered and/or installed on the System during the original term of the System warranty shall be subject to the same warranty terms contained in the first paragraph of this warranty, except that such warranty shall expire on the later of:
 - 3.1.1 upon termination of the initial twelve (12) month warranty period for the System on which the option, upgrade or accessory is installed; or
 - 3.1.2 after ninety (90) days for parts only from the date of installation.
- 3.2 If your purchase includes a Lumify Ultrasound Solution or Lumify System Bundle, accessories are covered for a period of twelve (12) months from the date of shipment of the System to the Customer.
- 3.3 System upgrades for a Lumify Ultrasound Solution or a Lumify System Bundle are only available in the form of software updates.

4. System Software and Software Updates

- 4.1 The software provided with the System will be the latest version of the standard software available for that System as of the ninetieth (90th) day prior to the date the System is delivered to Customer.
- 4.2 Updates to standard software for the System that do not require additional hardware or equipment modifications will be performed as a part of normal warranty service during the term of the warranty.
- 4.3 All software is and shall remain the sole property of Philips or its software suppliers.
- 4.4 Use of the software is subject to the terms of a separate software license agreement.
- 4.5 No license or other right is granted to Customer or to any other party to use the software except as set forth in the license agreements.
- 4.6 Any Philips' maintenance or service software and documentation provided with the System and/or located at Customer's premises is intended solely to assist Philips and its authorized agents to install and to test the System, to assist Philips and its authorized agents to maintain and to service the System under a separate support agreement with Customer, or to permit Customer to maintain and service the System.
- 4.7 Customer agrees to restrict the access to such software and documentation to Philips' employees, those of its authorized agents and its authorized employees of Customer only.
- 4.8 If your purchase includes a Lumify Ultrasound Solution, installation of software licenses and updates are not performed by Philips.
- 4.9 If your purchase includes a Lumify System Bundle, the Lumify Software Application will be pre-installed by the Philips' factory.
- 4.10 Software updates and upgrades for a Lumify System Bundle will be available via the GooglePlay store or Apple App store.

5. Warranty Limitations

- 5.1 Philips' sole obligations and Customer's exclusive remedy under any product warranty are limited, at Philips' option, to the repair or the replacement of the product or a portion thereof within thirty (30) days after receipt of written notice of such material breach from Customer (Product Warranty Cure Period) or, upon expiration of the Product Warranty Cure Period, to a refund of a portion of the purchase price paid by the Customer, upon Customer's request.
- 5.2 Any refund will be paid, to the Customer when the product is returned to Philips.
- 5.3 Warranty service outside of normal working hours (i.e. 8:00 am to 5:00 pm, Monday through Friday, excluding Philips' observed holidays), will be subject to payment by Customer at Philips standard service rates.
- 5.4 This warranty is subject to the following conditions: the product:
 - 5.4.1 is to be installed by authorized Philips representatives (or is to be installed in accordance with all Philips installation instructions by personnel trained by Philips);
 - 5.4.2 is to be operated exclusively by duly qualified personnel in a safe and reasonable manner in accordance with Philips' written instructions and for the purpose for which the products were intended; and,
 - 5.4.3 is to be maintained and in strict compliance with all recommended and scheduled maintenance instructions provided with the product and Customer is to notify Philips immediately if the product at any time fails to meet its printed performance specifications.
- 5.5 Philips' obligations under any product warranty do not apply to any product defects resulting from improper or inadequate maintenance or calibration by the Customer or its agents; Customer or third party supplied interfaces, supplies, or software including without limitation loading of operating system patches to the Licensed Software and/or upgrades to anti-virus software running in connection with the Licensed Software without prior approval by Philips; use or operation of the product other than in accordance with Philips' applicable product specifications and written instructions; abuse, negligence (such as cuts, bites, punctures, submersion, and improper cleaning), accident, loss, or damage in transit; improper site preparation; unauthorized maintenance or modifications to the product; or viruses or similar software interference resulting from connection of the product to a network.
- 5.6 Philips does not provide a warranty for any third party products furnished to Customer by Philips under the quotation; however, Philips shall use reasonable efforts to extend to Customer the third party warranty for the product.
- 5.7 The obligations of Philips described are Philips' only obligations and Customer's sole and exclusive remedy for a breach of a product warranty.
- Limitation of Remedies for Xperius or InnoSight:** Customer's remedy for damage to an Xperius or InnoSight Transducer or Tablet that affects its functionality and that is covered by the warranty (e.g., excluding damage resulting from abuse or misuse or cosmetic issues) is limited to repair or replacement of each the Xperius or InnoSight Transducer and Tablet not more than once in any twelve (12) month period.
- 5.8 Limitation of Remedies for Xperius or InnoSight:** Customer's remedy for damage to a Xperius or InnoSight Transducer or Tablet that affects its functionality and that is covered by the warranty (e.g., excluding damage resulting from abuse or misuse or cosmetic issues) is limited to repair or replacement of each the Xperius or InnoSight Transducer and Tablet not more than once in any twelve (12) month period.
- 5.9 Limitation of Remedies for Sparq or CX50 Ultrasound Transducer(s):** Customer's remedy for damage to a standard transducer (excludes TEE and Specialty Transducers) ordered with the Sparq or CX50 that affects its functionality and that is covered by the warranty (e.g., excluding damage resulting from abuse or misuse, or cosmetic issues) is limited to repair or replacement of any standard transducer ordered with the Sparq or CX50 Solution not more than twice in any twelve (12) month period.
- 5.10 Limitation of Remedies for Lumify Ultrasound Transducer(s) (including Rugged Lumify System Bundle Solution):** Customer's remedy for damage to a Lumify Transducer or Rugged Tablet that affects its functionality and that is covered by the warranty (e.g., excluding damage resulting from abuse or misuse or cosmetic issues) is limited to repair or replacement of each of the Lumify Transducer not more than once in any twelve (12) month period.

5.11 THE WARRANTIES SET FORTH HEREIN WITH RESPECT TO A PRODUCT (INCLUDING THE SOFTWARE PROVIDED WITH THE PRODUCT), ARE THE ONLY WARRANTIES MADE BY PHILIPS IN CONNECTION WITH THE PRODUCT, THE SOFTWARE, AND THE TRANSACTIONS CONTEMPLATED BY THE QUOTATION, AND ARE EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, WHETHER WRITTEN, ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

5.12 Philips may use refurbished parts in the manufacture of the products, which are subject to the same quality control procedures and warranties as for new products.

6. Philips's Remote Services (PRS) also known as Philips' Remote Services Network (RSN)

- 6.1 Customer will (a) provide Philips with a secure location at Customer's premises to store one Philips' Remote Services Network router and provide full and free access to this router, (or a Customer-owned router acceptable to Philips) for connection to the equipment and to Customer's network; or (b) provide Philips with outbound internet access over SSL; at all times during the warranty period provide full and free access to the equipment and the Customer network for Philips' use in remote servicing of the product, remote assistance to personnel that operate the products, updating the products software, transmitting automated status notifications from the product and regular uploading of products data files (such as but not limited to error logs and utilization data for improvement of Philips products and services and aggregation into services).
- 6.2 Customer's failure to provide such access will constitute Customer's waiver of the scheduled planned maintenance service and will void support or warranty coverage of product malfunctions until such time as planned maintenance service is completed or PRS/RSN access is provided.
- 6.3 Customer agrees to pay Philips at the prevailing demand service rates for all time spent by Philips' service personnel waiting for access to the products.
- 6.4 Warranty service for remote support only products like Lumify and InnoSight Ultrasound Solutions will be available only via phone between 8:00 am to 8:00 pm Eastern StandardTime (EST).

7. Transfer of System

- 7.1 In the event Customer transfers or relocates the System, all obligations under this warranty will terminate unless Customer receives the prior written consent of Philips for the transfer or relocation.
- 7.2 Upon any transfer or relocation, the System must be inspected and certified by Philips as being free from all defects in material, software and workmanship and as being in compliance with all technical and performance specifications.
- 7.3 Customer will compensate Philips for these services at the prevailing service rates in effect as of the date the inspection is performed.
- 7.4 Any System which is transported intact to pre-approved locations and is maintained as originally installed in mobile configurations will remain covered by this warranty.
- 7.5 For the Lumify Ultrasound Solution, this warranty is made only to the original purchaser of the Lumify Ultrasound Solution or, if the seller is an authorized Philips' distributor or sub-distributor, this warranty is made to the initial end user of the Lumify Ultrasound Solution.
- 7.6 In either case, any subsequent sale or transfer of the Lumify Ultrasound Solution will void the warranty.

8. Xtend Coverage and Maximizer Package

- 8.1 As a supplement to the terms attached for Xtend Coverage the following shall apply:

8.1.1 Transducer coverage. Each year if one standard probe (excluding TEE and laparoscopic transducers) purchased with the system requires replacement due to failure or accidental damage, then Philips will replace such probe. If any additional transducers (excluding TEE and laparoscopic transducers) require replacement due to failure or accidental damage, Philips will provide such replacement at 50% off the Philips Service Exchange Program price.

- 8.2 As a supplement to the terms attached for Maximizer Package, the following shall apply:

8.2.1 Software options that are purchased separately from Covered System are not included.

8.2.2 Upgrades include software options that are contained within subsequent core operating system software releases.

9. Limitation of Liability

9.1 THE TOTAL LIABILITY, IF ANY, OF PHILIPS AND ITS AFFILIATES FOR ALL DAMAGES AND BASED ON ALL CLAIMS, WHETHER ARISING OR RELATING TO BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHER TORT, OR OTHERWISE, ARISING FROM A PRODUCT, LICENSED SOFTWARE, AND/OR SERVICE IS LIMITED TO THE PRICE PAID HEREUNDER FOR THE PRODUCT, LICENSED SOFTWARE, OR SERVICE GIVING RISE TO THE LIABILITY.

9.2 THIS LIMITATION SHALL NOT APPLY TO:

9.2.1 THIRD PARTY CLAIMS FOR DIRECT DAMAGES FOR BODILY INJURY OR DEATH TO THE EXTENT CAUSED BY PHILIPS' NEGLIGENCE OR PROVEN PRODUCT DEFECT;

9.2.2 CLAIMS OF TANGIBLE PROPERTY DAMAGE REPRESENTING THE ACTUAL COST TO REPAIR OR REPLACE PHYSICAL PROPERTY TO THE EXTENT CAUSED BY PHILIPS' NEGLIGENCE OR PROVEN PRODUCT DEFECT;

9.2.3 OUT OF POCKET COSTS INCURRED BY CUSTOMER TO PROVIDE PATIENT NOTIFICATIONS, REQUIRED BY LAW, TO THE EXTENT SUCH NOTICES ARE CAUSED BY PHILIPS' UNAUTHORIZED DISCLOSURE OF PHI; and

9.2.4 FINES/PENALTIES LEVIED AGAINST CUSTOMER BY GOVERNMENT AGENCIES CITING PHILIPS UNAUTHORIZED DISCLOSURE OF PHI AS THE BASIS OF THE FINE/PENALTY, ANY SUCH FINES OR PENALTIES SHALL CONSTITUTE DIRECT DAMAGES.

10. Disclaimer

10.1 IN NO EVENT SHALL PHILIPS OR ITS AFFILIATES BE LIABLE FOR ANY INDIRECT, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY 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.

11. Force Majeure

11.1 Philips and Customer shall each be excused from performing its obligations (except for payment obligations) arising from any delay or default caused by events beyond its reasonable control including, but not limited to: acts of God, health pandemics, acts of any civil, military or government authority, fire, floods, war, embargoes, labor disputes, acts of sabotage, riots, accidents, delays of carriers, voluntary or mandatory compliance with any government act, regulation, mandatory direction, or request, . For clarity, Customer requests shall not be considered 'government' requests under this section.

Philips' system specifications are subject to change without notice.

Ultrasound Product Warranty Rev. R