

# Varex Imaging Corporation ("Varex") TERMS AND CONDITIONS OF SALE

#### 1. APPLICABLE TERMS AND CONDITIONS

All Varex X-raytubes and imaging products ("Product(s)") and services are furnished on the terms and conditions stated herein and on the face of the applicable Varex quotation, unless otherwise set forth in a master supply agreement. Any and all Buyer terms and conditions in any specific order documentation, preprinted or otherwise, except as to identification and quantity of Products, are expressly rejected and superseded by these Terms and Conditions of Sale. Varex's performance of any contract is expressly conditional on Buyer's agreement to these Terms and Conditions of Sale. In the absence of an agreement, any performance by Varex shall be for Buyer's convenience only, shall not create any contractual obligation, and shall not be construed as acceptance by Varex of Buyer's terms and conditions printed or stated in Buyer's orders. Buyer's acceptance of any Varex Product or service shall be deemed acceptance of these Terms and Conditions of Sale.

#### 2. QUOTATIONS AND PRICES

Varex's prices, quotations and contracts for Products and services are subject to the following terms and conditions, unless otherwise stated in Varex's quotation or other agreement signed by an authorized representative of Varex. In case of a conflict between these Terms and Conditions of Sale and those of the relevant Varex quotation, the terms of the Varex quotation shall control:

- (a) All quotations are firm for and expire sixty (60) days from the date thereof and constitute offers, except that quotations to non-U.S. customers are solicitations for offers to purchase.
- (b) All prices quoted are for Products and services only. Quoted prices exclude, and Buyer shall be responsible for,all ordinary and necessary charges incidental to the sale incurred by Varex and billed by Varex to Buyer, including, but not limited to, charges for taxes (including, without limitation, any sales tax, use tax or similar tax), license fees, customs fees, duties, and other related charges. The total price to Buyer shall be adjusted to include costs of transportation, special packing and insurance incurred by Varex in accordance with Section 4 below.
- (c) Clerical and typographical errors are subject to correction in accordance with the intent of these Terms and Conditions of Sale.
- (d) Weights and dimensions of the Products are approximate only, and minor deviations from Specifications shall not be the basis of any claim against Varex.
- (e) All purchase orders and contracts are subject to written acceptance only by Varex's U.S. office. Varex's acceptance of any purchase order and Varex's performance are expressly conditioned upon Buyer's compliance with all applicable federal, state or country laws, codes, regulations, and recommendations of competent health or radiation-protection authorities affecting the Products, and/orinstallation and useof the Products, and Varex's approval of Buyer's credit.

## 3. TERMS OF PAYMENT

UNLESS CREDIT IS GRANTED BY VAREX, BUYER'S PAYMENT FOR PRODUCTS IS DUE UPON DELIVERY. Thepriceofeach Product is based uponthepaymentschedulesetforth in Varex's Quotation. Any alternative payment schedule and resulting price change must be approved in writing by Varex. All payments for Products released and shipped on approved credit accounts are due in full thirty (30) days from date of Varex's invoice. Varex shall determine the credit limit for Buyer in its sole discretion. Buyer is responsible for the ultimatepayment of all taxes which may be assessed or levied on or on account of Products sold hereunder to Buyer, whether termed a gross receipts tax, use tax, property tax, sales tax or otherwise. Buyer's failure to comply with the aboveshall be regarded as a materialbreach of contract. Past due balances shall be subject toservicecharges oftwopercent (2%) permonth, but not to exceedthe maximum amount permitted by applicable law. In the event Varex finds it necessary to refer an account to an attorney or an agent for collection of delinquent accounts, Buyer shall pay all costs of collection including, without limitation, reasonable attorneys' fees. Varex may cancel or delay delivery of Products intheeventof non-payment orBuyer's account is spast due. Varexshallretain a purchase money security interest in all Products until it receives payment of the purchase price and other related charges in full. Buyer agrees to execute any financing statements or other documents requested by Varex, which may be reasonably necessary to perfect such security interest.

## 4. TRANSPORTATION AND RISK OFLOSS

Except as otherwise provided herein, or in accordance with expressly agreed latest version of Incoterms, all shipments are EXW Varex's plant with all transportation and insurance at the expense of Buyer, and risk of loss or damage to Products shall pass upon delivery to the transportation company. For Products shipped FOB destination within the United States, Incoterms shall not apply andrisk of lossordamageshall passto Buyerupon arrival of the transportation company at Buyer's dock. For Products shipped Incoterms CIF outside the United States and its possessions, risk of loss or damage shall pass from Varex to Buyer when Products arrive at the country of destination, not with standing any shipment terms to the contrary. For all shipments, title will not pass to Buyer until Varex has received full payment. Unless otherwise expressly agreed in writing, Varex may insure to full value of Products shipped at Buyer's expense or declare full value to the transportation company at time of shipment. Buyer shall inspect all Products upon receipt and file all claims with the transportation company when there is evidence of damage, concealed or external.

## 5. PERFORMANCE

All delivery and shipment dates are approximate. Varexwill make reasonable efforts to meet the delivery date(s) quoted. Varex shall not be liable for any delay in delivery or other performance hereunder which is due to unforeseen circumstances, or to causes beyond its control, including without limitation, strike, lockout, riot, war, fire, act of God, accident, failure or breakdown of components necessary to order completion; supplier, subcontractor or Buyer caused delays; inability to obtain or substantial rises in the prices of labor, materials or manufacturing facilities; curtailment of or failure to obtain sufficient electrical or other energy supplies; technical difficulties; or compliance with any governmental law, regulation, or order, including but not limited to U.S. Export Administration Regulations. If, by such reason of such circumstances, Varex's supplies of the equipment or services are limited, Varex reserves the right to allocate the available supply among its customers in such manner as it, in its sole discretion, deems appropriate. Provided any such delay is neither material nor indefinite, performance shall be deemed suspended during and extended for such time as it is so delayed, and thereafter the other party shall accept performance hereunder. Delay in performance shall not be considered material or indefinite unless it exceeds or is reasonably estimated to exceed six (6) months.

Varex may, in its sole discretion, deliver any portion of the Products ordered and all such partial

deliveries shall be accepted and paid for in accordance with the terms of Paragraphs 3 and 6 herein. The making of a partial delivery that, to any extent, is not in accordance with the contract of sale shall not affect the Buyer's obligation hereunder to remit payment.

#### 6. ACCEPTANCE

The furnishing of a Product by Varex to the Buyer shall constitute acceptance of that Product by Buyer, unless notice of nonconformity to the published specifications for such Product is received by Varex in writing within five (5) days of receipt of the Product at Buyer's designated receiving address. Notwithstanding the foregoing, use of any Product by Buyer, its agents, employees or licensees, for any purpose after its receipt (including incorporation of such Product into a Buyer product), shall constitute acceptance of the Product by Buyer. Prior to acceptance, Varex may repair or, at its option, repair, replace or issue a credit for nonconforming parts after receipt of notice of nonconformity. Return of Products will not be accepted without (i) written notification from Buyer to Varex within thirty (30) days of receipt of the Product and (ii) receipt of a return material authorization ("RMA") from Varex. Products authorized to be returned shall be shipped to Varex's plant, with Buyer paying all freight, insurance and import duties. When return of nonconforming goods has been accepted by Varex, conforming shipment may be made in accordance with Paragraphs 2, 5 and 9 without further liability on Varex'spart. Buyer will be liable for restocking charges in the event Products are returned to Varex which are not defective and are inaccordancewith these terms. Buyermaynot withhold any payments for rejected Products. Afteracceptance, Buyer's remedies shall beasprovided in Section 9 Warranty.

#### 7. CANCELLATIONS AND ASSIGNMENTS

No order accepted by Varex may be terminated, cancelled, modified or assigned by Buyer except by Varex's agreement in writing. Any attempt to do so without Varex's written consent shall be void from the outset. Such written agreement must be signed by a vice president or other senior executiveof Varex. Inanysuchevent, withorwithout Varex's consent, Buyeragrees to payallosts, direct and indirect, which have been incurred by Varex with regard to Products which have not been completely manufactured at the time of Varex's receipt of notice of termination, and, whether or not Products are completed, Buyer will pay Varex a charge determined solely by Varex to cover the reasonable costs of processing, order handling, retesting and repackaging and lost profits.

## 8. PATENTS, SOFTWARE, AND OTHER INTELLECTUAL PROPERTY RIGHTS

Varexhereby agrees to defend or settle at its expense any claim, threat, suit, or proceeding ("Claim") brought against Buyer on the basis that a Product infringes any United States patent, copyright or trademark. Varex agrees to defend Buyer and pay, subject to the limitations set forth below, any settlement, judgment, or arbitration award finally awarded or the fees incurred asaresultof any such Claim, provided that Varexis promptly notified of the Claim inwriting, is given full control of its defense and settlement, and, at its request and expense is given relevant information and reasonable assistance by Buyer. If the Products or any part of the Products are, or in the opinion of Varex may become, the subject of any such Claim, or if it is judicially determined that any Product or any part of the Products infringes any United States patent, copyright, ortrademark, or if the distribution or use of the Products or any part of the Products is, as a result, enjoined, then Varex may, at its option and expense: (i) procure for Buyer the right under such patent, copyright, or trademark to distribute or use, as appropriate, the Products or such part of the Products; or (ii) replace the Products or part of the Products with other suitable productsorparts; or (iii) suitably modify the Products, orpartofthe Products; or (iv) if in Varex's opinion none of the foregoing are commercially practical, remove the Products or part of the Products and refund the aggregate payments paid by Buyer to Varex for such Products, less a sum for use, damage, or obsolescence, and depreciation amortized on a five-year straightline depreciation schedule. Varex shall not be liable for any costs or expenses incurred without its prior written authorization. Notwithstanding the foregoing, Varex shall have no liability with respect to any infringement claims arising out of (i) unauthorized combination of the Product with any hardware or software not supplied by Varex; (ii) unauthorized modification of the Product; (iii) unauthorized use of the Product; (iv) use of prior models of Products; (v) compliance by Varex with Buyer's designs, specifications, or instructions; and (vi) methods of use of a Product, unless the Product has no substantial non-infringing use; where such infringement would not have occurred but for the combination, modification, use, failure to install, compliance, or methods of use. The foregoing states Varex'sentire liability for any claim based upon or related to any alleged infringement of any patent or other intellectual property rights and is subject to the DAMAGES AND LIABILITY provisions herein. Varexprovides software products by license only. The terms of the license are available from Varex and are deemed accepted by Buyer on delivery of licensed software. Unless otherwise specified, Varex's copyrighted material (software, firmware, and printed documentation) may not be copied except for archival purposes, to replace a defective copy, or for program error verification by Buyer.

## 9. WARRANTY

Varexwarrants the Products to be free from defects in material and workmanship that impair their performance and to be in substantial compliance with operational features of Varex'spublished specifications at the time of sale.

## Warranty Periods

Varex's warranty shall continue for the period of time specified on Varex's standard applicable Products warranties, which are incorporated herein by this reference, or as stated on Varex's quotation or agreed in writing by Varex.

## **Warranty Remedies**

If Varexexamination confirms that a Product has failed during the warranty period through no fault of Buyer, the Buyer's sole and exclusiveremedy shall be, at Varex'ssole option, either: (1) a prorata refund of a portion of the purchase price, (2) repair at no cost to the Buyer upon return of the failed Product to Varex, or (3) a pro-rata credit on a replacement order for a new Product. The warranty period remaining on the Product, at the time the Product is taken out of service, shall apply to the repaired Product or the replacement Product that is returned to the Buyer by Varex.

# **Warranty Conditions**

All remedies are expressly conditioned on all the following:

- (a) Repairs and adjustments of Products must be made (or directed in writing) by authorized Varex personnel only.
- (b) Unauthorized repairs or adjustments will void this warranty.

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- (c) The Product must have been used under normal operating conditions within the respective Varex-specified ratings and according to Varex operating instructions.
- (d) Misuse, abuse or improper installation will void this warranty.
- (e) Varexshallmake the solefinal determination about whetherfailureoccurred innormal operation (under warranty) or whether the Product was subjected to other than normal operation (excluded from warranty).
- (f) Buyer must give Varex written notice of Product failure before the end of the Product warranty period, and return it prepaid to Varex with a completed SERVICE REPORT describing the reason for return, operating conditions, dates of installation and removal, counter readings at installation and removal, and other pertinent information. Buyer will not return Product until it has received an RMA from Varex. If no SERVICE REPORT is received by Varex, Varexwill basethewarranty start date on the shipment date.
- (g) Varexmaysolelydetermine probablenumber of scansor hours of usage of the Product when no accurate records can be found.
- (h) All repairs not withinwarranty will beinvoiced atprevailing rates, but Varexwill not begin work without Buyer's approval of charges.
- (i) Unless otherwise agreed by Variex, Buyer shall pay costs of shipping for Products returned to Varex for repair or adjustment, shall be responsible for loss or damage in transit, and shall file all claims for loss or damage in transit.
- j) The warranty period remaining on the date Varex received notice of failure shall apply to the repaired or replaced Productfrom the date of reshipment to Buyer.

### **Exclusions from Coverage**

Varex's warranties shall not apply to the extent that malfunction is caused in Varex's reasonable opinion by (1) accident, abuse, alteration, misuse or neglect, (2) loss, damage, or defects resulting from transportation to the Buyer's facility, (3) failure to use Products under normal operating conditions or environment, or within Varex specified ratings, or according to any operating instructions provided by Varex, (4) lack of routine care or maintenance as indicated in any Varex operating or maintenance instructions, (5) x-ray degradation in non-medical applications, (6) failure to use or take any proper precautions under the circumstances, (7) user modification of any Product or software, or (8) latent defects discovered after expiration of the applicable warranty period. This warranty does not cover Buyer- supplied software, equipment warranted by another manufacturer, or replacement or expendable, consumable or limited life items.

#### **Software and Firmware Products**

The sole and exclusive warranty applicable to software and firmware products provided by Varex for use with a processor is as follows: Varex warrants that such software and firmware will conform to Varex's program manuals current at the time of shipment to Buyer when properly installed on the processor, provided, however, that Varex does not warrant that the operation of the processor or software or firmware will be uninterrupted or error-free. Varex shall not be responsible for data loss or file corruption.

THIS LIMITED WARRANTY IS EXPRESSLY IN LIEU OF AND EXCLUDES ALL OTHER EXPRESS OR IMPLIED WARRANTIES INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND OFFITNESS FOR A PARTICULAR PURPOSE, USE, OR APPLICATION.

## 10. DAMAGES AND LIABILITY

VAREX'S TOTAL LIABILITY IN DAMAGES OR OTHERWISE SHALL NOT EXCEED THE PAYMENT, IF ANY, RECEIVED BY VAREX FOR THE UNIT OF PRODUCT OR SERVICE FURNISHED OR TO BE FURNISHED, AS THE CASE MAYBE, RESULTINGIN THE LOSSOR DAMAGECLAIMED. IN NO EVENT SHALL VAREX BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT, PUNITIVE OR SPECIAL LOSS OR DAMAGES OF ANY KIND, SUCH AS BUT NOT LIMITED TO LOST BUSINESS REVENUE, LOSTPROFITS OR GOODWILLOR COSTSOF DOWNTIME RESULTING FROM VAREX'SPRODUCTS OR SERVICES, HOWEVER CAUSED, WHETHER BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE) OR ANY OTHER LEGAL THEORY. Liability to third parties for bodily injury, including death, resulting from Varex's performance or Products shall be determined in accordance with applicable law and shall not be affected by the liability limitations stated above in this paragraph.

## 11. LIMITATION OF CLAIMS

Except as otherwise required by the procedural rules of applicable law, no claims, regardless of form, arising out of, or in any way connected with this contract, the Products or services furnished by Varex, may be brought by Buyer more than one (1) year after the cause of action has accrued or performance under this contract has been completed or terminated, whichever is earlier.

## 12. DISPUTES/ARBITRATION AND APPLICABLE LAW

Varex and Buyer shall make a good-faith effort to amicably settle by mutual agreement any dispute, controversy, or claim which may arise between them under these Terms and Conditions of Sale ("Disputes"). Except as provided below, any Dispute, which the parties cannot settle as set forth above, arising out of or relating to this contract, its breach, termination, invalidity, or the Products, including the jurisdiction of the arbitration panel, shall be settled by final and binding arbitration. For sales to U.S. customers, arbitration shall be in Salt Lake City, Utah as designated by Varex, under the rules and procedures of the American Arbitration Association ("AAA"). If the sale is international or between entities outside the U.S., arbitration shall be in the place of Varex'scorporatedomicile underthe UNCITRAL Arbitration Rules in effectonthe date offhis contract, and the appointing authority shall be the AAA. The governing law of the substance of this contract shall be the commercial laws of the state or country of Varex'scorporate domicile or the place from which the Products were shipped, and the United Nations Convention on contracts for the International Sales of Goods shall not apply. The procedural law shall be the law of the place where arbitration is conducted. Arbitral proceedings shall be conducted in the English language. The arbitration tribunal shall not award punitive damages. The arbitration award shall be final and binding, shall be the sole and exclusive remedy regarding any and all claims and counterclaims presented, and may not be reviewed by or appealed to any court except for enforcement. Notwithstanding the foregoing, nothing in this contract shall prohibit Varex, and the parties expressly agree that Varex has the right to seek to prevent any unauthorized copying, disclosure, use, retention or distribution of its intellectual or other property by injunctive relief or otherwise in a court of law. Varex shall have the exclusive right to bring legal action for failure to payfor Products orservices furnished in the courts of Varex's corporate domicile.

## 13. COMPLIANCE WITH EXPORT LAWS

Buyer acknowledges and agrees that the Products and related technology (including technical data and assistance) may be subject to the export control laws and regulations of the United States

("Export Controls") and Buyer agrees to comply with such laws and regulations. Buyer further agrees that (i) Buyer is not an entity restricted or prohibited by the Export Controls or engaged in activities restricted or prohibited by the Export Controls, (ii) the Products, whether in their original state as supplied by Varex or incorporated by the Buyer into other items or equipment will not be exported, reexported or otherwise transferred to any country subject to a United States trade embargo without the appropriate export license or authorization; and (iii) the Products, whether in their original state as supplied by Varex or incorporated by the Buyer into other items or equipment will not be exported, reexported or transferred to any person or entity included on any of the lists of restricted or denied parties maintained by the United States government or be used in activities restricted or prohibited by the Export Controls including, without being limited to chemical, biological, or nuclear weapons without the appropriate export license. The obligationssetforthin this Subsectionshalls urvive any termination of this Agreement.

## 14. DECOMPILING, DISASSEMBLY, AND REVERSE ENGINEERING

Buyer shall not disassemble, decompile, or in any other way reverse engineer any portion of the Products, except to the extent such prohibition is void under applicable law.

#### 15 REGULATORY

## Components

Unless otherwise specified, the Products are components intended to be integrated into larger systems. The system manufacturer is responsible for the safety, efficacy and compliance of the system that incorporates the Product, including qualifying and validating their products for their intended uses and formeeting all applicable regulatory requirements including product registration.

## Labeling

Buyer will retain all of Varex's original labeling, without any additions, omissions, or changes on the Products. Labeling includes but is not limited to, instructions for use, manuals and certificates that are delivered with the Products in hard copy or electronically. Varex has the right to amend its labeling and on Varex's request. Buyer must inform its end users of changes made by Varex to labeling. Buyer is responsible for translations.

#### Regulations

Buyer will comply with all relevant regulations for the sale and supply of the Products, and all costsforcompliancewiththoseregulations will beborne by Buyer. Buyer will comply with any relevant Medical Device regulations (e.g. FDA, Regulation (EU) 2017/745 of the European Parliament) that apply within its territory. In addition, some Products, which include, for example biohazardous, radioactive, flammable, or explosive materials, may have additional regulatory requirements. Buyer is responsible for compliance with all such additional requirements. Buyer will provide Varex evidence of regulatory compliance upon request.

## Traceability

Buyer shall ensure full traceability of Products from which it is possible to determine the complete distribution history of the Products. Minimum information includes the following: Quantity of Product delivered by Buyer to a specifically identified end user (e.g.) end user name, address and phone numbers), delivery date and the Product model name, Product model number, Product serial number or Product to 1 number. If applicable, version numbers must also be obtainable. If Products need to be traced, Buyer shall cooperate with Varex to traces such Products.

## Surveillance

Buyer will be solely responsible for all required post market surveillance and vigilance activities regarding finished medical devices for which Buyer is the registered medical device manufacturer. Intheeventsuch finished medical devices suffera failure resulting from or related to the Products, Buyer shall promptly report such failure to Varex. Buyer shall provide Varex's designated Regulatory Affairs contact with all available information to enable Varex to investigate such alleged failure, and the porties agree to work cooperatively to facilitate post market surveillance and vigilance activities. Buyer shall comply with any specific reporting requirements that are required by regulatory authorities under applicable law.

# **Complaint Handling for Medical Device Product**

Buyer must inform Varex immediately when there is reasonable suspicion that a problem relating to the Products is occurring and provide information that enables Varex to properly investigate. Buyer shall promptly respond to all such inquiries and customer complaints. Any complaint received by the Buyer related to the Products shall be transmitted to the designated Varex contact in a timely manner using the Complaint Reporting form provided by Varex. Buyer shall assist any complaint investigation by Varex, as instructed by Varex.

## **Recalls and Field Safety Corrective Action for Medical Device Product**

Varex shall have sole authority and obligation to declare a recall or "Field Safety Corrective Action" (FSCA) of any Products, if Varex believes that there is a potential significant health hazard or non-compliance with applicable government regulations. In the event that a mandatory recall, withdrawal, FSCA or modification of the Product is required by a decision or ruling of a court of competent jurisdiction or by a ruling or regulation of a governmental agency, Varex shall be responsible for supplying modified Products or components thereof, to Buyer. In connection with any recall or FSCA, Buyer will provide Varex with all necessary information, including customer information if Product is sold by Buyer to customer. Varexagrees to use the customer information supplied by Buyer only for purposes of implementing the recall or FSCA. If local regulations require Buyer to be responsible for executing a recall, withdrawal, FSCA or modification of the Product, Buyer shall communicate to Varex the requirements and necessary actions prior to implementing such actions. Varex and Buyer agree to work cooperatively to facilitate any recall, withdrawal, FSCA or modification of the Product.

# 16. ENTIRE AGREEMENT

These terms and conditions of sale, Varex Specifications and related documents expressly agreed to in writing by the parties contain the entire agreement of the parties with respect to the subject matter hereof, and supersede all prior understandings, representations and warranties, written and oral including all preprinted terms of Buyer's purchase order or other documentation. No waiver of any breach of, or failure to exercise any right under, any provision of this Agreement will constitute a waiver of any prior, concurrent, or subsequent breach of or right under the same or any other provision of this Agreement. If any part of these terms and conditions are held void or unenforceable, such part will be treated as severable, leaving valid the remainder of the terms and conditions.

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