

**Schedule 1-A**  
**Digital Computational Pathology Portfolio (DCP)**

Product Category	Products
Digital Computational Pathology (DCP) Products	Image Management System (IMS)
	UltraFast Scanner (UFS)

The following Schedule 1-A shall apply to Digital Computational Pathology Portfolio (DCP) only. The afore-referenced Schedule 1 shall not be applied to DCP.

**1. Definitions**

1.1 "Products" means, collectively, the equipment, system, Philips IntelliSite Pathology Solution, including the IM and UFS, integration services and other products as described within the applicable Philips quotation.

1.2 "Project Implementation Plan" shall mean, if a Statement of Work is included in the Quotation (SOW) or otherwise created after award of the contract, the project management implementation plan, mutually agreed to by the parties, that sets timetables and the order of project rollout for the work scope set forth in the SOW, if and as applicable to the Products purchased.

1.3 "Authorized Users" of the Product shall mean persons reviewing pathology images or those requiring administrative access to patient records and images scanned into the Image Management System, as authorized by Customer, in support of performance of such services.

1.4 "Acceptance" means the following:

For Equipment: Acceptance means the Product(s) has been successfully installed by Philips at the Customer's site, substantially meets Philips' functionality for the Product(s) as set forth in the applicable Philips documentation and/or specification for the Product and is available for first clinical use. Upon successful installation, Customer will sign the Philips acceptance form provided by Philips as acknowledgement that installation is complete and accepted by Customer. If Product Integration is included in the scope of a project, Integration will not commence until Philips' receipt of the Equipment acceptance form signed by Customer.

For Integration: Acceptance means the Product(s) has been successfully integrated into the Customer environment and substantially meets the integration requirements described in the applicable SOW ("Integration"). In the event that during Integration Philips discovers elements or features of the Customer's environment that were not properly identified to Philips or could not have been reasonably known or understood by Philips prior to agreement on the applicable SOW, Philips may, after the exercise of commercially reasonable efforts complete implementation of an applicable Integration requirement, determine in good faith, and provide Customer with written notice, that such Integration requirement cannot, in whole or in part, be implemented. Upon Customer's receipt of such notice, that Integration task shall be considered complete. Any such determination by Philips shall not reduce the price of the Integration or withhold payment by Customer. Customer will sign the Philips acceptance form provided by Philips as acknowledgement that the Integration of the Products is complete and accepted by Customer.

1.5 "Available for first patient use" as it relates to the DCP Products and not withstanding anything to the contrary set forth in the Philips Conditions of Sale, means the Product has been installed and performs in substantial compliance with the Philips documentation and/or specification provided with the Product and is available for Customer's first clinical use.

1.6 "Client Device" means a computer, workstation, terminal, or other electronic device used to access the Product(s).

1.7 Any other capitalized term used in this Schedule 1-A shall have the meaning ascribed to it in the main body of the Philips Conditions of Sale.

**2. Shipment**

2.1 Philips will use reasonable efforts to ship the Product to Customer: (a) by the estimated shipment date(s) set forth in the quotation or, if applicable, the SOW; or, (b) as otherwise agreed in writing. Philips will ship the Product according to Philips' standard commercial practices. Philips will deliver the equipment during normal working hours, 8:00 – 5:00 PM, in the time zone where the Customer is located. Philips may make, and Customer agrees to accept, partial shipments. Philips will pay shipping costs associated with Product shipment.

2.2 Prior to the shipment of any Product, Philips may change the construction or the design of the Product without notice to the Customer so long as the function, footprint, and performance of the Product are not substantially altered. However, such changes must not reduce the value or use of the object of purchase and must be reasonable for the Customer.

**3. Customer Room Preparation Responsibilities**

In addition to the requirements set out in Clause 6 of the Philips Conditions of Sale, Customer is responsible for the following site preparation and installation activities:

3.1 Customer is responsible for all activities and costs necessary to prepare the facility for installation of the Product by Philips. Customer's obligations include, but are not limited to, any connectivity to the Customer's network, which includes the requirement for such connectivity to comply with the applicable Philips Product requirements and specifications, running all required cables prior to installation.

3.2 Prior to acceptance of the Quotation, Customer shall obtain from the applicable Philips implementation team any other additional Customer installation preparation requirements in connection with the implementation resulting from unique attributes of Customer's environment and the size of the implementation.

3.3 Product Operating Environment: Customer shall ensure an adequate operating environment for the Product that meets generally accepted industry standards for the operation of computer server equipment, including without limitation stable table, power, and air conditioning. The installation site shall be protected from unauthorized access.

3.4 In the event that multiple server racks are required to support the use of the Product, Customer shall provide, without charge, contiguous rack space at the installation site.

3.5 Minimum Network Requirements. Customer shall provide at a minimum the network requirements, if any, as stated in the SOW and/or the final design documentation, as applicable.

3.6 In case any or all of the above conditions are not properly or timely complied with, or Philips or its representative has to interrupt the installation and installation validation testing for reasons not attributable to Philips, the period of completion shall be extended accordingly and any and all additional costs resulting therefrom shall be the Customer's responsibility. PHILIPS NEITHER ASSUMES LIABILITY NOR OFFERS ANY WARRANTY FOR THE FITNESS OR ADEQUACY OF THE PREMISES OR THE UTILITIES AVAILABLE AT THE PREMISES IN WHICH THE PRODUCT IS TO BE INSTALLED, USED OR STORED.

3.7 Customer-Provided Equipment. Customer shall procure, maintain, and upgrade all hardware and Client Devices. Hardware and Client Devices must meet the minimum requirements set forth in the final design and/or SOW. Notwithstanding the foregoing, no variance from the Client Devices specification is permitted. Minimum requirements for hardware and Client Devices may change during the Term. Upon Customer's request, Philips shall provide updated minimum requirements, if any. Customer is solely responsible for determining whether hardware and Client Device display are of diagnostic quality and for maintaining the displays in accordance with the manufacturer's specifications. Philips is not responsible for providing Client Devices.

#### **4. Archive Requirement.**

4.1 To the extent required by the final design, Customer is required to have storage and archival capabilities for any Digital Computational Pathology system provided hereunder. If Customer provides its own storage, Customer is responsible for procuring any specialty software or hardware (fiber channel or host bus adapter ("HBA")) necessary to manage storage and allow the system to access the storage. To the extent required by the final design, Customer is responsible for providing fiber channel switches, port upgrades, and other telecommunications and/or network hardware required for the Philips Products to physically connect to the storage, regardless of whether or not Philips provides the storage.

#### **5. Software Installation on Hardware or Infrastructure**

5.1 Philips shall install the Licensed Software solely on the hardware delivered by Philips or on to Customer's virtual infrastructure, if it meets Philips' specifications for virtual infrastructure. Customer shall not use the Licensed Software with any other hardware except as expressly stated herein or in an applicable SOW. If Philips releases a Software Update that requires a different Hardware environment and Customer elects to acquire the Software Update, Customer shall provide the Hardware changes before Philips performs the Software Update.

#### **6. Storage Sizing**

6.1 To the extent not otherwise stated in the Quotation, an applicable SOW, or the final design documentation, Customer and Philips will agree on data retention requirements, including, estimates of storage sizing and which party will source the storage solution(s). Upon request, Philips will provide Customer with estimates of image study sizes for different types of studies that Customer can use as a general aide to calculate and determine its near-term and long-term storage requirements for the DCP solution. Customer is responsible for determining what storage archive device types and sizes are required to support its DCP solution, whether through procurement from Philips or utilization of Customer's own existing storage solutions. Customer acknowledges that use of storage varies greatly based on its unique utilization of the system and based on factors that are outside Philips' control. Therefore, and notwithstanding any estimates provided to Customer by Philips, Customer is solely responsible to determine what storage device and archiving solution is best suited to meet its needs. As part of its decision making process in connection with archive device storage size, Customer acknowledges that study sizes are affected greatly by (a) changes in the types and amount of modality equipment used, (b) technician discretion in file size creation, and (c) clinical protocols within a department. Customer is solely responsible for system administration for the DCP solution, which includes monitoring the storage archive device for its utilization levels and planning any necessary storage changes as Customer's requirements change. Once the final design is agreed upon between the parties, if it is determined that additional storage capacity is required beyond what is provided for in the Philips Quotation, Customer shall be responsible for any additional cost associated with increasing the system's storage capacity to meet the requirements of the final design.

#### **7. Unauthorized Patches and Anti-Virus Updates**

7.1 Customer's installation or use of (a) operating system patches, updates or upgrades; (b) anti-virus updates (except to the DAT files i.e. virus definitions); or, (c) upgrades to anti-virus search engines without prior validation testing and approval by Philips ("Unauthorized Updates") may adversely affect the functionality and performance of the Licensed Software. If Customer installs or uses Unauthorized Updates, Philips shall have no liability or responsibility for performance of the Licensed Software and the warranty and or any guarantee, if any, shall be void. If Customer is using Unauthorized Updates when requesting service support or an Unauthorized Update is discovered by Philips after commencing the technical support process, then, prior to being obligated to perform (warranty) support services during a service period, Philips may require Customer to roll back to the most recent operating system and anti-virus search engine versions that have been validated by Philips as posted on the Philips service internet site.

## **8. Interfaces**

8.1 Philips' obligation to provide any Digital Computational Pathology interface is expressly conditioned upon Customer enabling its Information System to send and receive messages to and from the applicable Philips Products by the date the Products are available for first patient use. If Customer has not fulfilled its interface obligations by such time, Philips may, at its discretion, terminate any interface obligations and refund any pre-paid amounts for interfaces against the applicable purchase order. Customer will execute any documentation reasonably requested by Philips to document such terminated interfaces. Upon Philips issuance of a refund in accordance with this Clause, Customer shall be deemed to have accepted the applicable Philips Products. Any interfaces terminated shall be re-evaluated under a separate new sales contract.

## **9. Frequent Data Backup/Disaster Recovery Responsibility**

9.1 Philips is not responsible for: (1) the development or execution of a business continuity/disaster recovery plan; (2) providing a means for backing up data and images; or (3) backing up the data and images processed by the system. Customer may request Philips' assistance in designing a disaster recovery plan, but Philips accepts no liability whatsoever for the resulting plan or the results of Customer's utilization of such plan. Customer is responsible for providing a storage solution or storage backup device and for performing frequent backups of any data, patient information or images residing on the repository database, on Philips products, or an archive. Except to the extent that Customer purchases some or all the storage solution from Philips, as provided for in Clause 5 above, Philips does not provide the storage archive or Client Devices to be used with this Product. These are Customer provided and not included in this purchase.

## **10. Statement of Work ("SOW")**

10.1 If applicable, Philips and Customer will create a mutually agreed upon Statement of Work (a "SOW") to include design processes and documents which the parties will sign prior to Philips' commencement of the applicable project. Unless expressly stated in a separate SOW for Integrations services, the acceptance criteria for Integration services shall be set forth in this SOW. The SOW is subject to any mutually agreed written adjustments to the project price, and the terms set forth in the Philips Conditions of Sale, including this schedule, and the applicable Quotation.

## **11. Applications Administration Requirement**

11.1 Customer, at all times, shall have a designated IMS Applications Administrator that has completed the applications training for the version of the product running at Customer's site. The applicable applications training is set forth in the quotation.

## Schedule 1-A

### Annex I

#### **DCP SOFTWARE LICENSE TERMS ("Software License Terms")**

In addition to the conditions for the licensed software in the Conditions of Sale, the following software license conditions apply to products of Digital Computational Pathology products:

#### **1. License Grant**

1.1 Software licenses are granted as provided for in the Conditions of Sale.

1.2 Customer acknowledges and agrees that the Product incorporates technology (software, programs, machine codes) owned or certified by Philips' third party suppliers ("Embedded Software") and that this Embedded Software are either licensed to Customer directly by Philips' suppliers pursuant to third-party license agreements or are subject to certain usage limits beside the ones listed in this Agreement. Customer hereby agrees to be bound by the terms of such third-party license agreements and usage limits. Philips reserves the right to provide additional "notice files" accompanying the Licensed Software as supplied by its third-party suppliers. Such notice files are purely informative.

#### **2. Modifications**

2.1 If Customer or any of its officers, employees or agents either (i) devise or acquire any improvements in the Licensed Software, or (ii) suggest or recommend to Philips any improvements, then such improvements and such information shall be disclosed in writing and a non-exclusive, world-wide, royalty-free license shall be offered to Philips in writing. In case Philips accepts such offer either in whole or in part by explicit written acceptance, Philips agrees to grant to Customer a non-exclusive, world-wide, royalty-free license to any further improvements Philips makes to any such improvement made by Customer.

#### **3. Software Updates and Upgrades**

3.1 Philips may create and license versions of the licensed Software containing Software Updates and Upgrades from time to time. Philips will make such Updated and Upgraded versions of the Licensed Software to Customer during the warranty period and during the term of a valid Philips Services Agreement for the related Product. Licensed Software versions containing Updates are identified by a change to the right of the decimal point in the Licensed Software release number and are offered to Customer at no additional charge. Licensed Software versions containing Upgrades are identified by a change to the left of the decimal point in the Licensed Software release number and are offered for additional remuneration to Customer at the Philips prices for such Upgraded version and are subject to the terms and conditions of Philips' then applicable Software License terms and conditions.

3.2 Philips may make available maintenance of the Licensed Software updates and upgrades to Customer at Philips' published services rates and subject to the terms and conditions of Philips's then applicable software maintenance/customer support agreement.

#### **4. Operating System Licensed Software Warranty**

4.1 Philips warrants to customer that the software licensed for the operating system (the "Licensed Software") will function essentially in accordance with the Philips user manual(s) supplied with the system at the time of transfer of risk. The provisions of the Conditions of Sale shall apply to the limitation period.

4.2 This warranty is subject to the condition that: (i) such non-compliance is a not insignificant error in the then-current version of the Licensed Software and (ii) Philips is able to reproduce the non-compliance.

4.3 If a defect becomes apparent during delivery, inspection or at any later date, Philips must be notified of this immediately in writing and provide complete information on the defect. In any case, defects must be reported in writing within 10 days of delivery and defects not recognizable during the inspection within the same period of time from discovery. If the customer fails to carry out a proper inspection and/or notification of defects, liability for the defect that has not been reported or not reported in time or not properly is excluded. Products that have material defects at the time of the transfer of risk will be repaired free of charge at Philips' discretion or replaced by faultless products; Philips' right to refuse subsequent performance under the statutory conditions remains unaffected. Philips is entitled to make the subsequent performance owed dependent on the customer paying the purchase price due. However, the customer is entitled to retain a reasonable part of the purchase price in relation to the defect. If the supplementary performance fails or if a reasonable deadline to be set by the customer for the subsequent performance has expired unsuccessfully or is dispensable according to the statutory provisions, the customer may withdraw from the contract or reduce the purchase price. The provisions of the Conditions of Sale shall apply to claims for damages. .

4.4 NOTWITHSTANDING THE FOREGOING, PHILIPS DOES NOT GUARANTEE THAT THE LICENSED SOFTWARE WILL PERFORM ERROR-FREE OR UNINTERRUPTED. PHILIPS DOES NOT GUARANTEE THAT IT WILL CORRECT ALL PROGRAMMING ERRORS. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THESE WARRANTIES ARE EXCLUSIVE. THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS, INCLUDING, WITHOUT LIMITATION, WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WHICH WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED.

4.5 PHILIPS FURTHER GRANTS NO WARRANTY AS TO DEFECTS THAT APPEAR IN THE LICENSED SOFTWARE DUE TO ONE OR MORE OF THE REASONS SPECIFIED IN CLAUSE 9.7 OF CONDITIONS OF SALE.