

Varex Imaging Corporation (“Varex”) warrants its CT X-Ray Tubes (“X-Ray Tubes”) as follows:

Computed Tomography X-Ray Tube Limited Warranty

Varex warrants the X-Ray Tubes it manufactures to be free from defects in material and workmanship that impair their performance and to be in substantial compliance with operational features of Varex’s published specifications at the time of sale. Varex’s warranty shall continue for the period of time specified below or as specified on Varex’s quotation or agreed to in writing by Varex.

X-Ray Tube Warranty Period

Warranty period is twelve (12) months from date of installation but in no event later than eighteen (18) months from date of shipment from Varex’s factory.

Remedies

If Varex examination confirms that an X-Ray Tube has failed during the Warranty Period through no fault of Customer, the Customer’s sole and exclusive remedy shall be according to one of the following:

Non-Pro rata Scans/Slices Warranty

If failure occurs during the non-pro rata warranty, Varex will, at Varex’s option, either repair or replace the X-Ray Tube upon return of the failed X-Ray Tube to Varex. The warranty period remaining on the X-Ray Tube, at the time the tube is taken out of service, shall apply to the repaired tube or the replacement tube that is returned to the Customer by Varex.

Pro rata Scans/Slices Warranty

If failure occurs during the pro rata warranty, Varex will at Varex’s sole option either: (1) refund the pro rata portion of the purchase price, (2) repair the X-Ray Tube, upon return of failed X-Ray Tube to Varex, or (3) apply a pro rata credit on a replacement order for a new X-Ray Tube. Refund or credit amount is determined as follows:

$$\text{Credit} = (A - B) \left(\frac{C - D}{C} \right) + B$$

- Where; **A** = Purchase Price
- B** = Housing Trade-in credit/Exchange credit
- C** = Number of warranty scans/slices
- D** = Number of scans/slices of use

Note: Non-pro rata and pro rata scans/slices are those provided at time of purchase.

X-Ray Tube Warranty Conditions

All remedies are expressly conditioned on all the following:

1. Repairs and adjustments of X-Ray Tubes must be made (or directed in writing) by authorized Varex personnel only. Unauthorized repairs or adjustments will void this warranty.
2. The X-Ray Tube must have been used under normal operating conditions within the respective Varex-specified ratings and according to Varex operating instructions. Misuse, abuse, or improper installation will void this warranty. Varex shall make the sole final determination about whether failure occurred in normal operation (under warranty) or whether the X-Ray Tube was subjected to other than normal operation (excluded from warranty).
3. Customer must give Varex written notice of X-Ray Tube failure before the end of the X-Ray Tube Warranty Period and request a Return Material Authorization (“RMA”) by submitting a completed Tube Service Report to Varex describing the reason for return, operating conditions, dates of installation and removal, counter readings at installation and removal, and other pertinent information. Once Varex provides Customer with an RMA, Customer shall return the X-Ray Tube or system component

prepaid to Varex. RMAs are only valid for ninety (90) days from date of issuance. If Customer allows an RMA to lapse beyond ninety (90) days, warranty status shall be reassessed. Varex may solely determine probable number of scans or hours of usage of the X-Ray Tube when no accurate records can be found. All repairs not within warranty will be invoiced at prevailing rates, but Varex will not begin work without Customer’s approval of charges. If repairs are not within warranty, or Varex cannot confirm failure, Customer shall be responsible for all costs in returning the X-Ray Tube to Customer.

4. Unless otherwise agreed by Varex, Customer shall pay costs of shipping for X-Ray Tubes returned to Varex for repair or adjustment, shall be responsible for loss or damage in transit, and shall file claims for loss or damage in transit.

5. The Warranty Period remaining on the date Varex received notice of failure shall apply to the repaired or replaced X-Ray Tube from the date of reshipment to Customer.

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) failure to use Products under normal operating conditions or environment, or within Varex specified ratings, or according to any operating instructions provided by Varex, (3) lack of routine care or maintenance as indicated in any Varex operating or maintenance instructions, (4) failure to use or take any proper precautions under the circumstances, (5) user modification of any Product or Software, or (6) 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 of expendable, consumable, or limited life items.

Exclusion of Implied Warranties

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 of FITNESS for a particular purpose, use, or application.

Limitations on 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, SERVICE OR SOFTWARE FURNISHED OR TO BE FURNISHED RESULTING IN THE LOSS OR DAMAGE CLAIMED. 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, LOST PROFITS, OR COSTS OF DOWNTIME RESULTING FROM VAREX’S PRODUCTS, SERVICES, OR SOFTWARE, 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 according to applicable law. No claims, regardless of form, arising out of, or in any way connected with Products, Software, or Services furnished by Varex, may be brought by Buyer more than one (1) year after the cause of action has accrued or Varex’s performance has been completed or terminated, whichever is earlier.

Housing Credits

Upon Varex’s written approval, Varex shall offer to Customer a housing credit for X-Ray Tubes at a rate to be solely determined by Varex.