

GENERAL CONDITIONS OF SALE AND WARRANTY PROVISIONS

General Conditions of Sale

1. These **general conditions** apply to all business transactions between a buyer and Stille AB (including subsidiaries, collectively referred to hereunder as Stille), even if no further reference is made to them in later transactions. Any agreements to the contrary must be made in writing. Stille's general conditions of sale apply even if the buyer refers to contrary conditions in his own order or confirmation of order unless Stille's agreement thereto has been given in writing by an authorized representative of Stille.

2. Stille's **OFFERS** are made in good faith, but are understood to be without obligation and subject to possibilities of manufacturing and shipments and to the right of prior sale.

3. **ORDERS** placed with Stille are in no way binding until confirmed by Stille in writing.

4. The **PRICES** in Stille's price list and offers are unless otherwise specified for delivery EX-WORKS (EXW), (Incoterms 2000) and are subject to change without notice.

5. **SHIPPING DATES** given by Stille shall in every case be understood as best estimates. Every effort will be made to respect these dates but Stille has no obligations whatsoever for the consequences of any delay in shipment, whether the delay results from a cause of force majeure or from any other cause beyond the reasonable control of Stille AB. For Instrument and parts orders, partial shipments shall be accepted in all cases. In case such partial shipments are requested by the buyer, buyer will have to pay freight costs for each such separate shipments. Any failure or presumed failure on Stille's part to adhere to dispatch dates shall not entitle the buyer to cancel an order or to withhold payment due.

6. **TERMS OF PAYMENT** are according to the invoice and specific to buyer and/or market, and may be as follows

- upon receipt of invoice, or
- by means of confirmed, irrevocable Letter of Credit valid for at least three (3) months and expiry date and place in Sweden, made through banks accepted by Stille and with all associated charges and fees paid by the buyer, or
- prepayment, or
- 30 days net from date of invoice, or
- other agreements, provided that these have been confirmed in writing by an authorized representative of Stille

Stille reserves the right to request prepayment, whether in whole or partially, at any point in time, regardless of prior agreements. However, Stille will make commercially reasonable efforts to restrict prepayment terms to new buyers or buyers who show repeated and/or substantial delay in making good on payments to Stille.

All payments must be made free of charges and should cover the oldest invoices. If payment has not been made by the date on which payment is due, Stille reserves the right to charge the buyer interest at the rate of 1,5 % per month or the maximum interest allowed under local law, whichever is less. The buyer is not entitled to withhold or to offset payments due against counter claims.

Any disputes or claims regarding invoices from Stille should be made in writing and be received by Stille no later than five (5) days from date of invoice.

If in the course of a contract the financial position of a buyer should deteriorate or if Stille should receive unfavorable information as to the buyer's standing or in case of invoices have not been settled as agreed upon, a buyer agrees that Stille shall have the right to claim immediate payment for all shipments already effected.

7. RESERVATIONS OF OWNERSHIP

All products supplied by Stille remains Stille's sole property until the buyer has settled all outstanding claims against him.

8. **ALL SALES LITERATURE**, including but not limited to catalogues, price lists, leaflets etc., remain the sole property of Stille and is considered confidential information. Such sales literature shall not be copied or passed on to any third party without Stille's prior written consent. Stille reserves the right to reclaim such material at any time. Any unauthorized disclosure or use of any portion of Stille's sales literature shall cause irreparable injury to Stille, and a buyer understands - and agrees that no adequate or complete remedy shall be available to Stille to compensate for such injury. Accordingly, a buyer hereby acknowledges that Stille shall be entitled to injunctive relief in the event of such unauthorized disclosure or use by the buyer in addition to whatever remedies Stille might have at law. . All illustrations, measurements etc. given in Stille's sales literature are without obligation and subject to modifications relating to the progress of modern surgery.

9. PATENTS, TRADE NAMES and registered designs remain the sole property of Stille. The buyer must not without Stille's prior written consent offer Stille's products for sale otherwise than under their trade names without any additions thereto. Any infringements of Stille's patents, trade names or registered designs, which come to the knowledge of the buyer, shall without delay be reported to Stille. Please also see Stille's Trademark Guidelines, which are available upon request or can be downloaded from Stille's website www.stille.se.

10. PRODUCT SPECIFICATIONS

Stille reserves the right to amend product specifications at any time and to refuse any orders for products withdrawn from its product range, whether or not notice of such withdrawal has been provided.

11. LOSS or DAMAGE in TRANSIT

All claims directed to Stille for damage to or partial loss of products in transit must be submitted in writing to Stille within five (5) days after the receipt of the goods or advice notice, or within ten (10) days of receipt of invoice, whichever is earlier. Failure to provide notification as set out above shall be deemed as the buyer's consent that the products were delivered in accordance with the contract and in good and saleable condition. Please note that the carrier may have other timelines for notification of loss or damage during transit.

12. COMPLAINTS must be reported to Stille in writing for its consideration and review within thirty (30) days of the date of the invoice. Stille shall in no event be liable for any contingent, consequential, special or indirect damages over and above the warranty commitments, which we may have assumed and expressed in writing in any specific case.

13. RETURNED PRODUCTS POLICY

Returned products will be accepted only with prior written authorization from Stille using Stille's form for Return Goods Authorization (RGA). Items must be returned freight prepaid. Items to be returned must be in original packaging, have original labels and be in unused condition. Products returned, other than for Stille's confirmed erroneous shipment or for products which do not conform to the then-current product specifications, will only be accepted by Stille with a minimum restocking charge of twenty percent (20 %) of the invoice value. Products held over six (6) months from the date of receipt or products which are abused, discounted, altered, made to special order or delivered in sterile packaging may not be returned.

Any return shipments not complying with the above will be rejected at the point of delivery - be it the port of entry or other store facilities outside our premises - and sent back to the buyer at his expense.

14. GENERAL

Stille reserves the right to revise, change or terminate the Stille 2012 Instrument Commitment that includes Instrument Service Voucher without notice. Stille agrees to notify of any changes well in advance.

15. LEGAL JURISDICTION

All transactions are governed by the Laws of Sweden. All disputes shall be finally settled by arbitration. The arbitration shall be held in Sweden and conducted in accordance with the Rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce. Judgment upon the award rendered may be entered in any court having jurisdiction or application may be made to such court for a judicial acceptance of the award and an order of enforcement as the case may be.

Instrument Service Voucher: Terms and Conditions

All Stille produced instruments are from 2012 delivered with a voucher which can be exchanged for a free service. The voucher is valid for three years from the day of delivery and can be exchanged for a free Stille standard service of the respective product group, as stamped on the voucher. For the avoidance of doubt, the voucher can only be exchanged to one (1) service of one (1) instrument. Additional conditions for use of the voucher are printed on the voucher itself.

If the instrument is deemed to be damaged from apparent misuse and/or not handled according to its enclosed *Stille Instrument Instructions for Care* leaflet, then Stille reserves the right not to offer the free service in exchange for the voucher.

STILLE AB Standard Warranty Provisions

Warranty terms



Surgical instruments

Stille AB warrants to the purchaser that its surgical hand instruments shall be free from defects in material and workmanship for a period of thirty (30) years after the date of Stille AB's invoice. The 30 year warranty is applicable to all new instruments purchased from Stille from 1 January 2012. Stille AB will repair or replace a damaged instrument free of charge if the damage is found to have been caused by a defect in material or workmanship. The warranty does not include normal wear and tear. The warranty is subject to the conditions that the instrument is used for the purpose intended, is cared for and stored according to our printed instructions and that any claims are made in writing within 30 days of the date the damage occurred.

imagiQ2 Surgical Imaging tables

Stille warrants, to the Purchaser / End user that the imagiQ2 and related products ("Covered Products") conform to the manufacturer's published specifications and are free from defects in material or workmanship. Effective shipments from May 1st 2014, the warranty period will commence on the date of invoice to any purchaser **or** from date of installation, provided that the product is registered on www.stille.se/iQ2registration within 10 days of installation, latest 6 months from date of invoice.

The duration of the warranty ("Warranty Period") is 3 years on parts and 2 years on labor, except for casters, batteries, mattresses, power cords, power outlets and hand and/or foot controls, which have a warranty period of 12 months for both parts and labor.

The 2 years warranty on labor and 3 years for parts is conditioned upon

- i) that Stille receives an on-line installation report within ten (10) days of installation, latest 6 months from date of invoice
- ii) A preventive maintenance is performed as described in the technical service manual and documented to Stille

otherwise the warranty only applies for a period of one (1) year from the date of Stille invoice on labor.

The warranties set forth herein do not cover the following Products: (i) consumable items, including but not limited to drapes, (ii) used or refurbished equipment, (iii) Products serviced by anyone other than Stille or its authorized representatives during the Warranty Period.

If Purchaser discovers within this Warranty Period a failure of the Covered Products to conform to specifications or a defect in material or workmanship, Purchaser must promptly notify Stille by calling Stille Customer Service during normal business hours. Stille's warranty obligations will apply only to such notifications made during the warranty period and will not apply to notifications made after warranty expiration.

If Purchaser promptly notifies Stille of Purchaser's warranty claim and makes the Covered Product available for service, Stille will, at Stille's option, either repair, adjust or replace (with new or exchange replacement parts) the non-conforming Covered Product or parts of the Covered Product. Replaced parts will become the property of Stille and must be returned to Stille for evaluation. Should upon completed evaluation it be determined that reason for faulty parts is abuse or damage by customer, Stille will invoice customer for replaced part and request a Purchase order or prepayment for any additional services to be performed. The warranty period for any Covered Product furnished to the customer as a warranty replacement will be covered by the remaining portion of the warranty period applicable to the repaired or replaced Covered Product.

Spare parts have a warranty period of 12 months from invoice date.

All warranty service will be performed by an Stille's authorized service representatives. During normal business hours, Warranty service will be performed without charge. If Purchaser requests warranty service, the service visit will be scheduled at a mutually acceptable time. If Purchaser refuses to make the Product available for service upon arrival of the Stille service representative, the Purchaser will be responsible for payment of service travel time and expenses and all time on site that the service representative is required to wait for access to the Product, whether or not the service is completed. If Purchaser requests Warranty service outside of normal business hours, it will be provided at Stille's prevailing "after-hours" service rates and will be subject to availability of service personnel.

Medstone Surgical Imaging tables

Stille warrants, to the Purchaser / End user that the Medstone and related products ("Covered Products") conform to the manufacturer's published specifications and are free from defects in material or workmanship. The warranty period will commence on the date of invoice to any purchaser **or** from date of installation, provided that the product is registered on www.stille.se/iQ2registration within 10 days of installation, latest 6 months from date of invoice.

The duration of the warranty ("Warranty Period") is 3 years on parts and 2 years on labor, except for casters, mattresses, power cords, power outlets and hand and/or foot controls, which have a warranty period of 12 months for both parts and labor.

The 2 years warranty on labor and 3 years for parts is conditioned upon

- i) that Stille receives an on-line installation report within ten (10) days of installation, latest 6 months from date of invoice
- ii) A preventive maintenance is performed as described in the technical service manual and documented to Stille

otherwise the warranty only applies for a period of one (1) year from the date of Stille invoice on labor.

The warranties set forth herein do not cover the following Products: (i) consumable items, including but not limited to drapes, (ii) used or refurbished equipment, (iii) Products serviced by anyone other than Stille or its authorized representatives during the Warranty Period.

If Purchaser discovers within this Warranty Period a failure of the Covered Products to conform to specifications or a defect in material or workmanship, Purchaser must promptly notify Stille by calling Stille Customer Service during normal business hours. Stille's warranty obligations will apply only to such notifications made during the warranty period and will not apply to notifications made after warranty expiration.

If Purchaser promptly notifies Stille of Purchaser's warranty claim and makes the Covered Product available for service, Stille will, at Stille's option, either repair, adjust or replace (with new or exchange replacement parts) the non-conforming Covered Product or parts of the Covered Product. Replaced parts will become the property of Stille and must be returned to Stille for evaluation. Should upon completed evaluation it be determined that reason for faulty parts is abuse or damage by customer, Stille will invoice customer for replaced part and request a Purchase order or prepayment for any additional services to be performed. The warranty period for any Covered Product furnished to the customer as a warranty replacement will be covered by the remaining portion of the warranty period applicable to the repaired or replaced Covered Product.

Spare parts have a warranty period of 12 months from invoice date.

All warranty service will be performed by an Stille's authorized service representatives. During normal business hours, Warranty service will be performed without charge. If Purchaser requests warranty service, the service visit will be scheduled at a mutually acceptable time. If Purchaser refuses to make the Product available for service upon arrival of the Stille service representative, the Purchaser will be responsible for payment of service travel time and expenses and all time on site that the service representative is required to wait for access to the Product, whether or not the service is completed. If Purchaser requests Warranty service outside of normal business hours, it will be provided at Stille's prevailing "after-hours" service rates and will be subject to availability of service personnel.

General standard warranty provisions

Stille AB's obligation under this warranty is expressly limited to supplying replacement parts and or service for, or replacing, at its option, any product, which in the sole discretion of Stille AB is found to be defective with respect to workmanship or materials.

THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER EXPRESS WARRANTIES AND IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. STILLE AB'S OBLIGATION UNDER THESE WARRANTIES SHALL NOT INCLUDE ANY LIABILITY FOR LOSS OF PROFITS, DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES.

Upon request by Stille AB, products or parts, for which a warranty claim has been documented and approved in writing by Stille, shall be returned freight prepaid to Stille AB manufacturing site or any of its affiliated companies.

Stille's obligations under this warranty are voided for any use or maintenance of the products which is inconsistent with the products' manuals, intended use, specifications, warnings or precautions and neither does Stille AB make any warranty and will have no obligation for consumable parts or supplies or damage to the products caused by or resulting from abuse, misuse, neglect or any unauthorized repairs, maintenance or alterations of the products, including but not limited to subsequent installation of accessories after the date of installation, which in Stille AB's sole discretion affects the product materially and adversely, or normal wear and tear deterioration.

If an investigation of a possible warranty issue for examination and operating tables must be performed on site by a technician and the investigation shows that it is not a valid warranty, the customer will be billed this cost as a service case. A Purchase order or prepayment needs to be issued by the buyer prior to any additional services to be performed.