

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

November 9, 2018

Frank Kirschbaum PO Drawer 17803 Raleigh, NC 27619

No Review

Record #:

2766

Facility Name:

Eastern Radiologists, Inc

Business Name:

Eastern Radiologists, Inc

Business #:

689

Project Description:

Replace existing ultrasound system

County:

Pitt

#### Dear Mr. Kirschbaum:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your correspondence regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in that correspondence is not governed by, and therefore, does not currently require a certificate of need. If the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

You may need to contact the Agency's Construction Section and Radiation Protection Section to determine if they have any requirements for development of the proposed project.

This determination is binding only for the facts represented in your correspondence. If changes are made in the project or in the facts provided in the correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office.

Please do not hesitate to contact this office if you have any questions.

Sincerely,

ane Khoe-Jones

Project Analyst

Martha J. Frisone, Chief

Healthcare Planning and Certificate of Need Section

cc:

Construction Section, DHSR

Radiation Protection Section, DHSR

Melinda Boyette, Administrative Assistant, Healthcare Planning, DHSR

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION
HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603 MAILING ADDRESS: 2701 Mail Service Center, Raleigh, NC 27699-2701 www.ncdhhs.gov/dhsr/ • TEL: 919-855-3750 • FAX: 919-733-2757

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER





Wyrick Robbins Yates & Ponton LLP

ALTOURPEY: AT LANG

c101 take Boone Trail, Suite 300, Kaleigh, NC 27507

PO Drawer 17803, Raleigh, NC 27619

. 919-781-4000 1: 919-781-4865 www.wyrick.com

FRANK KIRSCHBAUM fkirschbaum@wyrick.com

October 29, 2018

## VIA EMAIL AND HAND DELIVERY

Martha Frisone
Assistant Chief, Certificate of Need
Department of Health and Human Services
Division of Health Service Regulation
Healthcare Planning and Certificate of Need Section
809 Ruggles Drive
Raleigh, NC 27603

Re: <u>Eastern Radiologists, Inc. / Notice and No Review Request for Replacement</u>
Equipment

Dear Ms. Frisone:

We are writing on behalf of our client Eastern Radiologists, Inc. ("Eastern"), which owns and operates a diagnostic center in Greenville, North Carolina ("Diagnostic Center"). On June 20, 2018, Eastern obtained from the Healthcare Planning and Certificate of Need Section ("the Agency") a "No Review Letter" regarding the relocation of the Diagnostic Center from 9 Doctor's Park in Greenville, North Carolina to 2101 West Arlington Boulevard in Greenville, North Carolina. See Exhibit A.

Eastern is now preparing to replace its existing ultrasound system ("Existing Ultrasound"), which has been in use at the Diagnostic Center since 2002. The reason that the Existing Ultrasound is being replaced is because the manufacturer has declared that model "end-of-life," which means that parts will be difficult to acquire and repairs that can be made will be more expensive. The cost of the replacement ultrasound system ("Replacement Ultrasound") is \$136,915.00. See Exhibit B, Vendor Quote. For efficiency purposes, Eastern intends to replace the Existing Ultrasound concurrently with the relocation of the Diagnostic Center. It simply does not make sense to relocate a machine that is "end-of-life." However, Eastern would have replaced the Existing Ultrasound even if the Diagnostic Center was not scheduled to relocate, and the costs associated with the Replacement Ultrasound are independent of the cost of relocating the Diagnostic Center.

The purchase of the Replacement Ultrasound does not constitute a new institutional health service, and we do not believe it is subject to review by the Agency. Nevertheless, the purpose of this letter is to provide the Agency with prior written notice of Eastern's intent to replace the

Martha Frisone October 29, 2018 Page 2 of 4

Existing Ultrasound, to notify the Agency that existing diagnostic center equipment is being taken out of service, and to request a letter from the Agency confirming that the purchase of this replacement equipment is a project that is independent of the diagnostic center relocation and is not subject to the CON law.

Based on the foregoing, Eastern requests confirmation that its acquisition of the Replacement Ultrasound is not subject to review by the Agency. Thank you for your attention to this matter, and please do not hesitate to contact me with any questions.

Sincerely,

WYRICK ROBBINS YATES & PONTON LLP

Frank Kirschbaum

Enclosures

# EXHIBIT A

Vendor Quote for the Replacement Ultrasound



SIEMENS REPRESENTATIVE Laura Herndon - (770) 329-5470

Customer Number: 0000193090

Date: 9/11/2018

ER IMAGING INC 2101 W ARLINGTON BLVD, SUITE 210 GREENVILLE, NC 27834

Siemens Medical Solutions USA, Inc. is pleased to submit the following quotation for the products and services described herein at the stated prices and terms, subject to your acceptance of the terms and conditions on the face and back hereof, and on any attachment hereto.

Table of Contents ACUSON SEQUOIA ultrasound system (Quote Nr. 1-OC7EC OPTIONS for ACUSON SEQUOIA ultrasound system (Quote General Terms and Conditions	e Nr. 1-OC7E0	GY Rev. 1)5
Contract Total: \$136,915 (total does not include any Optional or Alternate components	which may be	e selected)
Proposal valid until 9/28/2018		
Estimated Delivery Date: September 15, 2018		
Estimated delivery date is subject to change based upon fact customer site readiness, and other factors. A Siemens repredate.		
This offer is only valid if a firm, non-contingent order is placed accepted within 4 months of issuing the non-contingent Purcl		s by 9/30/18 and delivery will be
This Quotation is specific to ER IMAGING INC, and contains Siemens, including but not limited to discounts and pricing. T quotation or any portion hereof to, or discuss any of the information other customer or consultant, buying group, or other third particles.	he Customer i mation (includ	may not distribute or disclose this
Accepted and Agreed to by:	×	
Siemens Medical Solutions USA, Inc.	ER IMAGIN	
By (sign):	By (sign):	Michael
Name: Laura Herndon	Name:	Walter Lindstrand
Title: Product Sales Executive	Title: Date:	Chief Operating Officer
Date	I Idle	11971 3771118

By signing below, signor certifies that no modifications or additions have been made to the Quotation. Any such modifications or additions will be void.

PO#:

0004324



SIEMENS REPRESENTATIVE Laura Herndon - (770) 329-5470

By (sign):	
------------	--



SIEMENS REPRESENTATIVE Laura Herndon - (770) 329-5470

Quote Nr:

1-OC7EGY Rev. 1

Terms of Payment:

00% Down, 100% Delivery, 00% Installation

Free On Board: Shipping Point

**Purchasing Agreement:** 

VIZIENT SUPPLY LLC

VIZIENT SUPPLY LLC terms and conditions apply to Quote

Nr 1-OC7EGY

## **ACUSON SEQUOIA ultrasound system**

All items listed below are included for this system: (See Detailed Technical Specifications at end of Proposal.)

Qty	Part No.	Item Description
1	11290017	SEQUOIA, BASE CONFIGURATION  Patients have unique, individual acoustic characteristics - bioacoustic variabilities that can attenuate the ultrasound signal. ACUSON Sequoia with BioAcoustic technology addresses these bio variances by generating a high-fidelity acoustic signal tailored to each individual's patient acoustic characteristics. ACUSON Sequoia with BioAcoustic technology is the new standard in ultrasound allowing clinicians to see deeper than ever before, with unprecedented clarity.
1	11290079	SEQUOIA, VA10, SOFTWARE
1	11290032	SEQUOIA, VA10 OPER SYS, ENG Product-specific operating software, VA10, Control panel overlay and detailed instructions for use written in English
1	11290064	SEQUOIA, KEYBOARD, ENG Optional retractable English language keyboard.
1	11290018	CORDSET, NORTH AMERICA
1	11290154	SEQUOIA, LABEL, USA
1	11290087	SEQUOIA, VT ABDOMEN  The Virtual Touch Abdomen license enables Virtual Touch Point Shear Wave Elastography (pSWE) for compatible abdominal transducers
1	11290102	SEQUOIA, TRANSDUCER, 5C1, CP 5C1 Curvilinear transducer featuring gesture control activation.
1	11290101	SEQUOIA, TRANSDUCER, 18L6, CP 18L6 Linear transducer featuring gesture control activation.
1	11290099	SEQUOIA, TRANSDUCER, 10L4, CP 10L4 Linear transducer featuring gesture control activation.
1	11290105	SEQUOIA, TRANSDUCER, 9EC4, CP 9EC4 Endocavity transducer featuring gesture control activation
1	11290095	SEQUOIA, TRANSDUCER, 4V1, CP 4V1 Vector transducer.
1	11290109	SEQUOIA, NEEDLE GUIDE SET, 18L6 Reusable bracket that supports needle guidance for the 18L6
1	11290306	SEQUOIA, BASE SYSTEM A



# Siemens Medical Solutions USA, Inc. 40 Liberty Boulevard, Malvern, PA 19355

Fax: (866) 309-6967

SIEMENS REPRESENTATIVE Laura Herndon - (770) 329-5470

#### Qtv Part No.

#### Item Description

USD\_INITIAL\_1 6

#### Initial onsite training 16 hrs-FMV \$4100

Up to (16) hours of on-site clinical education training, scheduled consecutively (Monday - Friday) during standard business hours for a maximum of (4) imaging professionals. Uptime Clinical Education phone support is provided during the warranty period for specified posted hours. This educational offering must be completed (12) months from Install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.

SY\_PR\_TEAM PLAY

#### teamplay Welcome & Registration Package

teamplay is a cloud-based network that brings together your imaging modality users, the systems' dose and utilization data, and the users' expertise to help you improve the delivery of care to your patients. Basic features are provided free of charge. Premium features (benchmarking, non-Siemens devices) are provided on a trial basis for three months at no charge, and may be used thereafter on a subscription fee basis.

To register: http://teamplay.siemens.com/#/institutionRegistration/1

ACU\_TRADE I N\_ALL

#### Trade-in of Acuson Sequoia Sequoia SN 54989 FL 400-107197 expires 9/30/19 -\$1

Trade-in value is valid for forty-five (45) days from the date of the quotation. After that time it must be revalued.

The trade-in equipment shall be free and clear of all liens, encumbrances, security interests, assessments, rights of distraint and any other third party claims. Purchaser shall provide Stemens or its designated dealer or agent with access to the trade-in equipment within 48 hours after installation of the new equipment. Title and risk of loss to the trade-in equipment shall pass to Siemens or its designee upon installation of the purchased equipment at the Purchaser's facility. In the event that access to the trade-in equipment is denied for more than 30 days after shipment of the new equipment, then the Purchaser shall pay to Siemens the amount of ten (10) percent of the lotal trade in value including Elevate discounts (no less than \$1000) for each month, or part thereof, that access is denied. In addition, in the event that the trade-in equipment does not meet manufacturer's operating specifications or is not otherwise in the condition as stated in the trade-in specification sheet at the time of trade-in, or in the event that any trade-in Items are not returned or otherwise made available to Siemens or its designee, then Purchaser shall be invoiced and shall pay for any missing or damaged items/equipment, or the trade-in value set forth in this Quotation shall be adjusted in Siemens' sole discretion

US PR ELEV 10K SEQ

#### Sequoia Elevate Trade In Promo - \$10,000

The Sequoia Elevate Trade in Promotion is available to customers who trade in their current ultrasound system and purchase a new ACUSON Sequola, provided Siemens receives a binding purchase order for the Sequola system on or before December 31, 2018.

Trade-in value is valid for forty-five (45) days from the date of the quotation. After that time it must be revalued.

The trade-in equipment shall be free and clear of all liens, encumbrances, security interests, assessments, rights of distraint and any other third party claims. Purchaser shall provide Siemens or its designated dealer or agent with access to the trade-in equipment within 48 hours after installation of the new equipment. Title and risk of loss to the trade-in equipment shall pass to Siemens or its designee upon installation of the purchased equipment at the Purchaser's facility. In the event that access to the trade-in equipment is denied for more than 30 days after shipment of the new equipment, then the Purchaser shall pay to Siemens the amount of ten (10) percent of the total trade in value including Elevate discounts (no less than \$1000) for each month, or part thereof, that access is denied. In addition, in the event that the trade-in equipment does not meet manufacturer's operating specifications or is not otherwise in the condition as stated in the trade-in specification sheet at the time of trade-in, or in the event that any trade-in items are not returned or otherwise made available to Siemens or its designee, then Purchaser shall be involced and shall pay for any missing or damaged items/equipment, or the trade-in value set forth in this Quotation shall be adjusted in Siemens' sole discretion.

System Total:

\$136,915



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SIEMENS REPRESENTATIVE Laura Herndon - (770) 329-5470

part of the control o	
<b>OPTIONS</b> on Quote Nr:	1-OC7EGY Rev. 1

### **OPTIONS for ACUSON SEQUOIA ultrasound system**

All items listed below are OPTIONS and will be included on this system ONLY if initialed:

Qty	Part No.	Item Description	Extended Price	Initial to Accept
1	11290103	SEQUOIA, TRANSDUCER, DAX, CP	+ \$24,000	<u>X</u>

DAX Curvilinear transducer featuring gesture control activation.

FINANCING: The equipment listed above may be financed through Siemens. Ask us about our full range of financial products that can be tailored to meet your business and cash flow requirements. For further information, please contact your local Sales Representative.

ACCESSORIES: Don't forget to ask us about our line of OEM imaging accessories to complete your purchase. All accessories can be purchased or financed as part of this order. To purchase accessories directly or to receive our accessories catalog, please call us directly at 1-888-222-9944 or contact your local Sales Representative.

COMPLIANCE: Compliance with legal and internal regulations is an integral part of all business processes at Siemens, Possible infringements can be reported to our Helpdesk "Tell us" function at www.siemens.com/tell-us.



# Siemens Medical Solutions USA, Inc.

40 Liberty Boulevard, Malvern, PA 19355

Fax: (866) 309-6967

#### SIEMENS REPRESENTATIVE Laura Herndon - (770) 329-5470

# Siemens Medical Solutions USA, Inc. General Terms and Conditions

1.1 Contract Terms and Acceptance. These terms and conditions constitute an Integral part of any contract between Seller and Purchaser identified on the first page hereof and shall govern the sale of the products identified in such contract ("Products"). Purchaser acknowledges that this is a commercial and not a consumer transaction. Purchaser shall be deemed to have assented to, and to have waived any objection to, this Agreement upon the earliest to occur of any of the following: Purchaser's completion or execution of this Agreement, Purchaser's acceptance of all or any part of the Products; Purchaser's issuance of a purchase order for any Products identified on Seller's quotation or proposal, or delivery of the Products to the common carrier for shipment pursuant hereto.

1.2 Refurbished/Used Products. For Products identified on this Agreement as used or refurbished Products, these Products have been previously owned and used. When delivered to Purchaser, such Products will perform in accordance with the manufacturer's specifications. Since pre-owned Products may be offered simultaneously to several customers, the availability of such Products to Purchaser cannot be guaranteed. If the Products are no longer evailable, Seller will use its best efforts to identify other suitable products in its inventory. If substitute products are not acceptable to Purchaser, then Seller will cancel the order and refund to Purchaser any deposits previously paid. The warranty period for any used or refurbished Products will be separately stated on the

1.3 Third Party Products. If this Agreement includes the sale of third party products not manufactured by Seller, then Purchaser agrees and acknowledges that (a) Furchaser has made the selection of these products on its own, (b) the products are being acquired by Seller solely at the request of and for the benefit and convenience of Punchasor. (c) no representation, warranty or guarantee has been made by Seller with respect to the products, (d) the obligation of Purchaser to pay Seller for the products is absolute and unconditional, (e) use of the products may be subject to Purchaser's agreement to comply with any nottware licensing terms imposed by the manufacturer; and (f) unless otherwise indicated by Seller In Writing. Seller is not responsible for any required installation, validation, product receil, warranty service, maintenance, complaint handling, or any other applicable FDA regulatory requirements, and the Purchaser will took solely to the manufacturer regarding these services and will assed no claim against Seller with respect to these pioduols

2.1 Quotations. Unless otherwise agreed to in writing or set forth in the quotation, all prices quoted by Seller and amounts payable by Purchaser are in U.S. dollars, and include Seller's standard packaging. The prices quoted to Seller assume that the Seller is located in, and will use the Products in, the U.S. If not, such quotation will be void. Unless otherwise stated, the quotation shall only be valid for forty-five (45) days from the date of the quotation.

2.2 Delay in Acceptance of Delivery. Should the agreed delivery date be postponed by Purchaser, Seller shall have the right to deliver the Products to storage at Purchaser's risk and expense, and payments due upon delivery shall become due when Seller is medy to deliver.

3.1 Any sales, use or manufacturer's lax which may be imposed upon the sale. or use of Products, or any property tax levied after readiness to ship, or any excise tax, license or similar fee (excluding the Medical Device Excise Tax as set forth in Section 4191 of the Internal Revenue Code of 1986, as amended) required under this transaction, shall be in addition to the quoted prices and shall be paid by Purchaser. Notwithstanding the foregoing, Seller agrees to honor any valid exemption certificate provided by Purchaser

#### 4. TERMS OF PAYMENT; DEFAULT

4.1 Payments: Due Date. Unless otherwise set forth in the quotation, Purchaser shall pay Seller as follows: an initial deposit of 10% of the purchase price for each Product is due upon submission of the purchase order, an additional 80% of the purchase price is due upon delivery of each Product, and the final 10% of the purchase price is due upon completion of installation or when the Products are available for first patient use, whichever occurs first Unless otherwise agreed, all payments other than the initial deposit are due net thirty (30) days from the date of invoice. Seller shall have no obligation to complete installation until the payment due upon delivery is received. Partial shipments shall be billed as made, and payments for such shipments will be

made in accordance with the foregoing payment terms.

4.2 Late Payment. A service charge of 1½% per month, not to exceed the maximum rate allowed by law, shall be made on any portion of Purchaser's outstanding balance which is not paid when due. Payment of such service charge shall not excuse or cure Purchaser's breach or default for late payment. 4.3 Payment of Lesser Amount. If Purchaser pays, or Seller otherwise receives, a tesser amount than the full amount provided for under this Agreement, such payment shall not constitute or be construed other than as on account of the earliest amount due Seller. No endorsement or statement on any check or payment or elsewhere shall constitute or be construed as an accord or satisfaction.

4.4 Where Payment Due Upon Installation or Completion. Should any terms of payment provide for either full or partial payment upon completion of installation or thereafter, and completion of installation is delayed for any reason for which Selfer is not responsible beyond the installation date set forth in the Notice to Manufacture Letter issued by Seller, as applicable, then the balance of payments shall be due on the day following such installation date

4.5 Detault; Termination. Each of the following shall constitute an event of default under this Aureament (I) a failure by Purchaser to make any payment when due; (ii) a fallure by Purchaser to perform any other obligation under this Agreement within thirty (30) days of receipt of written notice from Seller; or (iii) the commencement of any insolvency, bankruptcy or similar proceedings by or against Purchaser

Upon the occurrence of any event of default, at Seller's election; (a) the entire amount of any indebtedness and obligation due Seller under this Agreement and interest thereon shall become immediately due and payable; (b) Seller may suspend the performance of any of Seller's obligations hereunder, including, but not limited to, obligations relating to delivery, installation and warranty services; (c) Purchaser shall put Seller in possession of the Products upon demend; (d) Seller may sell or otherwise dispose of all or any part of the Products and apply the proceeds thereof against any indebtedness or obligation of Purchaser under this Agreement; (e) if this Agreement or any indebtedness or obligation of Purchaser under this Agreement is referred to an altorney for collection or realization, Purchaser shall pay to Seller all costs of noticulion and realization (including, without limitation, a reasonable sum for altomays' fees); and Purchaser shall puy any deficiency remaining after collection of or realization by Seller on the Products In addition, Seller may terminate this Agreement upon written notice to Purchaser in the event that Purchaser is not approved for credit or upon the occurrence or any material adverse change in the financial condition or business operations of Purchaser, 4.6 Firencing. Notwithstanding any arrangement that Purchaser may make for the financing of the purchase price of the Products, the parties agree that any such financing arrangement shall have no effect on the Furchaser's payment obligations under this Agreement, including but not limited to Sections

#### 5. EXPORT TERMS

4.1 and 4.2 above

6.1 Unless other arrangements have been made, payment on export orders shall be made by irrevocable confirmed letter of credit, payable in U.S. dollars against Seller's invoice and standard shipping documents. Such letter of credit shall be in an amount equal to the full purchase price of the Froducts and shall be established in a U.S. bank acceptable to Seller. Purchaser shall have sole responsibility to procure all necessary permits and licenses for shipment and compliance with any governmental regulations concerning control of final destination of Products

5.2 Purchaser agrees that Products shall not at any time directly or indirectly be used, exported, sold, transferred, assigned or otherwise disposed of in a manner which will result in non-compliance with applicable export Control and US Sanction laws and regulations. If Purchaser purchases a Product at the domestic price and exports such Product, or Iransfers such Product to a third party for export, outside of the U.S., Purchaser shall pay to Seller the difference between the domestic price and the international retail price of such Product. Purchaser shall deliver to Seller, upon Seller's request, written assurance regarding compliance with this Section in form and content acceptable to

#### 6. DELIVERY, RISK OF LOSS

6.1 Delivery Date. Delivery and installation dates will be established by mutual agreement of the parties as set forth in the Notice to Manufacture Letter issued



# Siemens Medical Solutions USA, Inc. 40 Liberty Boulevard, Malvern, PA 19355

Fax: (866) 309-6967

by the Seller, as applicable. Seller shall make reasonable efforts to meet, such delivery date(a).

6.2 Risk of Loss; Title Transfer. Unless otherwise agreed to in writing, the following shall apply:

(a) For Products that do not require installation by Seller, and for options and add-on products purchased subsequent to delivery and installation of Products purchased under this Agreement, delivery shall be complete upon transfer of possession to common carrier, F.O.B. Shipping Point, whereupon title to and all risk of loss, damage to or destruction of the Products shall pass to Purchaser.

(b) For Products that require installation by Seller, delivery shall be complete upon delivery of the Froducts to Purchaser's designated site, F.O.B. Destination; whereupon tille to and all risk of loss, damage to or destruction of such Products shall pass to Purchaser upon completion of delivery.

(c) All freight charges and other transportation, packing and insurance coats, license tees custom duties and other similar charges shall be the sole responsibility of Purchaser unless included in the purchase price or otherwise agreed to in writing by Seller. In the event of any loss or damage to any of the Products during shipment, Seller and Purchaser shall cooperate in making any meurance claim

#### 7. SECURITY INTEREST/FILING

7.1 Purchaser grants to Soller a accurity interest in the Products until payment in full by Purchaser. Purchaser shall sign any financing statements or other documents necessary to perfect Seller's security interests in the Products. Purchaser further represents and covenants that (a) it will keep the Products in good order and repair until the purchase price has been paid in full, (b) it will promptly pay all taxes and assessments upon the Products or the use thereof, (c) it will not attempt to transfer any interest in the Products until the purchase price has been paid in full, and (d) it is solvent and financially capable of paying the full purchase price for the Products.

#### 8. CHANGES, CANCELLATION, AND RETURN

8.1 Orders accepted by Selfer are not subject to change except upon Selfer's

8.2 Orders accepted by Seller are non-cancellable by Purchaser except upon Seller's written consent and payment by Purchaser of a cancellation charge equal to 10% of the price of the affected Products, plus any shipping, insurance, inspection and returbishment charges; the cost of providing any training, education, site evaluation or other services completed by Seller, and any return, cancellation or restocking fees with respect to any Third Party Products indered by Seller on behalf of Purchaser. Seller may retain any payments received from Purchaser up to the amount of the cancellation charge. In no event can an order be cancelled by Purchaser or Products be returned to Seller after shipment.

fl.3 Seller reserves the right to change the manufacture and/or design of its Products if, in the judgment of Seller, such change does not after the general function of the Products

#### 9. FORCE MAJEURE

3.1 Seller shall not be liable for any loss or damage for delay in delivery, mability to install or any other failure to perform due to causes beyond its reasonable control including, but not limited to, acts of God or the public, war, civil commolion, blockedes, embargoes calamities, floods, fires, earthquakes, explosions, storms, strikes, tockouts, labor disputes, or unavailability of labor, raw materials, power or supplies. Should such a delay occur, Seller may reasonably extend delivery or production schedules or, at its option, cancel the order in whole or part without liability other than to return any unearned deposit

#### 10. WARRANTY

10.1 Seller warrants that the Products manufactured by Seller and sold hereunder shall be free from detects in material or workmanship under normal use and service for the warranty period. The final assembled Products shall be new although they may include certain used, reworked or refurbished parts and components (e.g., circuit boards) that comply with performance and reliability specifications and controls. Seller's obligation under this warranty is limited, at Seller's option, to the repair or replacement of the Product or any part thereof. Unless otherwise set forth in the Product Warranty attached hereto and incorporated herein by reference ("Freduct Warranty"), the warranty period shall commence upon the estiler of the date that the Products have been Installed in accordance with Section 12.5 hereof (which date shall be confirmed in writing by Soller) or first petion! use, and shall continue for twelve (12) consecutive months. Seller makes no warranty for any Products made by persons other than Seller or its affiliates, and Purchaser's sole warranty therefor, if any, is the original manufacturer's warranty, which Seiter agrees to pass on to Purchaser, as applicable. The warranty provided by Seller under this

SIEMENS REPRESENTATIVE Laura Herndon - (770) 329-5470

Section 10 extends only to the original Purchaser, unless the Purchaser obtains the Seller's prior written consent with respect to any sale or other transfer of the Products during the term of the warranty.

10.2 No warranty extended by Seller shall apply to any Products which have been damaged by fire, accident, misuse, abuse, negligence, improper application or alteration or by a force majeure occurrence as described in Section I hereof or by the Purchaser's failure to operate the Products in accordance with the manufacturer's instructions or to maintain the recommended operating environment and line conditions; which are defective due to unauthorized attempts to repair, relocate, maintain, service, add to or modify the Products by the Purchaser or any third party or due to the attachment and/or use of non-Seller supplied parts, equipment or software without Seller's prior written approval; which failed due to causes from within non-Seller supplied equipment, parts or software including, but not limited to, problems with the Purchaser's network; or which have been damaged from the use of operating supplies or consumable parts not approved by Seller. In addition, there is no warranty coverage for any transducer or probe failure due. to events such as cracking from high impact drops, cable rupture from rolling equipment over the cable, delamination from cleaning with inappropriate solutions, or TEE bits marks. Seller may effectuate any repairs at Purchasar's facility, and Purchasar shall furnish Seller safe and sufficient access for such repair, Repair or replacement may be with parts or products that are new, used or rejurbished. Repairs or replacements shall not interrupt, extend or prolong the term of the warranty. Purchasor shall, upon Seller's request, return the non-complying Product or part to Seller with all transportation charges prepaid. but shall not return any Product or part to Seller without Seller's prior written authorization. Purchaser shall pay Seller its normal charges for service and parts for any inspection, repair or replacement that falls guistide of Seller's warrenty. Seller's warranty does not apply to consumable metarials, disposables, supplies, accessories and colluteral equipment, except as specifically stated in writing or as otherwise set forth in the Product Warranty.

10.3 This warranty is made on condition that immediate written notice of any

noncompliance be given to Seller and Seller's inspection reveals that Purchaser's claim is covered under the terms of the warranty (i.e., that the noncompliance is due to traceable defects in original materials and/or

workmanship).

10.4 Purchaser shall provide Seller with both on-site and remote access to the Products. The remote access shall be provided through the Purchaser's network as is reasonably necessary for Seller to provide warranty services under this Agreement. Remote access will be established through a broadband internet-based connection to either a Purchaser owned or Seller provided secure and-point. The method of connection will be a Peer-to-Peer VPN IPsec tunnel (non-tillen) based) with specific inbound and outbound port requirements.

10,5 Warranty service will be provided without charge during Saller's regular working hours (8:30-5:00), Monday through triday, except Seller's recognized holidays. If Purchaser requires that service be performed outside these hours, such corvino can be made available at an additional charge, at Seller's then current rates. The obligations of Seller rescribed in this Section are Seller's only obligations and Purchaser's sole and exclusive remedy for a breach of

product warranty.

10.6 SELLER MAKES NO WARRANTY OTHER THAN THE ONE SET FORTH HEREIN AND IN THE PRODUCT WARRANTY, SUCH WARRANTY, IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSES, AND SUCH CONSTITUTES THE SOLE AND EXCLUSIVE WARRANTY MADE WITH RESPECT TO THE PRODUCTS, SERVICE OR OTHER ITEM FURNISHED UNDER THIS AGREEMENT.

10,7 in the event of any inconsistencies between the terms of this Section 10 and the terms of the Product Warranty, the terms of the Product Warranty shall

#### 11. LIMITATION OF LIABILITY

11.1 In no event shall Seller's liability hereunder exceed the actual loss or damage sustained by Purchaser, up to the purchase price of the Products. The foregoing limitation of liability shall not apply to claims for bodily injury or demages to real property or tangible personal property to the extent arising from Seller's negligence or a product defect.

11.2 SELLER SHALL NOT BE LIABLE FOR ANY LOSS OF USE, REVENUE

OR ANTICIPATED PROFITS; COST OF SUBSTITUTE PRODUCTS OR SERVICES; LOSS OF STORED, TRANSMITTED OR RECORDED DATA; OR FOR ANY INDIRECT, INCIDENTAL, UNFORESEEN, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES WHETHER BASED ON CONTRACT, TORT, STRICT LIABILITY OR ANY OTHER THEORY OR FORM OF ACTION, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY THEREOF, ARISING OUT OF OR IN CONNECTION WITH THIS



# Siemens Medical Solutions USA, Inc. 40 Liberty Boulevard, Malvern, PA 19355 Fax: (866) 309-6967 SIEMENS REPRESENTATIVE Laura Herndon - (770) 329-5470

AGREEMENT OR THE SALE OR USE OF THE PRODUCTS. THE FOREGOING IS A SEPARATE, ESSENTIAL TERM OF THIS AGREEMENT AND SHALL BE EFFECTIVE UPON THE FAILURE OF ANY REMEDY, EXCLUSIVE OR NOT.

#### 12. INSTALLATION - ADDITIONAL CHARGES

12.1 General. Unless otherwise expressly stipulated in writing, the Products shall be installed by and at the expense of Selfer except that Selfer shall not provide rigging or afte preparation services unless otherwise agreed to in writing by Selfer for an additional charge. Selfer will not install accessory items such as cabinets, illuminators, darknoom equipment or processors for X-Ray and CT equipment, unless otherwise agreed to in writing by Selfer.

12.2 Installation by Selfer, if Selfer specifies it will install the Products, the

12.2 Installation by Seller, if Seller specifies it will install the Products, the following applies; subject to fulfillment of the obtigations set forth in Section 12.3 below, Seller shall install the Products and connect them to the requisite safety switches and power lines to be installed by Purchaser. Except as otherwise specified below, if such installation and connection are performed by Seller's behinded personnel, prices shown include the cost thereof, provided that the installation and connection can be performed within the Confinential United States or Puerto Rico and during normal business hours. Any overtime charges or other special expenses shall be additional charges to the prices shown.

12.3 Purchaser's Obligations. Purchaser shall, at its expense, provide all proper and necessary labor and materials for plumbing service, carpentry work, conduit wiring, and other preparations required for such installation and connection. All such labor and materials shall be completed and available at the time of delivery of the Products by Seller, Additionally, Furchaser shall provide free access to the installation site and, if necessary, safe and secure space for storage of Products and equipment prior to installation by Saller. Purchaser shall be responsible, at its spie cost and expense, for obtaining all permits, licenses and approvals required by any federal, state or local authorities to connection with the installation and operation of the Products, including but not limited to any certificate of need and zonling variances. Purchaser shall provide a suitable environment for the Products and shall ensure that its premises are free of hazardous conditions and any concealed or dangerous conditions and that all site requirements are met. Saller shall delay Its work until Purchaser has completed the removal of any hazardous materials or has taken any other precautions and completed any other work required by applicable regulations. Purchaser shall reimburse Seller for any increased costs and expenses incurred by Seller that are the result of or are caused by any such delay. In the event that Seller is requested to supervise the installation of the Products, it remains the Purchaser's responsibility to comply with local regulations. Seller is not an architect and all drawings furnished by Seller are not construction drawings. If local labor conditions, including a requirement to use union labor, require the use of non-Seller employees to participate in the installation of the Product or otherwise causes delays or any additional expenses, then any such additional costs shall be at Purchaser's

12.4 Regulatory Reporting. In the event that any regulatory activity is performed by anyone other than Seller's authorized personnel, then Purchaser shall be responsible for fulfilling any and all reporting requirements.

12.6 Completion of Installation, installation shall be complete upon the conclusion of final calibration and checkout under Seller's standard procedures to verify that the Products meet applicable written performance specifications. Notwithstanding the foregoing, first use of the Products by Punchaser, its agents or employees for any purpose after delivery shall constitute completion of installation.

# 13. PATENT, COPYRIGHT AND OTHER INFRINGEMENT CLAIMS

13.1 Intringement by Seller. Seller warrants that the Products manufactured by Seller and sold hereunder do not infringe any U.S. patent or copyright, if Purchaser receives a claim that any such Products, or parts thereof, infringe upon the rights of others under any U.S. patent or copyright, Purchaser shall notify Seller Immediately in writing. Provided that Purchaser gives Seller information, assistance and exclusive authority to evaluate, defend and settle such claims, Seller shall at the own expense and option! Indemnify and defend Purchaser against such claims, settle such claims, procure for Purchaser the right to use the Products; or remove of modify them to avoid infringement. It none of these alternatives is available on terms reasonable to Seller, then Purchaser shell return the Products to Seller and Seller shall refund to Purchaser his purchase price paid by Purchaser less reasonable depreciation for Purchaser's use of the Products. The foregoing states Seller's entire obligation and liability, and Purchaser's sole remedy, for claims of intringement, 13.2 Infringement by Purchaser. If some or all of the Products sold hereunder are made by Seller pursuant to drawings or specifications furnished by Purchaser, or if Purchaser modifies or combines, operates or uses the

Products other than as specified by Seller or with any product, data, software, apparatus or program not provided or approved by Seller, then the indemnity obligation of Seller under Section 13.1 shall be null and vold.

# 14. DESIGNS AND TRADE SECRETS; LICENSE; CONFIDENTIALITY

14.1 Any drawings, data, designs, software programs or other technical information supplied by Seller to Purchaser in connection with the sale of the Products shall remain Seller's property and shall at all times be held in confidence by Punchaser.

14.2 For all Products which utilities software for their operation, such "Applications Software" shall be licensed to Purchaser under the terms of Seller's Software License Schedule attached hereto.

14.3 Seller and Purchaser shall meintain the confidentiality of any information provided or disclosed to the other pany relating to the business, customers and/or patients of the disclosing party, as well as this Agreement and its terms (including the pricing and other financial terms under which the Purchaser will be purchasing the Products). Each party shall use reasonable one to protect the confidentiality of the information disclosed, but no less than the degree of care it would use to protect its own confidential information, and shall only disclose the other party's confidential information to its employees and agents having a need to know this information. The obligations of confidentiality set forth herein shall not apply to any information in the public domain at the time of disclosure or that is required to be disclosed by court order or by law.

#### 15. ASSIGNMENT

15.1 Neither party may assign eny rights or obligations under this Agreement without the prior written consent of the other, which shall not be unreasonably withheld. Any attempt to do so shall be void, except that Seller may assign this Agreement without consent to any subsidiary or affillated company, and may delegate to authorized subcontractors or service suppliers any work to be performed under this Agreement so long as Seller remains liable for the performance of its obligations under this Agreement. This Agreement shall induce to and be binding upon the parties and their respective successors, permitted assigns and legal representatives.

#### 16. COSTS AND FEES

16.1 In the event that any dispute or difference is brought arising from or relating to this Agreement or the breach, formination or validity themos, the prevailing party shall be contilled to recover from the other party all reasonable attorneys' sees incurred, together with such other expenses, costs and disbursements as may be allowed by law.

#### 17. MODIFICATION

17.1 This Agreement may not be changed, modified or amended except in writing signed by duly authorized representatives of the parties.

#### 18. GOVERNING LAW; WAIVER OF JURY TRIAL

18.1 This Agreement shall be governed by the laws of the state where the Product(s) will be installed, without regard to that state's choice of law principles

18.2 EACH OF THE PARTIES EXPRESSLY WAIVES ALL RIGHTS TO A JURY TRIAL IN CONNECTION WITH ANY DISPUTE UNDER THIS AGREEMENT.

#### 19. COST REPORTING

19.1 Purchaser agrees that II must fully and accurately report prices paid under this Agreement, net of all discounts, as required by applicable law and contract, including without limitation 42 CFR §1001.852(h),in all applicable Medicors, Medicaid and state agency cost reports. Purchaser shall retain a copy of this Agreement and all other communications regarding this Agreement, together with the invoices for purchase and permit agents of the U.S. Department of Health and Human Services or any state agency access to such records upon request.

#### 20. INTEGRATION

20.1 These terms and conditions, including any attachments or other documents incorporated by reference herein, constitute the online, complete and exclusive statement of agreement with respect to the subject matter hereof, and supersede any and all prior agreements, understandings and communications between the panies with respect to the Products, Purchaser's additional or different terms and conditions stated in a purchase order, bid documents or any other document issued by Purchaser are specifically rejected and shell not apply to the transactions contemplated under this Agreement.



## Siemens Medical Solutions USA, Inc.

40 Liberty Boulevard, Malvern, PA 19355

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#### 21. SEVERABILITY; HEADINGS

21.1 No provision of this Agreement which may be deemed unenforceable will in any way invalidate any other portion or provision of this Agreement. Section headings are for convenience only and have no substantive effect.

#### 22. WAIVER

22.1 No failure and no delay in exercising, on the part of any party, any right under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right preclude the further exercise of any other right.

23.1 Any notice or other communication under this Agreement shall be deemed properly given if in writing and delivered in person or mailed, properly addressed and stamped with the required postage, to the intended recipient at its address specified on the face hereof.

#### 24. RIGHTS CUMULATIVE

24.1 The rights and remedies afforded to Seller under this Agreement are in addition to, and do not in any way limit, any other rights or remedies afforded to Seller by any other agreement, by law or otherwise.

#### 25. END USER CERTIFICATION

25.1 Purchaser represents, warrants and covenants that it is acquiring the Products for its own end use and not for reselling, leasing or transferring to a third party (except for lease-back financings).

26. ACCESS TO BOOKS AND RECORDS
26.1 To the extent required by Section 1861(v)(1)(I) of the Social Security Act and the regulations promulgated thereunder, until the expiration of four (4) years after the furnishing of any Product or service pursuant to this Agreement, Seller shall make available, upon written request by the Secretary of Health

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and Human Services (the "Secretary"), or upon request by the Comptroller General (the "Comptroller"), or any of their duly authorized representatives, copies of this Agreement and any books, documents, records or other data of Seller that are necessary to certify the nature and extent of any costs incurred by Purchaser for such Products and services. Il Seller carries out any of its duties under this Agreement through a subcontract with a related organization involving a value or cost of ten thousand dollars (\$10,000) or more over a twelve (12) month period, Seller will cause such subcontract to contain a clause to the effect that, until the expiration of four (4) years after the furnishing of any Product or service pursuant to said contract, the related organization will make available upon the written request of the Secretary or the Comptroller, or any of their duly authorized representatives, copies of records of said related organization that are necessary to certify the nature and extent of cost incurred by Purchaser for such Product or service.

#### 27. DISPOSITION OF PRODUCTS

27.1 Purchaser expressly agrees that should Purchaser sell, transfer or otherwise dispose of the Products, Purchaser shall notify Seller in writing and give Seller the opportunity to purchase such Products. With Purchaser's notice, Purchaser shall provide Seller with a copy of the third party's binding offer to purchase the Products and Seller shall have seven (7) days to notify the Purchaser of an offer to purchase the Products.

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# Software License Schedule to the Siemens Medical Solutions USA, Inc. General Terms and Conditions

1. DEFINITIONS: The following definitions apply to this Schedule:

"Agreement" shall mean the attached (i) Quotation for Products and/or Services including the Terms and Conditions of Sale and applicable schedules; and/or (ii) Software License Agreement describing the software licensed herein and the specific system for which the license is issued "Licenser" shall mean Stemens Medical Solutions USA. Inc.

"Licensee" shall mean the end-user to whom Licensor provides Software or Documentation for its internal use under the Agreement.

"Software" shall moan the software described in the attached Agreement, including the following as contained therein: (I) software programs constaling of a series of statements or instructions to be used directly or indirectly in a programmable controller or computer to bring about a certain result and (ii) databases consisting of systemized collections of data to be used or referenced directly or indirectly by a programmed controller or computer. Notwithstanding the foregoing, "Software" dues not include "limiware" as such term is conventionally understood. Diagnostic/Maintenance Software also is not included within the scope of the Software licensed under this Schadule, and is available only as a special option under a separate Diagnostic Materials License Agreement and may be subject to a separate licensing fee

"Documentation" shall mean the documents and other supporting materials which are intended to support the use of an associated product, including (but not limited to) Instructions, descriptions, flow charts, logic diagrams and listings of the Software, in text or graphic form, on machine readable or printed media

"Designated Unit" shall mean a single control unit or computer identified on the first page of the Aureement, on which Software Iloansed hereunder may

the used by Licensee.

2. SCOPE: The following terms and conditions shall apply to all Software. and Documentation provided by Licensor to Licensee under the Agreement (whether included with other products listed in the Agreement or listed separately in the Agreement), together with any updates or revisions thereto which Licensor may provide to Licensee, and all coptes thereof, except any Software and/or Documentation licensed directly by Licenson's supplier under a separate end-user ticense agreement apcompanying the Softwere or the Documentation, in which case Licensee agrees to be bound by that license agreement as a condition to using the Software and/or Documentation. Except as expressly provided herein, and provided that in no event shall the warrantles or other obligations of Licensor with respect to such Software or Documentation exceed those set forth in this Schedule, this Schedule shall be subject to the liability limitations and exclusions and other terms and conditions set forth in the Agreement ANY USE OF THE SOFTWARE, INCLUDING BUT NOT LIMITED TO USE ON THE DESIGNATED UNIT, WILL CONSTITUTE LICENSEE'S AGREEMENT TO THIS SOFTWARE LICENSE SCHEDULE (OR RATIFICATION OF ANY PREVIOUS CONSENT).

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#### TRADE-IN EQUIPMENT REQUIREMENTS

THE FOLLOWING APPLIES ONLY TO THE EXTENT THAT THE QUOTATION INCLUDES AN EQUIPMENT TRADE IN OR IF A TRADE-IN IS LATER ADDED TO THS QUOTATION VIA A CHANGE ORDER. THESE REQUIREMENTS ARE IN ADDITION TO ANY OTHER REFERENCED TERMS AND CONDITIONS OF THE QUOTATION AND SHALL REMAIN IN EFFECT REGARDLESS OF ANY CONTRARY LANGUAGE IN THE QUOTATION,

This Quotation includes the trade-in equipment described herein and referenced by either the Project Number identified in the Quotation hereof (non-Ultrasound) or the Trade in Part Number (Ultrasound) as further described in the associated Trade Sheet which is incorporated herein by reference. Purchaser certifies that the description of the trade-in equipment as set forth on the Trade Sheet is a true and accurate representation of the equipment, and that the equipment is in good working condition unless otherwise noted on the Trade Sheet.

The trade-in equipment must be made available for removal no later than turnover of the new equipment. Purchaser must vacate the room of all items not listed on the Trade Sheet, or otherwise clearly identify all items listed on the Trade Sheet, prior to the start of the de-installation. If this is not done, Selter will have no liability for items which are subsequently removed or scrapped. If the de-installation or return of the trade-in equipment is delayed by Purchaser for reasons other than a force majoure event, or if upon inspection by Selter it is determined that the equipment does not meet the manufacturer's operating specifications, or if any items listed as included on the Trade Sheet are not made available at the time of de-installation, then trade-in value will be re-evaluated and any loss in value or additional costs incurred by Selter shall be deducted from the established trade-in value and the pricing set forth on this Quotation will be adjusted by change order. In the event that access to the non-ultrasound trade-in equipment is denied past 14 days from turnover, or access to ultrasound trade-in equipment is denied past 30 days from turnover, then Purchaser shall pay to Seller a rental fee in the amount 3.5% of the total trade-in value plus any additional value provided by an Elevate/Promotional program included in this quotation (no less than \$1000) for each month, or part thereof, that access is denied. In addition, if the purchase and installation of the new equipment covered by this Quotation is not completed, then Seller shall invoice Purchaser for all costs and expenses incurred by Seller in connection with the de-installation and removal of the trade-in equipment, including date.

Purchaser further acknowledges and agrees that (i) the trade-in equipment will be free and clear of all liens and encumbrances including, but not limited to, unpaid leases and loans, and that upon request, it will execute a bill of sale or other documents reasonably satisfactory to Stemens to transfer title and ownership of the equipment to Seller, (ii) it is Purchaser's sole responsibility to delete all protected health information and any other confidential information from the equipment prior to de-installation, without damaging or cannibalizing the equipment or otherwise affecting the operation of the equipment in accordance with its specifications, (iii) the equipment, including all updates, updates, modifications, enhancements, revisions, software, SAV disks and manuals, shall be returned to Stemens in good operating condition, reasonable wear and tear excepted, and (iv) to the extent not prohibited by applicable law, Purchaser shall indemnify and hold Seller harmless from and against any and all claims, demands, causes of action, damages, liability, costs and expenses (including reasonable alterney's fees) resulting or arising from Purchaser's failure to comply with item (i) above.

FOR MR SYSTEMS; cryogen levels must be teast 65% upon time of de-installation. FOR MOBILE SYSTEMS: system must be road worthy and a state issued title transferring ownership to Seller (or Designee) must be received prior to the removal of the mobile system. FOR MODALITY TRADE SYSTEMS (non-ultrasound): The trade-in equipment must be available for inspection within two weeks of the scheduled de-installation date. In addition, Purchaser must provide a clear path for the removal of the trade in equipment and on the date of de-installation after final inspection and test by the Seller (or Designee) has occurred, the Purchaser must supply licensed tradespeople to disconnect the power and plumbing (including draining and removing and disposing of any hazardous materials including, but not limited to glycol from the chiller and oil from the transformer, as examples.) Any additional costs due to the need to use a larger rig (other than a standard 60 ton rig), as well as any construction activities, street closings, permits, etc., required to de-install/remove the equipment are out-of-scope costs and will be the responsibility of Purchaser. FOR ULTRASOUND SYSTEMS — Purchaser may provide transducers with the ultrasound unit being traded in, but will not receive additional credit for such transducers.

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SIEMENS REPRESENTATIVE Laura Herndon - (770) 329-5470

## **Ultrasound (US) Warranty Information**

Product (New Systems and "ECO"	Period of Warranty <sup>1</sup>	Coverage	
Refurbished Systems Only)		Principal Coverage Period 8am-5pm Monday through Friday <sup>5</sup>	
New US Systems 3,4	12 months	Full Warranty (parts & labor excluding consumables)	
ACUSON P5004	12 months  Months 13 through 60	Full Warranty (parts & labor excluding consumables) Limited to 1 tler transducer per year	3 3
ACUSON P3004	24 months	Full Warranty (parts & labor excluding consumables)	
ACUSON Bonsai	60 months	Full Warranty (system & cart) (parts & labor excluding consumables)	
Refurbished US Systems 3	12 months	Full Warranty (parts & labor excluding consumables)	

The parts warranty below only applies t warranty. Repairs or replacements shall		replacement parts provided pursuant to a prolong the term of the warranty.
Transducers sold with New US Systems	12 months	Wear and Failure only (damage not included)
Transducers sold with ACUSON Freestyle	24 months	Wear and Failure only (damage not included)
Transducers sold with ACUSON Bonsai	60 months	Wear and Failure only (damage not included)
TEE probes sold with New US Systems	12 months	Wear and Failure only (damage not included
Ultrasound Upgrades (includes Transducers, TEE probes, OEMs and Upgrades)	6 months	Full Warranty (parts & labor: wear and failure only on transducers & TEE probes)
ACUSON Bonsai System & Cart Batteries	12 months	
Consumables	Not covered	

Post-Warranty (after expira	tion of system warranty) – Replacement	parts only!	
Spare Parts	6 months	Parts only	
Transducers	6 months	Parts only	
TEE Probes	6 months	Parts only	-11
Consumables	Not covered		

Note: Optional extended warranty coverage can be obtained by purchase of a service agreement.

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<sup>&</sup>lt;sup>1</sup> Period of warranty commences from the date of first use or completion of installation, whichever occurs first. In the event the completion of installation is delayed for reasons beyond Slemens' control, the stated warranty period shall commence 60 days after delivery of equipment.

<sup>2</sup> While product shall be delivered FOB shipping point, seller will maintain risk of loss of purchaser's equipment during travel from the factory to the purchaser's destination, and shall be responsible for insuring the equipment during such transit.

<sup>3</sup> Trade-in Warranty policy: New and refurbished systems sold with trade-ins come with a 12 month warranty. The warranty is reduced to 90 days if the same system is traded in (e.g. Sequoia to Sequoia trade-in for e.g.). System warranty applies to all transducers, probes and OEM's sold with the system.



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<sup>&</sup>lt;sup>4</sup> The warranty terms on the following page apply to the ACUSON P300, P500 or Freestyle ultrasound systems included in the Quotation in lieu of paragraph 10 of Siemens Medical Solutions USA, Inc. General Terms and Conditions.

<sup>&</sup>lt;sup>6</sup>Standard deliverable independent of subsequent service contract commitment



#### SIEMENS REPRESENTATIVE Laura Herndon - (770) 329-5470

#### WARRANTY TERMS FOR ACUSON® P300. P500 AND FREESTYLE™ ULTRASOUND SYSTEMS

#### 10. WARRANTY (Applicable to ACUSON P300, P500 and Freestyle ultrasound systems only)

10.1 Seller warrants that the Products manufactured by Seller and sold hereunder shall be free from defects in material or workmanship under normal use and service for the warranty period. The final assembled Products shall be new although they may include certain used, reworked or refurbished parts and components (e.g., circuit boards) that comply with performance and reliability specifications and controls. Seller's obligation under this warranty is limited, at Seller's option, to the repair or replacement of the Product or any part thereof. The warranty period commencement date and duration for the Products shall be in accordance with the Ultrasound (US) Warranty Information altached hereto and incorporated herein by reference ("Product Warranty"). Seller makes no warranty for any Products made by persons other than Seller or its affiliates, and Purchaser's sole warranty therefor, if any, is the original manufacturer's warranty, which Seller agrees to pass on to Purchaser, as applicable. The warranty provided by Seller under this Section 10 extends only to the original Purchaser, unless the Purchaser obtains the Seller's prior written consent with respect to any sale or other transfer of the Products during the term of the warranty.

10.2 No warranty extended by Seller shall apply to any Products which have been damaged by fire, accident, misuse, abuse, negligence, improper application or alteration or by a force majeure occurrence as described in Section 9 hereof or by the Purchaser's failure to operate the Products in accordance with the manufacturer's instructions or to maintain the recommended operating environment and line conditions; which are defective due to unauthorized attempts to repair, relocate, maintain, service, add to or modify the Products by the Purchaser or any third party or due to the attachment and/or use of non-Seller supplied parts, equipment or software without Seller's prior written approval; which failed due to causes from within non-Seller supplied equipment, parts or software including, but not limited to, problems with the Purchaser's network; or which have been damaged from the use of operating supplies or consumable parts not approved by Seller. In addition, there is no warranty coverage for any transducer or probe failure due to events such as cracking from high impact drops, cable rupture from rolling equipment over the cable, delamination from cleaning with inappropriate solutions, or TEE bite marks. Repair or replacement may be with parts or products that are new, used or refurbished. Repairs or replacements shall not interrupt, extend or prolong the term of the warranty. Purchaser shall, upon Seller's request, return the non-complying Product or part to Seller with all transportation charges prepaid in accordance with Seller's written instructions, but shall not return any Product or part to Seller without Seller's prior written authorization. Purchaser shall pay Seller its normal charges for service and parts for any inspection, repair or replacement that falls outside of Seller's warranty. Seller's warranty does not apply to consumable materials, disposables, supplies, accessories and collateral equipment, except as specifically stated in writing or as otherwise set forth in the Product Warranty.

10.3 This warranty is made on condition that immediate written notice of any noncompliance be given to Seller and Seller's inspection reveals that Purchaser's claim is covered under the terms of the warranty (i.e., that the noncompliance is due to traceable defects in original materials and/or workmanship).

10.4 Purchaser shall provide Seller with both on-site and remote access to the Products. The remote access shall be provided through the Purchaser's network as is reasonably necessary for Seller to provide warranty services under this Agreement. Remote access will be established through a broadband internet-based connection to either a Purchaser owned or Seller provided secure end-point. The method of connection will be a Pecr-to-Peer VPN IPsec tunnel (non-client based) with specific inbound and outbound port requirements. The parties expressly agree that any information derived from the remote access connection regarding the Purchaser and/or its utilization of the Products may be used by Seller provided that any patient information is de-identified and that Purchaser is not identified as the source of any such information.

10.6 Seller may provide Purchaser a comparable system ("Loaned System") while Seller altempts to repair the non-complying Product. Purchaser's use of the Loaned System commences upon receipt of the Loaned System and continues until receipt of the repaired or replaced Product (the "Loan Period"). The Loaned System must be returned to Seller within two (2) business days of receiving the repaired or replaced Product, and in accordance with the Seller's written instructions. The Loaned System shall be returned in the same condition as when delivered, ordinary wear and tear excepted. Title to the Loaned System shall at all times remain with Siemens, but Purchaser will be responsible for equipment that is lost, stolen, or damaged during the Loan Period. Purchaser is also responsible for any personal injuries or property damages caused by the negligent acts or omissions of Purchaser, its officers, directors, employees or agents. Purchaser agrees to use the Loaned System in accordance with all instructions and manuals, and to immediately report to Siemens any malfunction or defect in the Loaned System. If the Loaned System is not returned to Siemens as required by this Subsection 10.5, then Purchaser will be charged, and agrees to pay Seller, the Fair Market Value of the Loaned System. Purchaser's use of the Loaned System is subject to the same Equipment Terms and Conditions and Software License Schedule attached to this Quotation as apply to the original Products.



SIEMENS REPRESENTATIVE Laura Herndon - (770) 329-5470

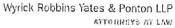
10.6 SELLER MAKES NO WARRANTY OTHER THAN THE ONE SET FORTH HEREIN AND IN THE PRODUCT WARRANTY. SUCH WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSES, AND SUCH CONSTITUTES THE SOLE AND EXCLUSIVE WARRANTY MADE WITH RESPECT TO THE PRODUCTS, SERVICE OR OTHER ITEM FURNISHED UNDER THIS AGREEMENT.

10.7 The obligations of Seller described in this Section are Seller's only obligations and Purchaser's sole and exclusive remedy for a breach of product warranty. In the event of any inconsistencies between the terms of this Section 10 and the terms of the Product Warranty, the terms of the Product Warranty shall prevail.

09/15

# EXHIBIT B

No-Review Letter Regarding the Relocation of the Diagnostic Center



4101 Lake Boone Trail, Suite 300, Raleigh, NC 27607
PO Drawer 17803, Raleigh, NC 27619
3: 919.781.4000 3: 919.781.4865 www.wyrick.com



Frank Kirschbaum fkirschbaum@wyrick.com

June 15, 2018

### Via Hand Delivery

Martha Frisone, Chief
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
N.C. Department of Health and Human Services
809 Ruggles Drive
Raleigh, NC 27603

Re: Eastern Radiologists, Inc. / No Review Letter to Relocate Diagnostic Center

Dear Ms. Frisone:

Our client, Eastern Radiologists, Inc. ("Eastern Radiologists"), owns and operates a diagnostic center located at 9 Doctor's Park in Greenville, North Carolina. <u>See</u> Exhibit 1. The purpose of this letter is to request that you confirm that the relocation of the existing diagnostic center, including the associated medical diagnostic equipment, is not a new institutional health service within the meaning of the Certificate of Need ("CON") law.

The existing diagnostic center will be relocated from its current location at 9 Doctor's Park in Greenville, North Carolina, to 2101 West Arlington Boulevard, Greenville, North Carolina. The relocated diagnostic center will be located in the same city and county (Greenville, Pitt County) as the existing diagnostic center. The new location is only about 0.8 miles driving distance from the current location.

No new diagnostic equipment is being acquired and none of the existing diagnostic equipment is being replaced as part of this relocation. Furthermore, the relocation does not entail the acquisition of any major medical equipment or any per se reviewable equipment as defined in N.C. Gen. Stat. §§ 131E-176(140) and (16)(f1). Likewise, the relocation does not include the offering of any per se reviewable services. See N.C. Gen. Stat. § 131E-176(16)(f).

The only issue presented herein is whether the capital costs associated with the relocation of the existing diagnostic center will cost in excess of two million dollars (\$2,000,000). According to N.C. Gen. Stat. § 131E-176(16)b., included among new institutional health services is:

Martha Frisone, Chief June 15, 2018 Page 2

Except as otherwise provided in G.S. 131E-184(e), the obligation by any person of a capital expenditure exceeding two million dollars (\$2,000,000) to develop or expand a health service or a health service facility, or which relates to the provision of a health service. The cost of any studies, surveys, designs, plans, working drawings, specifications, and other activities, including staff effort and consulting and other services, essential to the acquisition, improvement, expansion, or replacement of any plant or equipment with respect to which an expenditure is made shall be included in determining if the expenditure exceeds two million (\$2,000,000).

Attached as Exhibit 2 is a chart and listing of the capital costs associated with relocating the diagnostic equipment, as well as upfitting space and installing that equipment. Attached as Exhibit 3 is the supporting documentation for the moving quotes, architectural costs, HVAC costs and electrical costs associated with the relocation.

Based on the information above and in the attached Exhibits, the estimated total capital costs related to the relocation of the existing diagnostic center will be well below the \$2,000,000 threshold. Therefore, the relocation of the diagnostic center is not a new institutional health service within the meaning of the CON law.

Based on the foregoing and the attached Exhibits, we respectfully request that you confirm that the relocation of the existing diagnostic center is not a new institutional health service and is not subject to CON review.

Please let me know if you have any questions.

Sincerely,

WYRICK ROBBINS YATES & PONTON

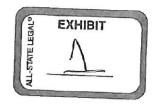
Frank Kirschbaum

Enclosures



# North Carolina Department of Health and Human Services Division of Health Service Regulation Certificate of Need Section

2704 Mail Service Center Raleigh, North Carolina 27699-2704



Michael F. Easley, Governor Dempsey Benton, Secretary

www.ncdhhs.gov/dhsr

Lee Hoffman, Section Chief Phone: 919-855-3873 Fax: 919-733-8139

March 13, 2008

S. Todd Hemphill, Esq. Bode, Call & Stroupe, L.L.P. 3105 Glenwood Avenue, Suite 300 Raleigh, NC 27612

RE: Inquiry / Eastern Radiologists, Inc. / Confirmation of status of diagnostic center/ Pitt County

Dear Mr. Hemphill:

In response to your letter of August 21, 2007, the Certificate of Need-Section-hereby confirms that Eastern Radiologists, Inc., which is located at 9 Doctor's Park in Greenville had established a diagnostic center at this site prior to March 18, 1993. This determination is based upon your representations of the following information:

- In 1991, Eastern Radiologists, Inc. leased a Phillips LXC CT Scanner from SIGNET Leasing and Financial Corporation, which was operated at 9 Doctor's Park, Greenville. The fair market value of the Phillips LXC CT Scanner was \$712,600.
- In June, 1989, Eastern Radiologists, Inc. leased a Phillips XL Total Body Scanner with a fair market value of \$845,000, which was operated at 9 Doctor's Park, Greenville.
- 3. N.C.O.S. §131E-176 (7a) states

"Diagnostic center' means a freestanding facility, program, or provider, including, but not limited to, physicians' offices, clinical laboratories, radiology centers, and mobile diagnostic programs, in which the total cost of all the medical diagnostic equipment utilized by the facility which cost ten thousand dollar (\$10,000) or more exceeds five hundred thousand dollars (\$500,000). In determining whether the medical diagnostic equipment in a diagnostic center costs more than five hundred thousand dollars (\$500,000), the costs of the equipment, studies, surveys, designs, plans, working drawings, specifications, construction, installation, and other activities essential to acquiring and making operational the equipment shall be included. The capital expenditure for the





S. Todd Hemphill Page Two March 13, 2008

> 4. Based on the above definition, Eastern Radiologists, Inc. adequately demonstrated that prior to March 18, 1993, Eastern Radiologists, Inc. located at 9 Doctor's Park in Greenville was a diagnostic center because the medical diagnostic equipment utilized at that site had a fair market value in excess of \$500,000.

It should be noted that this Agency's position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by this Agency and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Lee B. Hoffman, Chief

Certificate of Need Section

Medical Facilities Planning Section, DHSR cc:

Equipment	Vendor	System Type	Serial #	New Bldg Room #	Room Move Quote
C-Arm	Philips	Veradius 1.2	255	129 .	0.00
				•	
CT	GE	Lightspeed VCT		153	26,896.00
	71.11	- 1 D1 11 DT7	400000	1.00	25 (22 00
Digital X-Ray	Philips	BuckyDiagnostic TH	400332	169	25,632.00
Nuclear	GE	Infinia GP3		159	15,000.00
R&F	Philips	EasyDiagnostic Eleva	316253	124	58,329.00
R&F	Philips	EasyDiagnostic Eleva	313647	126	58,329.00
Thyroid Probe	Capintec	Captus 4000e	940324	159	0.00
Ultrasound .	Siemens	Sequoia 512 ASOV*9	54989	(115, 116, 118)	0.00
Ultrasound	Siemens	S2000	206087	(115, 116, 118)	0.00
· Ultrasound	Acuson	Sequoia ASCV512*9	55053	(115, 116, 118)	0.00

TOTAL ESTIMATE

184,186.00

### FROM FARRIOR & SONS, INC)

The Architectural numbers are accurate. The HVAC and Electrical are estimates.

# Architectural \$140,190

- 1. Lead shielding required for total of (7) rooms \$74,580
- 2. Ceiling support framing at R&F rooms and X-ray for overhead equipment \$5,000
- 3. Special floor construction for equipment support and anchoring \$2,000
- 4. Lead lined doors and window frames, \$27,150
- 5. Lead lined glass. \$31,460

#### HVAC \$50,000

- 1. The CT's require 3.5 tons of cooling each.
- 2. The Nuclear room requires 1.5 tons of cooling.
- 3. The ultrasound rooms 0.5 tons of cooling.
- 4. The Xray is 0.5 ton add and Rooms 124/126
- 5. Digital XRay are 1.25 tons of additional load

#### Electrical \$25,000

- 1. Circuitry to disconnects/hardwired connections & empty conduit for controls to the equip in two R&F rooms.
- 2. Circuitry to disconnects/hardwired connections & empty conduit for controls to the equip in two CT rooms.
- 3. Circuitry to disconnects/hardwired connections & empty conduit for controls to the equip in Nuclear room.
- 4. Circuitry to disconnects/hardwired connections & empty conduit for controls to the equip in Digital X-ray room.
- 5. 3 Dedicated receptacles for ultrasound.
- 6. 2 Dedicated receptacles for equipment in procedure room.







June 12, 2018

Jenny Myers Special Projects Manager Eastern Radiologists, Inc.

Eastern Radiology Addition, 2101 W. Arlington Blvd. Greenville, NC

Jenny: The following costs are directly associated with improvements made as a result of the CON requirements for the proposed new addition.

#### Architectural \$156,444

- 1. Lead shielding required for total of (10) rooms \$87,234
- 2. Ceiling support framing at R&F rooms and X-ray for overhead equipment \$5,000
- 3. Special floor construction for equipment support and anchoring \$2,000
- 4. Lead lined doors and window frames. \$30,750
- 5. Lead lined glass. \$31,460

#### HVAC \$50,000

- 1-The CT's require 3.5 tons of cooling each.
- 2-The Nuclear room requires 1.5 tons of cooling.
- 3-The ultrasound rooms 0.5 tons of cooling.
- 4-The Xray is 0.5 ton add and Rooms 124/126
- 5-Digital XRay are 1.25 tons of additional load

#### Electrical \$25,000

- 1. Circuitry to disconnects/hardwired connections and empty conduit for controls to the equipment in two R&F rooms.
- 2. Circuitry to disconnects/hardwired connections and empty conduit for controls to the equipment in two CT rooms.
- 3. Circultry to disconnects/hardwired connections and empty conduit for controls to the equipment in Nuclear room.
- 4. Circuitry to disconnects/hardwired connections and empty conduit for controls to the equipment in Digital X-ray room.
- 3 Dedicated receptacles for ultrasound.
- 6. 2 Dedicated receptacles for equipment in procedure room.

Respectfully Submitted,

J. Michael Dunn, AIA Partner & Architect of Record





# GE Healthcare

# ON DEMAND SERVICES Quotation Form

Customer Name: EASTERN RADIOLOGISTS

Customer Shipping Address: 9 Doctors Park, W Arlington Blvd

Customer City, State, Zip: GREENVILLE, NC, 27835

Customer Contact: WALTER LINDSTRAIND

Phone Number: 2527525000

Fax Number: NA

Date: June 13, 2018

Quote/Dispatch No: 162556898

Customer Billing Address (if different from shipping

address:

We are pleased to submit the following quotation at prices and terms stated, subject to your acceptance of terms and conditions on the face and back hereof. This quotation expires **30** days after the date listed above.

QUANTITY	DESCRIPTION	PRICE
252752ERVCT	VCT ROOM MOVE  (Quote includes the deinstall, rigging out and moving, reinstall, and calibrations). CONSTRUCTION AND ELECTRICALS NOT INCLUDED	\$33,620
Current Location: EASTERN RAD 9 DOCTORS PARK GREENVILLE NC 27835  New Location: EASTERN RAD IMAGING CTR. ARLINGTON BLVD. GREENVILLE, NC 27835	Deinstallation Start Date: TBD  Mon-Fri: 8AM-5PM Sat: N/A Sun: N/A Reinstallation Start Date: TBD Mon-Fri: 8AM-5PM Sat: N/A Sun: N/A	
	Less 25% Discount	\$6,724
Quote Notes .	Purchase Order # (Required): <u>TBD</u>	\$26,896

This agreement is by and between the Customer and GE Healthcare, GE Healthcare agrees to provide and customer agrees to pay for the products and/or services set forth in this agreement in accordance with the terms and conditions set forth herein. This agreement is comprised of this OnDermand Services Quotation form, and the included GE Healthcare General Terms and Conditions. In the event of conflict among the foregoing Items, the order of precedence is as numbered above. This agreement is not field to an umbrella purchasing agreement or other group purchasing agreement unless expressly indicated. This Quotation is subject to withdrawal by GE Healthcare at any time before acceptance. Customer accepts by signing and returning this Quotation or by otherwise providing evidence of acceptance satisfactory to GE Healthcare. Upon acceptance, this Quotation and the related terms and conditions fisted above shall constitute the complete and final agreement of the parties relating to the products and/or services identified in this Quotation. The parties agreed that they have not rolled on any oral or written terms, conditions, representations or warranties outside those expressly stated or incorporated by reference in this agreement in making their decisions to enter into this agreement. No agreement or understanding, oral or written, in any way purporting to modify this agreement, whether contained in Customer's purchase order, or elsewhere, shall be binding unless hereafter agreed to in writing by authorized representatives of both parties. Each party objects to any terms inconsistent with this agreement proposed by either party unless agreed to in writing and signed by authorized representatives of both parties, and neither the subsequent lack of objection to any such terms, nor the delivery of products or services, shall constitute an agreement by either party to any such terms.

GE Representative SUMERLIN, WAYLAND TEAM LEADER, SERVICES

		Authorized Signature
Title:	•	
Date:		

#### GE Healthcare General Terms and Conditions

References herein to "Products" and "Services" mean the Products (including equipment and software) and Services Identified on the applicable GE Healthcare Quotation ("Quotation").

#### General Terms

- 1.1. Confidentiality. Each party will treat the terms of this Agreement and the other party's written, proprietary business information as confidential if marked as confidential or proprietary. Customer will treat GE Healthcare (and GE Healthcare's third party vendors') software and technical information as confidential information whether or not marked as confidential and shall not use or disclose to any third parties any such confidential information except as specifically permitted in this Agreement or as required by law (with reasonable prior notice to GE Healthcare). The receiving party shall have no obligations with respect to any information which (i) is or becomes within the public domain through no act of the receiving party in breach of this Agreement, (ii) was in the possession of the receiving party prior to its disclosure or transfer and the receiving party can so prove, (iii) is independently developed by the receiving party and the receiving party can so prove, or (iv) is received from another source without any restriction on use or disclosure.
- 1.2. Governing Law, The law of the state where the Product is installed or the Service is provided will govern this Agreement.
- 1.3. Force Majeure. Neither party is liable for delays or failures in performance (other than payment obligations) under this Agreement due to a cause beyond its reasonable control. In the event of such delay, the time for performance shall be extended as reasonably necessary to enable performance.
- 1.4. Assignment; Use of Subcontractors. Neither party may assign any of its rights or obligations under this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld; provided, however, that either party may transfer and assign this Agreement without the other party's consent to any person or entity (except to a GE Healthcare competitor) that is an affiliate of such party or that acquires substantially all of the stock or assets of such party's applicable business if any such assignees agree, in writing, to be bound by the terms of this Agreement. Subject to such limitation, this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. GE Healthcare may hire subcontractors to perform work under this Agreement, provided that GE Healthcare will at all times remain responsible for the performance of its obligations and duties under this Agreement.
- 1.5. Amendment; Walver; Survival. This Agreement may be amended only in writing signed by both parties. Any failure to enforce any provision of this Agreement is not a walver of that provision or of either party's right to later enforce each and every provision. The terms of this Agreement that by their nature are intended to survive its expiration (such as the confidentiality provisions included herein) will continue in full force and effect after its expiration.
- 1.6. Termination. If either party materially breaches this Agreement and the other party seeks to terminate this Agreement for such breach, such other party shall notify the breaching party in writing, setting out the breach, and the breaching party will have sixty (60) days following receipt of such notice to remedy the breach. If the breaching party falls to remedy the breach during that period, the other party may terminate this Agreement by written notice to the breaching party. For the avoidance of doubt, this Agreement is not terminable for convenience and may only be terminated in accordance with this Agreement. If GE Healthcare determines in good faith at any time that there are legal or regulatory compliance and/or material credit issues with this Agreement, if any, GE Healthcare may terminate this Agreement (including warranty services hereunder) immediately upon written notice to Customer.

#### Compliance

2.1. Generally. This Agreement is subject to (i) GE Healthcare's on-going credit review and approval and (ii) GE Healthcare's on-going determination that Customer and this Agreement comply with all applicable laws and regulations, including those relating to workplace safety, FDA matters, Federal Healthcare Program Anti-kickback compliance, export/import control and money laundering prevention. CUSTOMER ACKNOWLEDGES THAT THE PRODUCTS ARE OR MAY BE SUBJECT TO REGULATION BY THE FDA AND OTHER FEDERAL OR STATE AGENCIES. CUSTOMER SHALL NOT USE OR PERMIT THE PRODUCTS TO BE USED IN ANY MANNER THAT DOES NOT COMPLY WITH APPLICABLE FDA OR OTHER REGULATIONS OR FOR ANY NON-

MEDICAL, ENTERTAINMENT, OR AMUSEMENT PURPOSES. Further, Customer represents that it is purchasing the Products for its own use consistent with the terms of this Agreement and that it does not intend to re-sell the Products to any other party or to export the Products outside the country to which GE Healthcare delivers the Products.

- 2.2. Cost Reporting. Customer represents and warrants that it shall comply with (a) the applicable requirements of the Discount Statutory Exception, 42 U.S.C. 1320a-7b(b)(3)(A), and the Discount Safe Harbor, 42 C.F.R. § 1001.952(b), with respect to any discounts Customer may receive under this Agreement and (b) the Warranties Safe Harbor, 42 C.F.R. § 1001.952(g), with respect to any price reductions of an item (including a free item) which were obtained as part of a warranty under this Agreement. Customer agrees that, if Customer is required to report its sosts on a cost report, then (i) the discount must be based on purchases of the same good bought within a fiscal year; (ii) Customer must claim the benefit in the fiscal year in which the discount is earned or in the following year; (iii) Customer must fully and accurately report the discount in the applicable cost report; and (iv) Customer must provide, upon request, certain information required to be provided to the Customer by GE Healthcare as a seller or offeror, as appropriate. If Customer is an individual or entity in whose name a claim or request for payment is submitted for the discounted items, the discount must be made at the time of the sale of the good; and the Customer must provide, upon request, certain information required to be provided to the Customer by GE Healthcare as a seller or offeror, as appropriate. GE Healthcare agrees to comply with the applicable requirements for sellers or offerors under the Discount Safe Harbor, as appropriate.
- 2.3. Site Access Control and Network Security. Customer shall be solely responsible for establishing and maintaining security, virus protection, backup and disaster recovery plans for any data, images, software or equipment. GE Healthcare's Services do not include recovery of lost data or images. Customer shall comply with all applicable laws and regulations related to site access control.
- 2.4. Environmental Health and Safety. Customer shall provide and maintain a suitable, safe and hazard-free location and environment for the GE Healthcare Products and Services in material compliance with any written requirements provided by GE Healthcare, perform GE Healthcare recommended routine maintenance and operator adjustments, and ensure that any non-GE Healthcare provided Service is performed by, and GE Healthcare Products are used by, qualified personnel in accordance with applicable user documentation. GE Healthcare shall have no obligation to perform Services until Customer has complied with its obligations under this Section.
- 2.5. GE Healthcare-Supplied Parts. GE Healthcare can make no assurances that Product performance will not be affected by the use of non-GE Healthcare-supplied parts. In some instances, use of non-GE Healthcare-supplied parts may affect Product performance or functionality.
- 2.6. Training. Any Product training identified in the Quotation shall be in accordance with GE Healthcare's then-current training program offerings and terms. Unless otherwise stated in the catalog description, training must be completed within twelve (12) months after (I) the date of Product delivery for training purchased with Products and (II) the start date for Services for training purchased with Services. If training is not completed within the applicable time period, GE Healthcare's obligation to provide the training will expire without refund.
- 2.7. Medical Diagnosis and Treatment, All clinical and medical treatment and diagnostic decisions are the responsibility of Customer and its professional healthcare providers.
- Disputes: Liability: and Indemnity
- 3.1. Waiver of Jury Trial. EACH PARTY EXPRESSLY WAIVES ALL RIGHTS TO A JURY TRIAL IN CONNECTION WITH ANY DISPUTE ARISING UNDER THIS AGREEMENT.
- 3.2. Limitation of Liability. Ge Healthcare's (AND ITS REPRESENTATIVES') LIABILITY UNDER THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION, SHALL NOT EXCESD: (A) FOR PRODUCTS OR SERVICES OTHER THAN SERVICES UNDER AN ANNUAL SERVICE CONTRACT, THE PRICE FOR THE PRODUCT OR SERVICE THAT IS THE BASIS FOR THE CLAIM; OR (B) FOR ANNUAL SERVICE CONTRACTS, THE ANNUAL CONTRACT PRICE FOR THE SERVICE THAT IS THE BASIS FOR THE CLAIM. NEITHER CUSTOMER NOR GE HEALTHCARE (NOR THEIR RESPECTIVE REPRESENTATIVES) SHALL BE LIABLE TO THE OTHER PARTY UNDER THIS AGREEMENT (OR OTHERWISE IN CONNECTION WITH THE PRODUCTS AND SERVICES) FOR ANY INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR LOSS OF PROFITS, REVENUE, TIME, OPPORTUNITY OR DATA, WHETHER IN AN ACTION IN CONTRACT, TORT, PRODUCT LIABILITY, STATUTE, EQUITY OR OTHERWISE. THE LIMITATION OF LIABILITY AND EXCLUSION OF DAMAGES SHALL APPLY EVEN IF THE LIMITED REMEDIES FAIL OF THEIR ESSENTIAL PURPOSE.
- IP Indemnification. GE Healthcare will defend, indemnify and hold harmless Customer from any third party claims for infringement of intellectual property rights arising from Customer's use of GE Healthcare manufactured equipment and/or GE Healthcare proprietary software listed in the Quotation in accordance with their specifications and within the license scope granted in this Agreement. If any such claim materially interferes with Customer's use of such equipment and/or software, GE Healthcare shall, at its option: (I) substitute functionally equivalent non-infringing products; (iii) modify the infringing Product so that it no longer infringes but remains functionally equivalent; (iii) obtain for Customer at GE Healthcare's expense the right to continue to use the infringing Product; or (iv) if the foregoing are not commercially reasonable, refund to Customer the purchase price, as depreciated (based on five (5) year straight-line depreciation), for the infringing Product. Any such claims arising from Customer's use of such infringing Product after GE Healthcare has notified Customer to discontinue use of such infringing Product and offered one of the remedies set forth in clauses (i) through (iv) above are the sole responsibility of Customer. This Section represents Customer's sole and exclusive remedy (and GE Healthcare's sole and exclusive liability) regarding any infringement claim associated with such infringing Product. The above indemnification obligation is conditional upon Customer providing GE Healthcare prompt written notice of the infringement claim after receiving notice of such claim, allowing GE Healthcare to control the defense of such claim, and reasonably cooperating with GE Healthcare in such defense. Notwithstanding any other provision in this Agreement, GE Healthcare shall not have any obligation to Customer hereunder for infringement claims based on or resulting from: (a) use of such Infringing Product in combination with any computer software, tools, hardware, equipment, materials, or services, not furnished or authorized in writing for use by GE Healthcare; (b) use of such infringing Product in a manner or environment or for any purpose for which GE Healthcare did not design or license it, or in violation of GE Healthcare's use instructions; or (c) any modification of such infringing Product by Customer or any third party. GE Healthcare shall not be responsible for any compromise or settlement or claim made by Customer without GE Healthcare's written consent. This Indemnification obligation is expressly limited to the GE Healthcare manufactured equipment and/or GE Healthcare proprietary software listed in the Quotation.
- Payment and Finance
- 4.1. Generally. The payment and billing terms for the Product(s) and/or Service(s) are stated in the Quotation.

- 4.2. Affiliate Billing. If Customer's order includes Products manufactured by more than one GE Healthcare affiliated company, each affiliated company may invoice Customer separately for the portion of the total price under the Quotation attributable to its Products, under the same payment terms specified in the Quotation. There shall be no additional fees or charges to Customer for such separate invoicing.
- 4.3. Late Payment. Failure to make timely payment is a material breach of this Agreement, for which (in addition to other available remedies) GE Healthcare may suspend performance under any or all GE Healthcare agreements until all past due amounts are brought current. If GE Healthcare so suspends, GE Healthcare will not be responsible for the completion of planned maintenance due to be performed during the suspension period and any product downtime will not be included in the calculation of any uptime commitment. Interest shall accrue on past-due amounts at a rate equal to the lesser of one-and-one-half percent (1.5%) per month or the maximum rate permitted by applicable law. Customer will reimburse GE Healthcare for reasonable costs (including attorneys' fees) relating to collection of past due amounts. Any credits that may be due to Customer under an agreement may be applied first to any outstanding balance. If Customer has a good faith dispute regarding payment for a particular Product (or subsystem thereof) or Service, such dispute shall not entitle Customer to withhold payment for any other Product (or subsystem thereof) or Service provided by GE Healthcare may revoke credit extended to Customer because of Customer's failure to pay for any Products or Services when due, and in such event all subsequent shipments and Services shall be paid for on receipt.
- 4.4. Taxes. Prices do not include sales, use, gross receipts, excise, valued-added, services, or any similar transaction or consumption taxes ("Taxes"). Customer shall be responsible for the payment of any such Taxes to GE Healthcare unless it otherwise timely provides GE Healthcare with a valid exemption certificate or direct pay permit. In the event GE Healthcare is assessed Taxes, interest or penalty by any taxing authority, Customer shall reimburse GE Healthcare for any such Taxes, including any interest or penalty assessed thereon. Each party is responsible for any personal property or real estate taxes on property that the party owns or leases, for franchise and privilege taxes on its business, and for taxes based on its net income or gross receipts.

#### Service

- Service Warranties. GE Healthcare warrants that its services will be performed by trained individuals in a professional, workman-like manner. GE Healthcare will promptly re-perform any non-conforming services for no charge as long as Customer provides reasonably prompt written notice to GE Healthcare. The foregoing service remedies are Customer's sole and exclusive remedies (and GE Healthcare's sole and exclusive ilabilities) for service warranty claims. These exclusive remedies shall not have failed of their essential purpose (as that term is used in the Uniform Commercial Code) as long as GE Healthcare remains willing to re-perform any non-conforming services for no charge, as applicable, within a commercially reasonable time after being notified of Customer's claim. NO OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE WILL APPLY. GE Healthcare may use refurbished parts during service as long as it uses the same quality control procedures as for new parts. Any part for which GE Healthcare has supplied a replacement shall become GE Healthcare property.
- 5:2. Software License. GE Healthcare grants to Customer a non-exclusive, non-transferable license for internal business only the GE Healthcare software, third-party software and associated documentation provided hereunder by GE Healthcare to Customer, subject to the license scope and other restrictions set forth in this Service Agreement. Customer may permit its employees, agents and independent contractors to use the software and associated documentation consistent with this Service Agreement; provided, however, that Customer shall be responsible for any acts of its employees, agents and/or independent contractors which are inconsistent with this Service Agreement. Customer may only use any third-party software provided by GE Healthcare together with the GE Healthcare software and will comply with all third-party software license terms included in any click or shrink wrap license or of which GE Healthcare otherwise makes Customer aware. Without GE Healthcare's prior written consent, Customer may not: (I) copy, sublicense, distribute, rent, lease, loan, resell, modify or translate the software or create derivative works based thereon; (II) directly or indirectly decompile, disassemble, reverse engineer or otherwise attempt to learn the source code, structure, algorithms or ideas underlying the software; (III) provide service bureau, time share or subscription services based on the software; or (iv) remove, obscure or modify any markings, labels or any notice of the proprietary rights, including copyright, patent and trademark notices of GE Healthcare or its licensors. Customer may make one copy of the software solely for backup purposes. GE Healthcare and its licensors, as applicable, retain all ownership and intellectual property rights to the software and documentation. No license rights are granted (whether by Implied license or otherwise), to Customer, except as specifically provided in this section.
- 5.3. Independent Contractor. GE Healthcare and Customer are Independent contractors and nothing contained in this agreement is intended nor shall it be construed as creating a fiduciary relationship, partnership or joint venture between the parties, except as otherwise agreed in writing by the parties.

#### 6. Parts/Accessories (if applicable)

- 6. 1 Transportation, Title and Risk of Loss. Shipping terms are FOB Destination. Title and risk of loss to equipment passes to Customer upon delivery to Customer's designated delivery location. Software is licensed to Customer; no title to or other ownership interest in such software passes to Customer.
- Delivery. When feasible, GE Healthcare reserves the right to make delivery in installments. All such installments shall be separately involced and paid for when due, without regard to subsequent deliveries. At the time of such delivery, Customer will pay GE Healthcare for any amounts due upon delivery. Delivery dates are approximate. For GE Healthcare software or documentation, delivery means the first to occur of: (i) communication to Customer through electronic means, that allows Customer to take possession of the first copy or product master, or (ii) delivery to Customer's designated delivery location.
- 6.3 Product Returns. Except as otherwise provided in any applicable Product return policy, and except for products shipped in error that are different from the Products listed in the Quotation, Customer shall not have any right to return Products for a refund after delivery.
- 6.4 Acceptance. Customer shall be deemed to have accepted a Product delivered by GE Healthcare under this Agreement upon delivery.
- 6.5 Hardware/Software Warranties. Warranties for hardware and software, including but not limited to parts and accessories, are set forth in GE Healthcare's applicable standard warranty forms. Parts warranties are as set forth by the OEM in the applicable parts package as provided by the OEM. These warranty statements/forms are the complete and exclusive statement of the warranty terms herein. No warranty is furnished for anything excluded from the warranty forms or for operating documentation, operating tools parts, or noom moves. These items are provided AS IS. NO OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, AND FITNESS FOR A PARTICULAR

PURPOSE WILL APPLY. Parts may be new or refurbished, and refurbished parts will have the same quality control procedures as for new parts. Any part for which GE Healthcare has supplied a replacement shall become GE Healthcare property.

Parts are intended only for use in servicing the Equipment at the facility in which it was intended as included herein, and are not for resale or other distribution. Parts are not intended for servicing any other equipment or for manufacturing or refurbishing any equipment. We reserve the right to reject without liability any order and to revoke without liability any acceptance if we reasonably determine that a Part is not intended for use in servicing Equipment.

#### 7. Room Moves/Product Relocation services (if applicable)

7.1 GE Healthcare's relocation or room move services for equipment identified in the Quotation ("System") will be performed in accordance with applicable GE Healthcare installation guides and project plans and are otherwise subject to the following additional provisions. The Customer agrees to review the applicable installation guides and project plans and perform its obligations set forth in those materials.

7.2 The Customer will prepare the location for the re-installation of the System consistent with GE Healthcare's written specification including the installation of necessary system cable and assembly of any necessary equipment or hardware not provided by GE Healthcare, unless agreed otherwise in writing by the parties. The System's location in the new room may necessitate the use of new cabling. This quote does not include the price of new cables. The Customer is responsible for the cost of new cabling, if applicable. The Customer will provide an electrician to disconnect and re-connect power to the system in both locations.

7.3 For Systems that will be operated or in connection with Customer supplied hardware or software, the Customer is responsible for ensuring that its hardware or software conform with GE Healthcare's minimum hardware and software requirements as made available.

7.4 The Customer will assume responsibility for added custs due to delays and work slowdowns caused by inadequate site preparation, facility requests, or other circumstances beyond the control of GE Healthcare.

7.5 The Quotation assumes adequate doorway and hall sizes to allow passage of the System to be moved. GE Healthcare is not responsible for dismantling of rooms or doorways if needed for removal or re-installation.

Any repair and associated labor needed to bring the System up to a fully operational system during initial functional check or during re-Installation will be the responsibility of the Customer, and will be invoiced separately unless otherwise covered by an existing GE service agreement.

7.7 Equipment site drawings for the new location will be provided at the Customer's request for no additional charge. If subsequent to preparing site drawings, Customer decides to terminate this agreement, Customer will be responsible for GE healthcare's cost in preparing the site drawings and will be involved separately.

7:8 - Prior to de-installation and removal of mobile and fixed asset equipment, Customer will ensure that the site where the System is located and the System itself are clean and free of bodily fluids and other materials that may have the potential to carry diseases. Customer is also responsible for remediating all bio-hazards that may be discovered during the de-installation process (i.e. under equipment covers/below access flooring/cable ducts, etc).

7.9 Customer is also responsible for the proper management and disposal of the following material that may be located at Customer's site: radioactive sources, PET radioactive pins; biohazard filled bags; pharmaceuticals; and all other materials considered hazardous under U.S. Department of Transportation shipping regulations. These materials will be left in Customer's possession for management, transportation, and disposal by Customer or its contractors in accordance with applicable legal requirements.

7.10 Until it is de-installed and removed by GE Healthcare or its contractor, Customer is responsible for risk and loss of the System, the proper operation of the System and compliance with any laws relating to the operation of the System. It is the responsibility of the Customer to ensure that any Protected Health Information (as defined by the Health Insurance Portability and Accountability Account Privacy Rule) is removed from the System before the System is removed. Customer represents and warrants that it has removed all Protected Health Information from the System. Customer further agrees to indemnify GE for any loss whatsoever resulting from any Protected Health Information that is not removed from the System. The parties agree that GE Healthcare shall have no obligations whatsoever in connection with any Protected Health Information that is not properly removed from the System by the Customer.

7.11 De-Install & Relocation (unless otherwise expressly quoted):

- Pre-move site assessment and coordination of room preparation with facility contractor.
- GE Healthcare will mechanically de-install the System and prepare it for transport.
- De-installation will include a functional check of the system and any appropriate software back-ups prior to removal and all preparation necessary to ready the System for transport by an equipment mover. GE equipment dollies will be used where applicable.
- GE Healthcare or its designate will transport the System to its new location.
- 7.12 Re-Installation / Calibration (unless otherwise expressly quoted):
- GE will mechanically install the System and perform electrical checkout & calibrations.
- With the exception of cabling, GE will cover the cost of repair parts & labor under the existing GE service contract.
- Reinstallation will include the physical installation of the System, calibration to system specifications, and testing as necessary to meet
  applicable requirements.

7.13 Exclusions (unless otherwise expressly quoted):

- Does not include cables that are not adequate length for the new location or room preparations, electrical, or structural details or modifications.
- No warranty is included for room move.
- Does not include parts or labor for pre-existing damage of non-functionality documented in system assessment.
- . New cabling, ralls or other hardware resulting from changes in size and orientation for the new location or changes in cable lengths
- Any repair parts and associated labor needed to bring the System up to a fully operational condition
- Loss, repair or replacement of System or components, including x-ray tubes, due to transportation or storage of equipment.
- Replacement of cryogens due to excessive boil-off prior to relocation or resulting from transportation of MR magnets

- Modifications or corrections to the work scope dictated by concealed conditions encountered in the performance of the work not indicated by the drawings or specifications.
- Lasers & alignment are Customer's responsibility
- Does not include removal of any equipment in current rooms at the new location.
- Cost of modifying the existing facility in order to allow for the removal, movement, and reinstallation of the System is the sole responsibility of the Customer
- Cost of any architectural/engineering services, and construction-related work.
- Cost of union labor, if such labor is required.
- 7.14 GE Healthcare will perform all labor Monday through Friday from 8:00 a.m. until 9:00 p.m. excluding GE holidays. If the Customer authorizes GE to work outside of the hours listed above, additional charges will apply.



# **ROOM MOVE QUOTE**

#### PHILIPS Healthcare

Tavare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

Alpharetta, GA 30004

Phone:

678-350-4242

Fax: [e-mail]

TO:

tavare, sanchez@philips.com

Eastern Radiologist Inc

GREENVILLE, NC, 27834-2801

MODALITY

9 Doctors Park

704030

DESCRIPTION

ROOM MOVE QUOTE

PHILIPS SITE PLANNING

LIFE SOLUTIONS

POWER SOLUTIONS

**INSTALLATIONS-PARTS** 

CLINICAL EDUCATION

QUOTE NO.

SITE ID

505909\_43242

DATE CUSTOMER ID

EXPIRATION DATE

5/22/2018

Eastern Radiologist Inc

505909

5/22/2019

QUOTATION PREPARED BY: Tavare Sanchez, RSM

**EQUIPMENT DESCRIPTION** 

GXR-Bucky DIAGNOST TH

**UNIT PRICE** 

Deinstall/ Scrap

Deinstall / Reinstall / Calibration

Site Plans

Life Solutions

**Power Solutions** 

Installation Parts

No Clinical ED

SUBTOTAL

\$28,480.00

\$3,560.00

\$24,920.00

DISCOUNT

\$2,848.00

TOTAL

\$25,632,00

Scope of work:

Scope of Work includes: 1.5 days de-installation of system; 2 days of reinstallation; 1.5 days calibration and testing.

This is a quotation on the goods named, subject to the conditions noted below:

To accept this quotation, please sign and return with a purchase order.

Authorized Purchaser's Signature

Date:

Title:

THANK YOU FOR YOUR BUSINESS!



# **ROOM MOVE QUOTE**

#### PHILIPS Healthcare

Tayare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

QUOTE NO.

505909\_43242

Alpharetta, GA 30004

DATE

5/22/2018

Phone:

678-350-4242

**CUSTOMER ID** 

Eastern Radiologist Inc

Fax:

SITE ID

505909

Philips Medical Systems North America Company, a Division of Philips Electronics North America Corporation ("Philips") will provide maintenance, calibration, repair, upgrades, and other quoted

service ("Services") on the medical imaging, monitoring and related equipment owned or operated by Customer ("Equipment"), along with replacement of certain parts, assemblies and

accessories, all as requested by Customer, solely upon the terms and conditions stated herein, Customer's acceptance of the Services constitutes its agreement to these terms and conditions,

#### 1. SERVICE

The Service provided is for diagnostic imaging equipment unless otherwise agreed in writing. The Services will be performed during Service Coverage hours at Philips' standard prices in effect

as of the date of service. At Phillips' discretion, replacement parts may be provided on an exchange (refurbished) or new part basis, Replaced parts become Phillips' property.

#### 2. EXCLUSIONS

#### a. The Services do not include:

- servicing or replacing components of the Equipment other than those parts listed in this agreement;
- ii. servicing the Equipment if the Equipment Site or Equipment is contaminated with blood or other potentially infectious substances;
- til. the fallure of anyone other than Philips' subcontractor or Philips to comply with Philips' written instructions or recommendations;
- iv. )any combining of the Equipment with a product or software of other manufacturers other than those recommended by Phillips;
- v. any efferation or improper storage, handling, use or maintenance of the Equipment by anyone other than Phillips' subcontractor or Phillips;
- vi. damage caused by an external source, regardless of nature;
- vii. neglect or misuse of the Equipment.

#### b. The Services do not include, unless specifically quoted by Philips:

- providing or paying the cost of any rigging, facility, structural attention, or accessory incident to the Services or Equipment;
- il. any cost of materials, supplies, parts or labor supplied by any party other than Philips or Philips' subcontractors;
- iii. the cost of consumable materials, including but not limited to cushions, knee supports, pads, magnetic media, cryogens, PET calibration sources, film or other supply items, unless specifically included in this Agreement;
- iv. the cost of factory reconditioning;
- v. providing software updates, back-up copies of software, or the programming of custom code.

#### 3. COVERAGE

Philips will provide Customer tha Services Mondays through Fridays, 8:00 AM to 5:00 PM. Customer local lime, excluding Philips observed holidays. Subject to the availability of personnel and repair parts, Philips will provide, at Customer request and additional expense, service relating to certain excluded items (invoiced at Philips' then-current standard rates for material and labor) or service outside the Service Coverage hours (invoiced at Philips applicable rates for out-of-hours service of this type in effect for hourly service customers with similar Equipment, including round trip travel time). Customer will be charged a minimum of two hours on-site time plus applicable travel charges per service visit. Other travel expenses and overnight living expenses will be charged at actual cost in accordance with Philips' standards for business expense relimbursement of Philips' employees,

#### 4. CUSTOMER RESPONSIBILITIES

As a condition to Philips undertaking to provide Services, Customer will: assure that the Equipment Site is in a clean and sanitary condition and that the Equipment has been cleaned and deconfaminated after contact with blood or other potentially infectious material; dispose of any hazardous or biological waste generated as a result of Philips servicing the Equipment; maintain the Equipment Site and environment (including temperature and humidity control, incoming power quality, and fire protection system) in a condition suitable for operation of the Equipment is econdance with the published manufacturer's operating instructions; and provide Philips service personnel full and free access to the Equipment at the scheduled service time. Customer agrees to pay Philips at the prevailing demand service rates for all time spent by Philips service personnel waiting for access to the Equipment.

#### 5. PAYMENT

The total charge, plus applicable tax, will be due immediately upon Customer's receipt of Phillips' Involce. The total charge will be the sum of all parts, assemblies, accessories, consumables, transportation, special handling, on-site labor, travel time, travel expense, and other chargeable Services. Customer will pay interest on any emount not paid when due at the maximum rate permitted by applicable faw.



### PHILIPS Healthcare

Tayare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

Alpharetta, GA 30004

mpinaretta, on

Phone: 678-350-4242

Fax:

QUOTE NO.

505909\_43242

DATE 5/22/2018

CUSTOMER ID

Eastern Radiologist Inc

SITE ID

505909

### **B. EXCUSABLE DELAYS**

Philips is excused from performing the Services when Philips' delay or failure to perform is caused by events beyond Philips' reasonable control including, but not limited to, acts of God, acts of third parties, acts of the other party, acts of any civil or military authority, fire, floods, war, terrorism, embargoes, lebor disputes, acts of sabolage, riots, accidents, delays of carriers, subcontractors or suppliers, voluntary or manufacturing facilities, or Equipment being contaminated with blood or other potentially infectious material.

### 7. PAYMENT DEFAULT

In the event of Customer's failure to pay any amount due within 10 days of when payment is due, Philips may, at its option,(i) withhold performance hereunder or under any other agreements with Customer until a reasonable time after all defaults have been cured,(ii) declare all sums due and to become due, to be immediately due and payable hereunder and under such other agreements, (iii) commence collection activities for all sums due or to become due hereunder, all at Customer's expense, including but not limited to costs and expenses of collection, collection agency fees, and reasonable altomays' fees, and (iv) pursue any other remedies parmitted by law.

### 8. WARRANTY

Philips warrants that parts installed and labor performed by Philips will be free from detects in material and workman-ship respectively for a period of 60 days from the date of installation or performance. Replacement parts may contain refurbished components. If such components are used, they will be warranted as new. Classware is covered under separate Warranties.

The warranty for parts purchased directly by the end-user from Philips and not installed by Philips is 30 days. Adjustment of claims under a parts warranty will result only in replacement of that part. Parts cannot be returned for credit only. Parts failures that result from improper installation or service procedures or any other external factors will not be covered under this warranty.

Philips' obligations are limited, at Philips' option, to the repair or the repair or the repair or the repair or the product or a portion thereof, or to a refund of a portion of the price paid by Customer. If Philips determines that any parts or labor fail to meet the foregoing warranties, Philips shall correct any such failure, at its sole option either (a) by repairing any defective or damaged part and furnishing the necessary labor to resolve any problems directly associated with the service work per-formed by Philips, or (b) for parts not installed by Philips, by making available at the place of installation any necessary repaired, exchange or replacement parts or assemblies.

This warranty will not apply to detecta resulting from improper or inadequate maintenance or calibration by Customer or its agents; Customer or third party supplied software, interfaces, or supplies; use or operation of the product other than in accordance with Philips' applicable product specifications and willten instructions; abuse, negligence, accident, loss, or damage in transit; improper site preparation; unauthorized maintenance or modifications to the product; or, to vivose or signlar software interference resulting from the connection of the product to a network. Philips does not provide a warranty for third party products furnished to Customer by Philips; however, Philips shall use reasonable efforts to extend to Customer the third party warranty for the product.

The obligations of Philips described above are Philips' only obligations and Customer's sole and exclusive remedy for breach of this warranty.

### 9. WARRANTY DISCLAIMER

Any warranties applicable to labor or replacement parts provided in connection with the Services are described herein. EXCEPT AS EXPRESSLY SET FORTH HEREIN, PHILIPS MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AND No warranty of Merchaniability or filness for a particular purpose applies to anything provided by PHILIPS' SUBCONTRACTOR OR PHILIPS.

### 10. LIMITATIONS OF REMEDIES AND DAMAGES

Philips' total liability, if any, and Customer's exclusive remedy with respect to the Services and Philips' performance here-under is limited to an amount not to exceed the price paid for the pert or service that is the basis for the claim. IN NO EVENT WILL PHILIPS BE LIABLE FOR ANY INDIRECT, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUES OR PROFITS, OR THE COST OF SUBSTITUTE PARTS OR SERVICES, WHETHER ARISING FROM BREACH OF THE TERMS IN THIS AGREEMENT, BREACH OF WARRANTY, NEGLIGENCE, LINDEMNITY, STRICT LIABILITY OR OTHER TORT. PHILIPS WILL HAVE NO LIABILITY FOR ANY ASSISTANCE PHILIPS PROVIDES THAT IS NOT REQUIRED HEREUNDER.



### PHILIPS Healthcare

Tavare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

Alpharetta, GA 30004

Phone: Fax:

678-350-4242

QUOTE NO.

CUSTOMER ID

505909 43242 5/22/2018

DATE

Eastern Radiologist Inc

SITE ID

505909

### 11. PROPRIETARY SERVICE MATERIALS

in connection with the installation, configuration, maintenance, repair and de-installation of the Equipment, Philips might deliver to the Equipment site and use certain proprietary service materials (including software, diagnostic tools and writ-ten or electronic documentation) that have not been purchased by or licensed to Customer. The presence of this property within the Equipment site will not give Customer any right or title to this property or any license or other right to access, use or decompile this property. Any access to or use of this property by anyone other than Phillips 'personnel is prohibited, Customer consents to Philips' removal of all or any part of this property at any time.

### 12. THIRD PARTY MANAGEMENT

If Customer has continuted with a third party service management organization, asset management company, maintenance management company, technology management company, maintenance insurance organization or the like (\*Third Party Organization") for purposes of centralized billing and management of services provided to Customer, at Customer's written request, Philips will route invoices for payment of services rendered by Philips to such Third Party Organization and accept payment from them on Customer's behalf. Notwithstanding the above Customer agrees that the services provided by Phillips are subject solely to the terms and conditions set forth herein, and that Customer guarantees the payment of all monies due or that may become due in spile of any collateral engagements Customer may have with such Third Party Organization or any payments Customer have made to the Third Party Organization, Phillos has no controctual relation-ship for the Services rendered to Customer except as set forth herein. To the extent that the parts and services Phillips provides are not covered by Customer's arrangement with such Third Party Organization, Customer agrees to promptly pay for such parts and services on demand.

### 13. TAXES

Customer will not be obligated to pay any federal, state or local tax imposed upon or measured by Philips' net income. Any other applicable tax will be invoiced to end payable by Customer. along with the total charge in accordance with the payment terms set forth herein, unless Philips receives a tex exemption certificate from Customer which is acceptable to the texting authorities.

### 14. INDEPENDENT CONTRACTOR

Phillips is Customer's Independent contractor, Phillips' employees are under Phillips' exclusive direction and control. Phillips' subcontractor's employees are under Phillips' exclusive direction and control. Phillips' subcontractor's employees are under Phillips' exclusive direction and control. exclusive direction and control. Nothing in this Agreement will be constitued to designate Philips or any of Philips' employees or Philips' subcontractors or any of their employees as Customer employees, agents, joint ventures or partners.

### 15, RECORD RETENTION AND ACCESS

If Section 1861 (v) (1) (f) of the Secial Security Act applies to the Services, Subsections (f) and (ii) of that Section are made a part of these terms. In such an event, Philips agrees to retain and make available, and to insort the requisite clause in each applicable subcontract requiring Phillips subcontractor to retain and make available, the contract(s),book(s),document(s),and record(s) to the person(s),upon the request(s) for the period(s) of time required by these Subsections.

### 16. SUBCONTRACTS AND ASSIGNMENTS

Philips may subcontract to service contractors of Philips' choice any of Philips' service obligations to Customer, No such subcontract will retease Philips from those obligations to Customer, Customer may not assign its rights hereunder or the responsibility for payments due without Phillips' prior express written consent.

### 17.SURVIVAL, WAIVER, SEVERABILITY, CHOICE OF LAW

Customer's obligation to pay any money due to Philips in connection with the Services shall continue until Philips has received all such amounts. All of Philips' rights, privileges and remedies with respect to the Services will continue in full force and effect. Philips' failure to enforce any provision of these terms is not a waiver of that provision or of Philips' right to later enforce each and every provision. If any part of these terms is found to be invalid, the remaining part will be effective. The law of the state of New York will govern any interpretation of these terms and any dispute between Philips and Customer without regard to the principles of choice of law,

### 18. ENTIRE AGREEMENT

These terms constitute the entire understanding of the parties and supersede all other agreements, written or oral, regarding its subject matter. No additional terms, conditions, consent, waiver, alteration, or modification will be binding unless in writing and signed by Philips' authorized representative and Customer. Additional or different terms and conditions, whether stated in a purchase order or other document issued by Customer, are specifically rejected and will not apply to the transactions contemptated herein. No prior proposals, statements, course of dealing, course of performance, usage of trade or industry standard will apply to the Services or modify these terms.



### **PHILIPS Healthcare**

Tavare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

Alpharetta, GA 30004

Phone:

678-350-4242

Fax:

QUOTE NO. DATE 505909\_43242 5/22/2018

CUSTOMER ID

Eastern Radiologist Inc

SITE ID

505909

### Clinical Education:

No Clinical ED

# Quote



Date	Quote#
5/25/2018	

## Name / Address ·

ER Imaging 2101 West Arlington Blvd. Suite 210 Greenville, NC 27834

# Shipping Address

ER Imaging 9 Doctors Park, W Arlington Blvd Greenville, NC 27834

Description	Qty	Price Each	Total
Relocation of one (1) GE Infinia gamma camera including:	1	\$15,000.00	\$15,000.00
- Rigging	1	\$0,00	\$0.00
- Transportation	1	\$0.00	\$0.00
- Installation	1	· \$0.00	\$0.00
- Labor	1	\$0.00	\$0.00
- Travel	1	\$0,00	\$0.00
Sales Tax is not included	1	\$0,00	\$0.00
and the second s			ti leud
			96
			· ·
92			
	Subto	tal	\$15,000.00
	Sales	Tax (0.00%)	\$0.00
ustomer Acceptance:	Total		\$15,000.00

Customer Notes:



542716\_43242

Eastern Radiologist Inc

5/22/2018

542716

QUOTATION PREPARED BY: Tavare Sanchez, RSM

**EQUIPMENT DESCRIPTION** 

GXR-EasyDIAGNOST Eleva

5/22/2019

### PHILIPS Healthcare

Tavare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

Alpharetta, GA 30004

Phone:

678-350-4242

Fax:

[e-mail]

TO:

tavare.sanchez@philips.com

Eastern Radiologist Inc 9 Doctors Park

GREENVILLE, NC, 27834-2801

MODALITY

706032

DESCRIPTION

ROOM MOVE QUOTE

Deinstall / Reinstall / Calibration

Deinstall/Scrap

QUOTE NO.

CUSTOMER ID

**EXPIRATION DATE** 

DATE

SITE ID

Site Plans

Life Solutions

Power Solutions

Installation Parts

No Clinical ED

SUBTOTAL

\$64,810.00

\$3,470.00

**UNIT PRICE** 

\$61,340.00

DISCOUNT

\$6,481.00

TOTAL

\$58,329.00

Scope of work:

PHILIPS SITE PLANNING

LIFE SOLUTIONS

POWER SOLUTIONS **INSTALLATIONS-PARTS** 

CLINICAL EDUCATION

Scope of Work includes: 3.5 days de-Installation of system; 3.5 days of reinstallation; 3 days calibration and testing,

This is a quotation on the goods named, subject to the conditions noted below:

To accept this quotation, please sign and return with a purchase order.

Date:

Authorized Purchaser's Signature

Title:

THANK YOU FOR YOUR BUSINESS!

**Philips Confidential** 

Page 1



### PHILIPS Healthcare

Tayare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

Alpharetta, GA 30004

QUOTE NO.

542716 43242

CUSTOMER ID

5/22/2018

542716

Phone: Fax:

678-350-4242

SITE ID

DATE

Eastern Radiologist Inc

Philips Medical Systems North America Company, a Division of Philips Electronics North America Corporation ("Philips") will provide maintenance, calibration, repair, upgrades, and other quoted

service ("Services") on the medical imaging, monitoring and related equipment owned or operated by Customer ("Equipment"), along with replacement of certain parts, assemblies and

accessories, all as requested by Customer, solely upon the terms and conditions stated herein. Customer's acceptance of the Services constitutes its agreement to these terms and conditions.

### 1. SERVICE

The Service provided is for diagnostic imaging equipment unless otherwise agreed in writing. The Services will be performed during Service Coverage hours at Philips' standard prices in effect

as of the date of service. At Philips' discretion, replacement parts may be provided on an exchange (refurbished) or new part basis. Replaced parts become Philips' property.

### 2. EXCLUSIONS

### a. The Services do not include:

- i. servicing or replacing components of the Equipment other than those parts listed in this goreement:
- II servicing the Equipment if the Equipment Site or Equipment is contaminated with blood or other potentially infectious substances;
- ill the failure of anyone other than Philips' subcontractor or Philips to comply with Philips' written instructions or recommendations;
- lv. )any combining of the Equipment with a product or software of other manufacturers other than those recommended by Phillips;
- any alteration or improper storage, handling, use or maintenance of the Equipment by anyone other than Philips' subcontractor or Philips; ν.
- damage caused by an external source, regardless of nature; vi.
- neglect or misuse of the Equipment.

### b. The Services do not include, unless specifically quoted by Philips;

- providing or paying the cost of any rigging, facility, structural alteration, or accessory incident to the Services or Equipment;
- ii. any cost of materials, supplies, parts or labor supplied by any party other than Philips or Philips' subcontractors;
- the cost of consumable materials, including but not limited to cushions, knee supports, pads, magnetic media, cryogens, PET calibration sources, (%) film or other supply liems, unless specifically included in this Agreement;
- the cost of factory reconditioning: lv.
  - providing software updates, back-up copies of software, or the programming of custom code.

### V. 3. COVERAGE

Philips will provide Customer the Services Mondays through Eridays, 8:00 AM to 5:00 PM Customer local time, excluding Philips observed holidays. Subject to the availability of personnel and repair parts, Philips will provide, at Customer request and additional expense, service relating to certain excluded flems (Invoiced at Philips then-current standard rates for material and labor) or service outside the Service Coverage hours (invoiced at Philips applicable rates for out-of-hours service of this type in effect for hourly service customers with similar Equipment, including round trip travel time). Customer will be charged a minimum of two hours on-site time plus applicable travel charges per service visit. Other travel expenses and overnight tilving expenses will be charged at actual cost in accordance with Philips' standards for business expense reimbursement of Philips' employees.

### 4. CUSTOMER RESPONSIBILITIES

As a condition to Phillips undertaking to provide Services, Customer will: assure that the Equipment Site is in a clean and senitary condition and that the Equipment has been cleaned and decontaminated after contact with blood or other potentially infectious material; dispose of any hazardous or biological waste generated as a result of Philips servicing the Equipment; maintain the Equipment Site and environment (including temperature and humidity control, incoming power quality, and fire protection system) in a condition suitable for operation of the Equipment; operate the Equipment in accordance with the published manufacturer's operating instructions; make normal operator adjustments to the Equipment as specified in the published manufacturer's operating instructions; and provide Philips service personnel full and free access to the Equipment at the scheduled service lime. Costomer agrees to pay Philips at the prevailing demand service rates for all time spent by Philips service personnel waiting for access to the Equipment.

The total charge, plus applicable tax, will be due immediately upon Customer's receipt of Phillips' Invoice. The total charge will be the sum of all parts, assemblies, accessories, consumables, transportation, special handling, on-site labor, travel lime, travel expense, and other chargeable Services. Customer will pay interest on any amount not paid when due at the maximum rate. permitted by applicable law.



### PHILIPS Healthcare

Tavare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

Alpharetta, GA 30004

QUOTE NO.

542716\_43242

DATE

5/22/2018

Phone:

678-350-4242

CUSTOMER ID

Eastern Radiologist Inc .

Fax:

SITE ID

547716

### 6. EXCUSABLE DELAYS

Philips is excused from performing the Services when Philips' delay or failure to perform is caused by events beyond Philips' reasonable control including, but not limited to, acts of God, acts of third parties, acts of the other party, acts of any civil or military authority, fine, floods, war, terrorism, embargoes, labor disputes, acts of sabolage, riots, accidents, defays of carriers, subcontractors or suppliers, voluntary or mandatory compliance with any government act, regulation or request, shortage of labor, materials or manufacturing facilities, or Equipment being contaminated with blood or other potentially infectious material,

### 7. PAYMENT DEFAULT

In the event of Customer's failure to pay any amount due within 10 days of when payment is due, Philips may, at its option (I) withhold performance hereunder or under any other agreements with Customer until a reasonable time after all defaults have been cured, (ii) declare all sums due and to become due, to be immediately due and payable hereunder and under such other agreements,(iii) commence collection activities for all sums due or to become due hereunder, all at Customer's expense, including but not limited to costs and expenses of collection, collection agency fees, and reasonable attorneys' fees, and (iv) pursue any other remedies permitted by law.

### 8. WARRANTY

Philips warrants that parts installed and labor performed by Philips will be free from defects in material and workman-ship respectively for a period of 60 days from the date of installation or performance. Replacement parts may contain refurbished components. If such components are used, they will be warranted as new. Glassware is covered under seperate Warrantles.

The warranty for parts purchased directly by the end-user from Philips and not installed by Philips is 30 days. Adjustment of claims under a parts warranty will result only in replacement of that part. Parts cannot be returned for credit only. Parts fallures that result from improper installation or service procedures or any other external factors will not be covered under this warranty.

Philips' obligations are limited, at Philips' option, to the repair or the replacement of the product or a portion thereof, or to a refund of a portion of the price paid by Customer, if Philips determines that any parts or labor fall to meet the foregoing warranties, Philips shall correct any such fallure, at its sole option either (a) by repairing any defective or damaged part and lumishing the necessary labor to resolve any problems directly associated with the service work per-formed by Philips, or (b) for parts not installed by Philips, by making available at the place of installetion any necessary repaired, exchange or replacement pans or assembiles.

This warranty will not apply to defects resulting from improper or inadequate maintenance or calibration by Customer or its agents; Customer or third party supplied software, interfaces, or supplies; use or operation of the product other than in accordance with Phillips' applicable product specifications and written instructions; abuse, negligence, accident, loss, or damage in transit; Improper site preparation; unauthorized maintenance or modifications to the product; or, to viruses or similar software interference resulting from the connection of the product to a network. Philips does not provide a warranty for third party products furnished to Customer by Philips; however, Philips shall use reasonable efforts to extend to Customer the third party warranty for the product.

The obligations of Philips described above are Philips' only obligations and Customer's sole and exclusive remedy for breach of this warranty.

### 9. WARRANTY DISCLAIMER

Any warranties applicable to labor or replacement parts provided in connection with the Services are described herein. EXCEPT AS EXPRESSLY SET FORTH HEREIN, PHILIPS MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AND No warranty of Merchantability or fitness for a particular purpose applies to anything provided by PHILIPS' SUBCONTRACTOR OR PHII IPS

### 10. LIMITATIONS OF REMEDIES AND DAMAGES

Philips' total liability, if any, and Customer's exclusive remedy with respect to the Services and Philips' performance here-under is limited to an amount not to exceed the price paid for the part or service that is the basis for the claim. IN NO EVENT WILL PHILIPS BE LIABLE FOR ANY INDIRECT, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUES OR PROFITS, OR THE COST OF SUBSTITUTE PARTS OR SERVICES, WHETHER ARISING FROM BREACH OF THE TERMS IN THIS AGREEMENT, BREACH OF WARRANTY, NEGLIGENCE, LINDEMNITY, STRICT LIABILITY OR OTHER TORT. PHILIPS WILL HAVE NO LIABILITY FOR ANY ASSISTANCE PHILIPS PROVIDES THAT IS NOT REQUIRED HEREUNDER.



### PHILIPS Healthcare

Tavare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

Alpharetta, GA 30004

678-350-4242

542716 43242

DATE

5/22/2018

CUSTOMER ID

QUOTE NO.

Eastern Radiologist Inc.

SITE ID

542715

### Phone: Fax:

### 11. PROPRIETARY SERVICE MATERIALS

In connection with the Installation, configuration, maintenance, repair and de-installation of the Equipment, Phillips might deliver to the Equipment site and use cartain proprietary service materials (including software, diagnostic tools and writ-ten or electronic documentation) that have not been purchased by or licensed to Customer. The presence of this property within the Equipment site will not give Customer any right or title to this property or any license or other right to access, use or decompile this property. Any access to or use of this property by anyone other than Philips 'personnel is prohibited. Customer consents to Philips' removal of all or any part of this property at any time,

### 12. THIRD PARTY MANAGEMENT

If Customer has contracted with a third party service management organization, asset management company, maintenance management company, technology management company, maintenance insurance organization or the like ("Third Party Organization") for purposes of centralized billing and management of services provided to Customer, at Customer's written request, Philips will route invokes for payment of services rendered by Philips to such Third Party Organization and accept payment from them on Customer's behalf. Notwithstanding the above, Gustomer agrees that the services provided by Philips are subject solely to the terms and conditions set forth herein, and that Customer guarantees the payment of all monies due or that may become due in spile of any collaboral arrangements Customer may have with such Third Party Organization or any payments Customer have made to the Third Party Organization, Philips has no contractual relation ship for the Services rendered to Customer except as set forth herein. To the extent that the parts and services Philips provides are not covered by Customer's errangement with such Third Party Organization, Customer agrees to promptly pay for such parts and services on demand.

### 13. TAXES

Customer will not be obligated to pay any federal, state or local tax imposed upon or measured by Philips' net income. Any other applicable tax will be invoiced to and payable by Customer. along with the total charge in accordance with the payment terms set forth herein, unless Phillips receives a tax exemption contificate from Customer which is acceptable to the taxing authorities.

### 14. INDEPENDENT CONTRACTOR

Phillips is Customer's independent contractor. Phillips' employees are under Phillips' axclusive direction and control. Phillips' subcontractor's employees are under Phillips' subcontractor's exclusive direction and control. Nothing in this Agreement will be construed to designate Philips or any of Philips' employees or Philips' subcontractors or any of their employees as Customer employees, agents, joint ventures or partners.

### 15. RECORD RETENTION AND ACCESS

If Section 1861 (v) (1) (f) of the Social Security Act applies to the Services, Subsections (f) and (ii) of that Section are made a part of these terms. In such an event, Philips agrees to retain and make available, and to insert the requisite clause in each applicable subcontract requiring Philips subcontractor to retain and make available, the contract(s),book(s),document(s),and record(s) to the person(s),upon the request(s) for the period(s) of time required by these Subsections.

### 16. SUBCONTRACTS AND ASSIGNMENTS

Philips may subcontract to service contractors of Philips' choice any of Philips' service obligations to Customer. No such subcontract will refease Philips from those obligations to Customer. Customer may not assign its rights hereunder or the responsibility for payments due without Philips' prior express written consent.

### 17.SURVIVAL, WAIVER, SEVERABILITY, CHOICE OF LAW

Customer's obligation to pay any money due to Philips in connection with the Services shall continue until Philips has received all such amounts. All of Philips' rights, privileges and remedies with respect to the Services will continue in full force and effect. Philips' failure to enforce any provision of these terms is not a waiver of that provision or of Philips' right to later enforce each and every provision. If any part of these terms is found to be invalid, the remaining part will be effective. The law of the state of New York will govern any interpretation of these terms and any dispute between Philips and Customer without regard to the principles of choice of law.

### 18. ENTIRE AGREEMENT

These terms constitute the entire understanding of the parties and supersede all other agreements, written or oral, regarding its subject matter. No additional terms, conditions, consent, waiver. alteration, or modification will be binding unless in writing and signed by Philips' authorized representative and Customer. Additional or different terms and conditions, whether stated in a purchase order or other document issued by Customer, are specifically rejected and will not apply to the transactions contemplated herein. No prior proposels, statements, course of dealing, ccurse of performance, usage of trade or industry standard will apply to the Services or modify these terms.



### **PHILIPS Healthcare**

Tavare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

Alpharetta, GA 30004

Phone:

678-350-4242

Fax:

QUOTE NO.

542715\_43242

DATE 5/22/2018

CUSTOMER ID SITE ID Eastern Radiologist Inc

D 542716

## Clinical Education:

No Clinical ED



### PHILIPS Healthcare

Tavare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

Alpharetta, GA 30004

Phone:

678-350-4242

Fax:

[e-mail]

tavare.sanchez@philips.com

TO: Eastern Radiologist Inc

9 Doctors Park

GREENVILLE, NC, 27834-2801

MODALITY

706032

DESCRIPTION

**ROOM MOVE QUOTE** 

Deinstall / Reinstall / Calibration

QUOTE NO.

CUSTOMER ID

**EXPIRATION DATE** 

DATE

SITE ID

Deinstall/Scrap

PHILIPS SITE PLANNING

LIFE SOLUTIONS

POWER SOLUTIONS

**INSTALLATIONS-PARTS** 

CLINICAL EDUCATION

**EQUIPMENT DESCRIPTION** 

QUOTATION PREPARED BY: Tavare Sanchez, RSM

GXR-EasyDIAGNOST Eleva

UNIT PRICE

542593\_43242

Eastern Radiologist Inc

5/22/2018

542593

5/22/2019

\$61,340.00

Site Plans

Life Solutions

**Power Solutions** 

Installation Parts

No Clinical ED

\$64,810.00

\$3,470.00

SUBTOTAL DISCOUNT

\$6,481.00

TOTAL

\$58,329.00

Scope of work:

Scope of Work includes: 3.5 days de-installation of system; 3.5 days of reinstallation; 3 days calibration and testing.

This is a quotation on the goods named, subject to the conditions noted below:

To accept this quotation, please sign and return with a purchase order.

Date:

Authorized Purchaser's Signature

Title:

THANK YOU FOR YOUR BUSINESS!



### PHILIPS Healthcare

Tavare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd. Ste 2100

Alpharetta, GA 30004

QUOTE NO. DATE

542593 43242

CUSTOMER ID

Eastern Radiologist Inc

Phone:

678-350-4242

5/22/2018

Fax:

SITE ID

Phillips Medical Systems North America Company, a Division of Phillips Electronics North America Corporation ("Phillips") will provide maintenance, calibration, repair, upgrades, and other quoted

sorvice ("Services") on the medical imaging, monitoring and related equipment owned or operated by Customer ("Equipment"), along with replacement of certain parts, assemblies and

accessories, all as requested by Customer, solely upon the terms and conditions stated herein. Customer's acceptance of the Services constitutes its agreement to these terms and conditions. 1. SERVICE

The Service provided is for diagnostic imaging equipment unless otherwise agreed in writing. The Services will be performed during Service Coverage hours at Philips' standard prices in effect

as of the date of service. At Phillips' discretion, replacement perts may be provided on an exchange (refurbished) or new part basis. Replaced parts become Philips' properly.

### 2 EXCLUSIONS

### a. The Services do not includa;

- servicing or replacing components of the Equipment other than those parts listed in this agreement;
- 11. servicing the Equipment if the Equipment Site or Equipment is contaminated with blood or other potentially infectious substances;
- iñ the failure of anyone other than Phillips' subcontractor or Philips to comply with Philips' written instructions or recommendations; -----
- iv. )any combining of the Equipment with a product or software of other manufacturers other than those recommended by Philips;
- any alteration or improper storage, handling, use or maintenance of the Equipment by anyone other than Phillips' subcontractor or Philips; ٧.
- vi. damage caused by an external source, regardless of nature;
- neglect or misuse of the Equipment.

### b. The Services do not include, unless specifically quoted by Philips:

- 1. providing or paying the cost of any rigging, facility, structural alteration, or accessory incident to the Services or Equipment;
- il. any cost of materials, supplies, parts or labor supplied by any party other than Philips or Philips' subcontractors;
- the cost of consumable materials, including but not limited to cushions, knee supports, pads, magnetic media, cryogens, PET calibration sources, iii, film or other supply items, unless specifically included in this Agreement;
- the cost of factory reconditioning;
- providing software updates, back-up copies of software, or the programming of custom code.

### 3. COVERAGE

Philips will provide Customer the Services Mondays through Fridays, 8:00 AM to 5:00 PM Customer local time, excluding Philips observed holidays. Subject to the availability of personnel and repair parts, Philips will provide, at Customer request and additional expense, service relating to certain excluded items (involced at Philips' then-current standard rates for material and labor) or service outside the Service Coverage hours (involced at Phillips applicable rates for out-of-hours service of this type in effect for hourly service customers with similar Equipment, including round trip travel firms). Customer will be charged a minimum of two hours on-site time plus applicable travel charges per service visit. Other travel expenses and overnight living expenses will be charged at actual cost in accordance with Philips' standards for business expense relimbursement of Philips' employees.

### 4. CUSTOMER RESPONSIBILITIES

As a condition to Philips undertaking to provide Services, Customer will: assure that the Equipment Site is in a clean and sanitary condition and that the Equipment has been cleaned and decontaminated after contact with blood or other potentially infectious material; dispose of any hazardous or biological waste generated as a result of Philips servicing the Equipment; maintain the Equipment Site and environment (including temperature and humidity control, incoming power quality, and fire protection system) in a condition suitable for operation of the Equipment; operate the Equipment in accordance with the published manufacturer's operating instructions; make normal operator adjustments to the Equipment as specified in the published manufacturer's operating instructions; and provide Philips service personnel full and free access to the Equipment at the scheduled service time. Customer agrees to pay Philips at the prevailing demand service rates for all time spent by Philips service personnel waiting for access to the Equipment.

The total charge, plus applicable tax, will be due immediately upon Customer's receipt of Philips' brooke. The total charge will be the sum of all parts, assemblies, accessories, consumables, transportation, special handling, on-site labor, travel time, travel expense, and other chargeable Services. Customer will pay interest on any amount not paid when due at the maximum rate permitted by applicable law.



### PHILIPS Healthcare

Tayare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

Alpharetta, GA 30004

678-350-4242

QUOTE NO. DATE 542593\_43242 5/22/2018

CUSTOMER ID

Eastern Radiologist Inc

SITE ID

542503

## 6. EXCUSABLE DELAYS

Phone:

Fax:

Philips is excused from performing the Services when Philips' delay or failure to perform is caused by events beyond Philips' reasonable control including, but not limited to, acts of God, acts of third parties, acts of the other party, acts of any civil or military authority, fire, floods, war, terrorism, embargoes, labor disputes, acts of sabotage, riots, accidents, delays of carriers, subcontractors or suppliers, voluntary or mandatory compliance with any government act, regulation or request, shortage of labor, materials or manufacturing facilities, or Equipment being confarmated with blood or other potentially infectious material.

### 7. PAYMENT DEFAULT

In the event of Customer's failure to pay any amount due within 10 days of when payment is due, Phillips may, et its option,(i) withhold performance hereunder or under any other agreements with Customer until a reasonable time after all defaults have been cured,(ii) declare all sums due and to become due, to be immediately due and payable hereunder and under such other agreements,(iii) commence collection activities for all sums due or to become due hereunder, all at Customer's expense, including but not limited to costs and expenses of collection, collection agency fees, and reasonable attorneys' fees, and (iv) pursue any other remedies permitted by law.

### 8. WARRANTY

Philips warrants that parts installed and labor performed by Philips will be free from defects in material and workman-ship respectively for a period of 60 days from the date of installation or performance. Replacement parts may contain refurbished components. If such components are used, they will be warranted as new. Glassware is covered under separate Warranties,

The warranty for parts purchased clicicity by the end-user from Philips and not installed by Philips is 30 days. Adjustment of claims under a parts warranty will result only in replacement of that part. Parts cannot be returned for credit only. Parts failures that result from improper installation or service procedures or any other external factors will not be covered under this warranty.

Philips' obligations are limited, at Philips' option, to the repair or the replacement of the product or a portion thereof, or to a refund of a portion of the price paid by Customer. If Philips determines that any parts or labor fail to meet the foregoing warranties, Philips shall correct any such failure, at its sole option either (a) by repairing any defective or damaged part and lumishing the necessary labor to resolve any problems directly associated with the service work per-formed by Philips, or (b) for parts not installed by Philips, by making available at the place of installation any necessary repaired, exchange or replacement parts or assemblies.

This warranty will not apply to defects resulting from improper or inadequate maintenance or calibration by Customer or its agents; Customer or third party supplied software, interfaces, or supplies; one or operation of the product other than in accordance with Philips' applicable product specifications and written instructions; abuse, negligence, accident, loss, or damage in transit; impropor site preparation; unauthorized maintenance or modifications to the product; or, to viruses or similar software interference resulting from the connection of the product to a network. Philips does not provide a warranty for third party products turnished to Customer by Philips; however, Philips shall use reasonable efforts to extend to Customer the third party warranty for the product.

The obligations of Philips described above are Philips' only obligations and Customer's sole and exclusive remedy for breach of this warranty.

### 9. WARRANTY DISCLAIMER

Any warrantiles applicable to labor or replacement parts provided in connection with the Services are described herein. EXCEPT AS EXPRESSLY SET FORTH HEREIN, PHILIPS MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AND No warranty of Merchaniability or fitness for a particular purpose applies to anything provided by PHILIPS' SUBCONTRACTOR OR PHILIPS.

### 10. LIMITATIONS OF REMEDIES AND DAMAGES

Philips' total liability, if any, and Customer's exclusive remedy with respect to the Services and Philips' performance here-under is limited to an amount not to exceed the price paid for the part or service that is the basis for the claim. IN NO EVENT WILL PHILIPS BE LIABLE FOR ANY INDIRECT, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUES OR PROFITS, OR THE COST OF SUBSTITUTE PARTS OR SERVICES, WHETHER ARISING FROM BREACH OF THE TERMS IN THIS AGREEMENT, BREACH OF WARRANTY, NEGLIGENCE, LINDEMNITY, STRICT LIABILITY OR OTHER TORT. PHILIPS WILL HAVE NO LIABILITY FOR ANY ASSISTANCE PHILIPS PROVIDES THAT IS NOT REQUIRED HEREUNDER.



### PHILIPS Healthcare

Tayare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

Alpharetta, GA 30004

OUOTE NO. DATE

542593 43242

CUSTOMER ID

5/22/2018 Eastern Radiologist Inc

678-350-4242

SITE ID

547593

Phone: Fax:

### 11. PROPRIETARY SERVICE MATERIALS

In connection with the installation, configuration, maintenance, repair and de-installation of the Equipment, Philips might deliver to the Equipment site and use certain proprietary service materials (including software, diagnostic tools and writ-len or electronic documentation) that have not been purchased by or licensed to Customer. The presence of this property within the Equipment site will not give Customer any right or title to this property or any ficense or other right to access, use or decompile this property. Any access to or use of this property by anyone other than Phillips 'personnel is prohibited, Customer consents to Philips' removal of all or any part of this property at any time.

### 12. THIRD PARTY MANAGEMENT

If Customer has contracted with a third party service management organization, asset management company, maintenance management company, technology management company, maintenance insurance organization or the like ("Third Party Organization") for purposes of centralized billing and management of services provided to Customer, at Customer's written request, Philips will route involves for payment of services rendered by Philips to such Third Porty Organization and accept payment from them on Customer's behalf. Notwithstanding the above, Customer agrees that the services provided by Phillips are subject solely to the terms and conditions set forth herein, and that Customer guarantees the payment of all montes due or that may become due in spile of any collateral arrangements Customer may have with such Third Party Organization or any payments Customer have made to the Third Party Organization, Philips has no contractival relation-ship for the Services remisered to Customer except as set forth herein. To the extent that the parts and services Phillips provides are not covered by Customer's enrangement with such Third Party Organization, Customer agrees to promptly pay for such parts and services on demand.

### 13. TAXES

Customer will not be obligated to pay any federal, state or local tax Imposed upon or measured by Philips' net Income. Any other applicable tax will be invoked to and payable by Customer. along with the total charge in accordance with the payment terms set forth herein, unless Philips receives a tax exemption certificate from Customer which is acceptable to the taxing authorities.

### 14. INDEPENDENT CONTRACTOR

Philips is Customer's Independent contractor. Philips' employees are under Philips' exclusive direction and control. Philips' subcontractor's employees are under Philips' subcontractor's exclusive direction and control. Nothing in this Agreement will be construed to designate Philips or any of Philips' employees or Philips' subcontractors or any of their employees as Customer employees, agents, joint ventures or partners.

### 15. RECORD RETENTION AND ACCESS

If Section 1861 (v) (1) (f) of the Social Security Act applies to the Services, Subsections (i) and (ii) of that Section are made a part of these terms. In such an event, Philips agrees to retain and make available, and to insert the requisite clause in each applicable subcombact requiring Philips subcontractor to retain and make available, the contract(s),book(s),document(s),and record(s) to the person(s),upon the request(s) for the period(s) of time required by those Subsections.

### 16. SUBCONTRACTS AND ASSIGNMENTS

Philips may subcontract to service contractors of Philips' choice any of Philips' service obligations to Customer. No such subcontract will release Philips from those obligations to Customer. Customer may not assign its rights hereunder or the responsibility for payments due without Philips' prior express written consent.

### 17.SURVIVAL, WAIVER, SEVERABILITY, CHOICE OF LAW

Customer's obligation to pay any money due to Philips in connection with the Services shall continue until Philips has received all such amounts. All of Philips' rights, privileges and remedies with respect to the Services will continue in full force and effect. Philips' failure to enforce any provision of these terms to not a waiver of that provision or of Philips' right to later enforce each and every provision. If any part of these terms is found to be invalid, the remaining part will be effective. The law of the state of New York will govern any interpretation of these terms and any dispute between Philips and Customer without regard to the principles of choice of law.

### 18. ENTIRE AGREEMENT

These terms constitute the entire understanding of the parties and supersede all other agreements, written or oral, regarding its subject matter. No additional terms, conditions, consent, waiver, alteration, or modification will be binding unless in writing and signed by Philips' authorized representative and Customer. Additional or different terms and conditions, whether stated in a purchase order or other document issued by Customer, are specifically rejected and will not apply to the transactions contemplated herein. No prior proposals, statements, course of dealing, course of performance, usage of trade or industry standard will apply to the Services or modify these terms.



### PHILIPS Healthcare

Tavare Sanchez, RSM

One Deerfield Center, 13560 Morris Rd, Ste 2100

Alpharetta, GA 30004

Phone:

678-350-4242

Fax:

QUOTE NO. DATE 542593\_43242

5/22/2018

CUSTOMER ID

Eastern Radiologist Inc

SITE ID

542593

### Clinical Education:

No Clinical ED

EXHIBIT C

# EQUIPMENT COMPARISON for REPLACEMENT EQUIPMENT EXEMPTION

	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type of Equipment	Ultrasound System	ultrasound system
Manufacturer of Equipment	Siemens Medical Solutions USA, Inc.	Siemens Medical Solutions USA, Inc.
Model Number	ACUSON SEQUOIA	ACUSON SEQUOIA
Serial Number	54989	21800177
Provider's Method of Identifying Equipment	Affixed Label	Affixed Label
Mobile or Fixed	Fixed	Fixed
Date of Acquisition	2002	09/13/2018
Provider Hold Title to Equipment or Have a Capital Lease?	Title	Title
Specify if Equipment was/is New or Used When Acquired	New	New
Total Cost of Equipment	150,000.00	\$136,915.00
Fair Market Value of Equipment	150,000.00	\$136,915.00
Net Purchase Price of Equipment	150,000.00	\$136,915.00
Locations Where Operated	9 Doctor's Park, Greenville, NC	2101 West Arlington Boulevard, Greenville, NC
Number of Days Per Year the Equipment is or will be in Use in North Carolina	365	365
Percent of Patient Charges by Procedure	NA	NA
Percent of Change in Per-Procedure Operating Expenses	NA	NA
Procedures Currently Performed in Existing Equipment	Ultrasound	NA
Procedures New Equipment is Capable of Performing	NA	Ultrasound