



NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

November 2, 2020

Denise M. Gunter
Denise.gunter@nelsonmullins.com

Exempt from Review – Replacement Equipment

Record #: 3403
Facility Name: FirstHealth Moore Regional Hospital
FID #: 943358
Business Name: FirstHealth of the Carolinas, Inc.
Business #: 737
Project Description: Replace existing Linear Accelerator
County: Moore

Dear Ms. Gunter:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of October 29, 2020, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(f). Therefore, you may proceed to acquire without a certificate of need the Varian TrueBeam linear accelerator to replace the existing Varian CL-IX H293851 IX linear accelerator located radiation oncology department on the main hospital campus. This determination is based on your representations that the existing unit will be sold or otherwise disposed of and will not be used again in the State without first obtaining a certificate of need if one is required.

Moreover, you need to contact the Agency's Construction, Radiation Protection and Acute and Home Care Licensure and Certification Sections to determine if they have any requirements for development of the proposed project.

It should be noted that the 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 office and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

[Handwritten signature of Tanya M. Saporito]

Tanya M. Saporito
Project Analyst

[Handwritten signature of Martha J. Frisone]

Martha J. Frisone
Chief

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Radiation Protection Section, 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: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704
https://info.ncdhhs.gov/dhsr/ • TEL: 919-855-3873

Denise M. Gunter
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T 336.774.3300 F 336.774.3299
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October 29, 2020

VIA EMAIL

Martha J. Frisone, Chief
Healthcare Planning and Certificate of Need Section
North Carolina Department of Health and Human Services
Division of Health Service Regulation
Edgerton Building
809 Ruggles Drive
Raleigh, North Carolina 27603

Re: Facility Name: FirstHealth Moore Regional Hospital
FID# 943358
Business Name: FirstHealth of the Carolinas, Inc.
Business# 727
HSA: V
Project Description: Replace Existing Linear Accelerator
County: Moore

Dear Ms. Frisone:

Pursuant to N.C. Gen. Stat. §§ 131E-184(a)(7) and (f), this letter provides prior written notice to the Agency that FirstHealth Moore Regional Hospital ("FMRH") intends to replace a linear accelerator on the main campus of FMRH at a cost of greater than \$2 million.

Background

FMRH operates two linear accelerators on its main campus. One of these units is a Varian CL-IX H293851 (the "Existing Unit"). The Existing Unit, which was purchased used, was installed in April, 2017 in the FMRH Radiation Oncology Department. See **Exhibit A**, correspondence from 2016 concerning the Existing Unit. The Existing Unit is at the end of its useful life, and FirstHealth has decided to replace the Existing Unit with a new Varian TrueBeam linear accelerator (the "Replacement Unit"). The Replacement

Unit will also be installed in the FMRH Radiation Oncology Department. As Table 17C-1 from the 2020 SMFP shows, FMRH's linear accelerators are among the most highly utilized in North Carolina, with an average number of 8,231 procedures per unit. As Table 17C-1 from the Proposed 2021 SMFP shows, utilization of FMRH's linear accelerators remained substantially the same, again making FMRH's linear accelerators among the busiest in North Carolina. See **Exhibits B and C** to this letter. Thus, replacing the Existing Unit with a new, state-of-the-art Replacement Unit is essential in order for FMRH to care for cancer patients who chose FMRH for their care.

The replacement will occur on the main campus of FMRH, located at 155 Memorial Drive in Pinehurst. Specifically, the replacement will take place in the Radiation Oncology Department. Attached as **Exhibit D** is campus map documenting that this location is the "main campus" of FMRH as defined in N.C. Gen. Stat. § 131E-176(14n). The Existing Unit will be sold or otherwise disposed of when the Replacement Unit is installed. At no time will FMRH be operating more than two linear accelerators. Pursuant to an exemption request approved on March 30, 2020, see **Exhibit E** to this letter, FMRH intends to relocate the two linear accelerators to the new Outpatient Cancer Center when that building opens in late 2022; however, FMRH has determined that it needs to replace the Existing Unit now and install it in the hospital.

Analysis

N.C. Gen. Stat. § 131E-184(a)(7) exempts the acquisition of "replacement equipment" upon prior written notice to the Agency. This exemption has a \$2 million capital cost limit. N.C. Gen. Stat. § 131E-184(f) applies to equipment replacements taking place on the "main campus" of a health service facility and does not have a capital cost limitation.

Replacement equipment is defined as:

. . . [E]quipment that costs less than two million (\$2,000,000) and is purchased for the sole purpose of replacing comparable medical equipment currently in use which will be sold or otherwise disposed of when replaced. In determining whether the replacement equipment costs less than two million dollars (\$2,000,000), the costs of equipment, studies, surveys, designs, plans, working drawings, specifications, construction, installation, and other activities essential to acquiring and making operational the replacement equipment shall be included. The capital expenditure for the equipment shall be deemed to be the fair market value of the equipment or the cost of the equipment, whichever is greater.

N.C. Gen. Stat. § 131E-176(22a).

Pursuant to 10A NCAC 14C .0303(c), “comparable medical equipment” means “equipment which is functionally similar and which is used for the same diagnostic or treatment purposes.” The rule further provides:

(d) Replacement equipment is comparable to the equipment being replaced if:

- (1) it has the same technology as the equipment currently in use, although it may possess expanded capabilities due to technological improvements; and
- (2) it is functionally similar and is used for the same diagnostic or treatment purposes as the equipment currently in use and is not used to provide a new health service; and
- (3) the acquisition of the equipment does not result in more than a 10% increase in patient charges or per procedure operating expenses within the first twelve months after the replacement equipment is acquired.

10A NCAC 14C.0303(d)(1)-(3).

The Existing Unit is currently in use at FMRH. The proposed Replacement Unit is functionally similar to the Existing Unit. The Existing Unit and the Replacement Unit are used for the same diagnostic and treatment purposes. The Replacement Unit will not be used to provide a new health service, though it does possess expanded capabilities due to technological improvements. See **Exhibit F**. The acquisition of the Replacement Unit will not result in more than a 10% increase in patient charges or per procedure operating expenses within the first twelve months after the replacement equipment is acquired. None of the exclusions contained in 10A NCAC 14C .0303(e) applies here. See *also* **Exhibit G**, the Equipment Comparison Form.

Pursuant to N.C. Gen. Stat. § 131E-184(f), the Department shall exempt from certificate of need review the purchase of any replacement equipment that exceeds the two million dollar (\$2,000,000) threshold in N.C. Gen. Stat. § 131E-176(22a) provided all of the following conditions are met:

- (1) The equipment being replaced is located on the main campus.
- (2) The Department has previously issued a certificate of need for the equipment being replaced. This subdivision does not apply if a certificate of need was not required at the time the equipment being replaced was initially purchased by the licensed health service facility.

- (3) The licensed health service facility proposing to purchase the replacement equipment shall provide prior written notice to the Department, along with supporting documentation to demonstrate that it meets the exemption criteria of this subsection.

N.C. Gen. Stat. § 131E-184(f).

N.C. Gen. Stat. § 131E-176(14n) defines “main campus” as:

- (a) The site of the main building from which a licensed health service facility provides clinical patient services and exercises financial and administrative control over the entire facility, including the buildings and grounds adjacent to that main building.
- (b) Other areas and structures that are not strictly contiguous to the main building but are located within 250 yards of the main building.

N.C. Gen. Stat. § 131E-176(14n).

As documented in **Exhibit H**, the Capital Cost Form, the cost of the project exceeds \$2 million. The replacement will take place on the main campus of FMRH, a licensed hospital (#H0100). The Replacement Unit will be installed in the Radiation Oncology Department inside the hospital. This is the site of the main building from which FMRH, a licensed health service facility, provides clinical patient services and exercises financial and administrative control over the entire facility. See **Exhibit D**, attached hereto. Thus, the requirements of N.C. Gen. Stat. § 131E-184(f)(1) are met.

The requirements of N.C. Gen. Stat. § 131E-184(f)(2) and (3) are also satisfied. See **Exhibit A**. This letter constitutes the required prior written notice and required documentation pursuant to N.C. Gen. Stat. § 131E-184(f)(3).

Conclusion

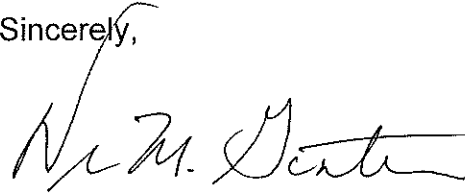
For the above-stated reasons, FMRH respectfully requests that it be allowed to replace the Existing Unit with the Replacement Unit on the main campus of FMRH.

Thank you for your time and consideration. If you have any questions or need additional information, please let me know.

Martha J. Frisone
October 29, 2020
Page 5

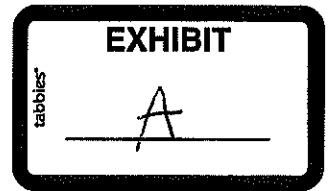
With best personal regards.

Sincerely,

A handwritten signature in black ink, appearing to read "Denise M. Gunter". The signature is written in a cursive style with a large, looping initial "D".

Denise M. Gunter

Enclosures



North Carolina Department of Health and Human Services
Division of Health Service Regulation

Pat McCrory
Governor

Richard O. Brajer
Secretary DHHS

Mark Payne, Director
Health Service Regulation

November 16, 2016

Lynn DeJaco
155 Memorial Drive
P.O. Box 3000
Pinehurst, NC 28374

Exempt from Review -- Replacement Equipment

Record #:

Facility Name: FirstHealth Moore Regional Hospital
FID #: 943358
Business Name: FirstHealth of the Carolinas
Business #: 727
Project Description: Replace existing linear accelerator
County: Moore

Dear Ms. DeJaco:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter dated October 20 and received in our office on October 25, 2016, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(7). Therefore, you may proceed to acquire without a certificate of need the Varian 21iX Linear Accelerator to replace the Varian 21EX linear accelerator, serial number 2238. This determination is based on your representations that the existing unit will be removed from North Carolina and will not be used again in the State without first obtaining a certificate of need.

Moreover, you need to contact the Agency's Construction and Acute & Home Care Licensure and Certification Sections to determine if they have any requirements for development of the proposed project.



Healthcare Planning and Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-715-4413

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

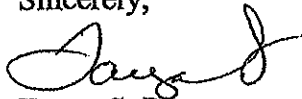
Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

An Equal Opportunity/ Affirmative Action Employer



It should be noted that the 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 office and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

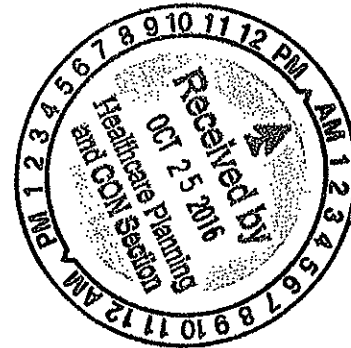


Tanya S. Rupp
Project Analyst



Martha J. Frisone
Assistant Chief, Certificate of Need

cc: Construction Section, DHR
Paige Bennett, Assistant Chief, Healthcare Planning, DHR
Acute and Home Care Licensure and Certification Section, DHR



October 20, 2016

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

Bus 10 727
NR 10 2091

RE: Request for No Review Determination for Replacement of Linear Accelerator Located at
FirstHealth Moore Regional Hospital / Moore County

Dear Ms. Hoffman:

Pursuant to 10A NCAC 14C.0202, FirstHealth of the Carolinas, Inc. d/b/a FirstHealth Moore Regional Hospital (FMRH) intends to replace an existing linear accelerator and requests a determination that such replacement is exempt from review because it falls within the definition of NCGS § 131E-184 (a)(7) and the regulations set out in 10A NCAC 14C.0303.

Statement of Facts

FMRH owns and operates two linear accelerators as a part of the FirstHealth Cancer Services. These systems currently operate five days per week and perform several hundred procedures per week. It is FMRH's intent to replace an existing Varian 21EX linear accelerator with a Varian 21iX linear accelerator.

Exemption from Review

Pursuant to NCGS § 131E-184(a): "The department shall exempt from certificate of need review a new institutional health service if it receives prior written notice from the entity proposing the new institutional health service, when notice includes an explanation of why the new institutional health service is required, for any of the following: ... (7) To provide replacement equipment."

NCGS § 131E-176(22a) defines "replacement equipment" as equipment that costs less than \$2,000,000 and is purchased for the sole purpose of replacing comparable medical equipment currently in use which will be sold or otherwise disposed of when replaced.

Applicable Regulations

10A NCAC 14C.0303 defines "comparable medical equipment" as equipment that "is functionally similar and which is used for the same diagnostic or treatment purposes." Replacement equipment is comparable if:

- (1) it has the same technology as the equipment currently in use, although it may possess expanded capabilities due to technological improvements; and
- (2) it is functionally similar and is used for the same diagnostic or treatment purposes as the equipment currently in use and is not used to provide a new health service; and
- (3) the acquisition of the equipment does not result in more than a 10% increase in patient charges or per procedure operating expenses within the first twelve months after the replacement equipment is acquired.

Replacement equipment is not comparable to the equipment being replaced if the replacement equipment is capable of performing procedures that could result in the provision of a new health service or type of procedure that has not been provided with the existing equipment.

Compliance

FMRH hereby certifies that:

1. The total estimated project cost for the replacement of the existing linear accelerator is \$1,121,089 (Exhibit B). This assumes purchase of a Varian 21iX linear accelerator per the attached quotations and total project renovation costs of \$257,976 (Exhibit A).
2. The replacement equipment will be purchased for the sole purpose of replacing comparable equipment currently in use, which will be disposed of when replaced. A comparison of the existing and replacement equipment is provided in Exhibit C.
3. The replacement equipment is functionally similar to existing equipment and will be used for the same diagnostic and/or treatment procedures as the equipment currently in use.
4. No increase in charges will occur within the first twelve months after the replacement equipment is acquired.
5. The average cost per linear accelerator procedure increases by \$14.17 (2.5%) as a result of the replacement. This assumes 5 years depreciation on equipment and 14,000 procedures per year on the linear accelerators. Savings on equipment maintenance, labor, and supplies may, in fact, offset this increase.

Ms. Martha Frisone
October 20, 2016
Page 3

Determination Requested

FMRH requests that the Division of Health Service Regulation make a determination that the replacement of linear accelerator equipment, as proposed herein does not constitute a new institutional health service and is thus exempt from certificate of need review.

If you require additional information concerning this request, please contact me at 910-715-1000.


Sincerely,

A handwritten signature in black ink, appearing to read 'Lynn DeJaco', with a long horizontal flourish extending to the right.

Lynn DeJaco
Senior Vice President and CFO

Attachments: Exhibit A - Vendor Quote
 Exhibit B - Proposed Total Capital Cost of Project
 Exhibit C - Existing/Replacement Equipment Comparison

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	JAMES L. DAVIS, INC. SPECIALIZING IN RADIATION ONCOLOGY DESIGN & CONSTRUCTION SHIELDING & PHYSICS
13521 Walsingham Road Largo, FL 33774, USA OFFICE: (727) 596-0408 FAX: (727) 593-3267 E-Mail: sales@jld-radcon.com www.jld-radcon.com	

August 3, 2016

VIA E-MAIL: MLThomas@firsthealth.org

Margie Thomas, BSRT, ® (T)
Director Radiation Oncology
First Health Moore Regional Hospital
155 Memorial Drive
Pinehurst, NC 28374

Proposal

Re: First Health Moore Regional Hospital – Pinehurst, NC
Existing 2100 Vault Renovation

Dear Margie,

It appears this is the best solution for your current situation. Please get us involved early as a large new facility like you are planning will take over a year to just plan based on past large projects. We can certainly fill your needs on a very competitive basis.

To move forward, we understand your needs and will renovate the existing vault to install a relocated Trilogy. It will take us 6 to 8 weeks to complete plans and then probably 30 days for permit approval. The actual construction will take approximately 7 weeks. We understand the base frame will have to be replaced and we would reuse the cabinets. Flooring would be new, walls painted and a new ceiling would be installed. We assume the accelerator cooling and shielding are sufficient. A new breaker will be installed with a compatible electrical upgrade. The two accelerators are similar but the relay junction box, etc. will be upgraded. We would install new ceiling lights to comply with the new energy codes. We assume the vault door operator is okay and would reuse the existing control console as well. We assume the existing vault door can remain and it won't be necessary to remove and reinstall for the equipment. If it has to be removed and reinstalled, please add **\$9,520.00** to our proposal. You will need a minimum of 46-1/2" to remove and reinstall the replacement accelerator. This will give you a functional center for the fastest and most economical solution.

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Our lump sum to complete this scope will be \$248,456.00.*

*Includes a \$5,000 permit allowance.

Margie, thank you for this opportunity and please call with any questions.

Sincerely,



Jim Davis
President/CEO

JLD/bb

cc: Matt Sherer, MSherer@firsthealth.org
Tony Lopiccolo, Jr., ALopiccolo@firsthealth.org
Tracy Donovan, tracy@jld-radcon.com



EXECUTIVE SUMMARY

Client Contact

Matt Sherer | msherer@firsthealth.org
 FirstHealth Moore Regional Hospital
 110 Page Road N
 Pinehurst, NC 28374

RS&A Contact

David Stith | dstith@rsainc.net
 465 Forum Parkway
 Rural Hall, NC 27045
 P: (800) 320-4332

Statement of Work

Scope: Procure, install, and warranty a new linear accelerator at Moore Regional Hospital Cancer Center. **Not Included** In this proposal are the following items...

- Room prep or construction-related items to receive new machine.
- License transfer and quality audit (as applicable from OEM).
- Integration to OIS and TPS platforms or other software licensure.

New Equipment: Varian 21IX
 6, 18 MV photon energy, 6-20 MeV electron energies
 OBI KV imager w/ CBCT
 MLC: Varian 120-leaf Millennium w/ DMLC software package
 ASI-1000 portal vision w/ E-Arm & 4D treat workstation
 VMAT / RapidArc
 Dual Independent Jaws, Type-3 accessories
 Exact (IGRT) couch
 Includes any available original accessories, test phantoms, and spare parts

Install Timing: December 2016 / January 2017

Approach: As part of this project, RS&A will:

- Assign a dedicated project coordinator to oversee all activities.
- Assign a qualified engineer team to perform all activities.
- Coordinate all activities with facility staff.
- Provide all equipment needed to complete the work.
- Perform a pre-job site walk down and machine inspections prior to start of work.

Reference #: OP-005601

Pricing

INCLUDED IN THIS AGREEMENT (by RS&A)	PRICING
1 Purchase and deliver new machine (Varian 21IX).	\$ Included
2 De-install and remove existing Varian 21EX machine.	\$ Included
3 Supply, set, and level VEO 52" base frame.	\$ Included
4 Install machine through acceptance.	\$ Included
5 Project travel and expenses	\$ Included
Sub-Total	\$ 667,500
7 WARRANTY* – Provide three-year service warranty (all parts, all labor, 24/7).	\$ -
8 ADJUSTMENT – Credit for signing agreement and receipt of 25% deposit by 8/31/16.	(\$ 30,000)
9 ADJUSTMENT – Credit for signing a 3-year extended warranty versus 1-year.	(\$ 30,000)
Sub-Total	\$ 607,500
<i>Note: Includes the first year of service only.</i>	
Estimated Taxes	\$ 41,000
<i>(To be confirmed – amount based on 6.75% sales tax in Moore County, NC)</i>	
Total	\$ 648,500



Equipment:
Machine Procurement Agreement

**See separate maintenance agreement for service warranty coverage, pricing, and terms / conditions.*

Acceptance of Agreement

By signing below, the Client hereby agrees to the pricing, terms, and conditions of this agreement:

Client:	FirstHealth Moore Regional Hospital ("Client") 110 Page Road N Pinehurst, NC 28374	
Authorized Signature:		Date:
Printed Name:		
Contract PO #:		
Tax Number (if exempt):		
Provider:	RS&A, Inc. ("RS&A") 465 Forum Parkway Rural Hall, NC 27045	
Authorized by:	Kenneth C. Wolff President and CEO	Date:

Attachments:

- Terms and Conditions
- Project Roles & Responsibilities



Equipment: Machine Procurement Agreement

Client and RS&A (collectively, the "Parties") enter into this Equipment Services ("Contract" or "Agreement") and agree as follows. Additional qualifications or adjustments are to be included by addendum only.

1. PROJECT EXECUTION

1.1 **Project Coordinator.** RS&A will appoint a project coordinator (the "Project Coordinator") to work with the Client and manage the installation of the Equipment. The Project Coordinator will be the main contact for Client and is charged with overseeing the project which may include: (i) Coordinating project activities, (ii) Developing an Installation Schedule, (iii) Attending project meetings and preparing meeting summaries (progress to date, next steps, issues log), (iv) Establishing a project contact list, (v) Supporting the Client with change management exercises (e.g., communications plan), (vi) Executing installation procedures to perform and verify the work, and (vii) Issuing project milestone acceptance letters.

1.2 **Installation Schedule.** The Parties will meet and prepare an installation schedule (the "Installation Schedule"). Both Parties shall use commercially reasonable efforts to comply with the Installation Schedule.

1.3 **Site Preparation.** RS&A will work with the Client to prepare the Site ("Site Preparation") to install the Equipment. The Site Preparation may include, but is not limited to, the following:

1.3.1 **Removal of Existing Equipment.** If a machine is currently installed at the Facility and is being replaced (the "Existing Equipment"), RS&A will remove and disposition the Existing Equipment as it deems appropriate. RS&A will manage any disposal requirements for radiative material associated with the removal of the Existing Equipment. Accessories such as photon wedges, accessory trays, electron cones, couch top panels and treatment accessories will be removed with the Existing Equipment. Unless otherwise noted, RS&A will take possession (in full) of any removed equipment, spare parts, and accessories (associated with the equipment) as part of this agreement.

1.3.2 **Disconnection of Utilities.** Client is responsible for disconnecting the electrical, air, and plumbing systems from the Existing Equipment prior to removal of the Existing Equipment and installation of the Equipment.

1.3.3 **Construction Activities.** Client is responsible for any activities required to configure the Facility to install the Equipment at the Facility. Such items may include without limitation (i) electrical, plumbing or other utility requirements, (ii) vault preparation and requirements, (iii) additional shielding, (iv) floor or wall repairs, (v) any code compliance requirements, (vi) chiller installations, (vii) IT requirements and configurations or (viii) any other infrastructure/construction requirements to install the selected Equipment. See the Attachment below for a breakdown of roles/responsibilities (Note: This may be altered to meet the needs of this Agreement and should be included by addendum).

1.3.4 **Permits.** Client is responsible for (i) obtaining any required permits to possess and install the Equipment and (ii) complying with all state, federal and local regulations in connection with Equipment.

1.3.5 **Radiation Controls.** The radiation control regulations in several regions prohibit RS&A from delivering equipment until the Client can provide evidence of meeting certain requirements. This may include verifying that the Client has licensed or registered their equipment and/or registered their facility. Client shall obtain their license or file their registration in a timely manner to avoid delivery and installation delays, which may occur if these requirements have not been met.

1.3.6 **Facility Plan.** Certain regions require that RS&A must verify the Client has had their facility plan review approved by the regional radiation control agency before the delivery of equipment can be authorized.

1.4 **Delivery and Install of Equipment.** Once the Site Preparation is complete (including permitting), RS&A will finalize the acquisition, removal and delivery of the Equipment to the Facility. Delivery is defined as when the equipment is either physically placed at the install location —or— arrives at an RS&A facility for storage on behalf of the Client. At the time of delivery, ownership of the asset changes from RS&A to the Client. RS&A will install the Equipment to operate within manufacturer specifications. Upon completion of the mechanical and electrical installation process, RS&A will be present with the Facility's designated staff (e.g., Physics) to administer manufacturer acceptance testing procedures. The completion of the installation process is defined as when acceptance testing is done and signed off by the Client (acceptance letter).

2. PRICING AND PAYMENT TERMS

2.1 The price for the services rendered under this Agreement shall be equal to the "Total Pricing" as outlined in the Executive Summary above (the "Fee").

2.2 **Payment.** Payments shall be made by certified check payable to RS&A, Inc. or by wire transfer. Payments for service rendered as part of this agreement are due in the following sequence:



*Equipment:
Machine Procurement Agreement*

2.2.1 25% non-refundable deposit in due upon acceptance of this agreement.
2.2.2 65% payment is due the earlier of 48-hours prior to delivery of Equipment or 60-days after the agreement is signed. A transfer of ownership from RS&A to the Client occurs upon receipt of this payment. If after the 60-day period the Equipment has not been delivered and payment has not been received, RS&A reserves the right to market the Equipment to other end users. In this instance, the non-refundable deposit is forfeited by the Client or can be applied to the purchase of a different machine within 180-days of agreement execution.

2.2.3 10% payment is due within seven (7) days post-acceptance of the Equipment.

2.3 Past Due Balances. Past due balances are subject to a service charge of the maximum amount permitted by law. If collection action is required to collect any amount due under this Agreement, then Client agrees to be responsible for the payment of all past dues, late fees, accrued interest and reasonable attorneys' fees by RS&A to collect such sums.

2.4 Exclusions. Pricing does not include (i) any construction related costs in the vault (e.g., additional shielding or floor repair), (ii) compliance issues, utility services, chiller installs, IT requirements, etc., (iii) local, state, and federal taxes or (iv) any construction, demolition, or repair work that might be required.

2.5 Licensure. Client may be subject to re-licensing fees associated with the transfer of ownership on used equipment. The Original Equipment Manufacturers (OEM) regulates license transfer policies and only the OEM can supply license transfers. RS&A shall not be responsible for any license fees subsequently charged by the Original Manufacturer, unless specifically agreed upon.

2.6 Refund Policy. Client may elect to terminate this Agreement by providing written notice to RS&A. Once RS&A has entered into a binding contract with the Seller, all funds paid under this Agreement shall be non-refundable.

3. REPRESENTATIONS AND WARRANTIES

3.1 RS&A Representations and Warranties. RS&A represents and warrants as follows:

3.1.1 The services will conform to the Equipment manufacturer's specifications and applicable laws and regulations.

3.1.2 RS&A has full power and authority to enter into and to perform its obligations hereunder.

3.1.3 The execution, delivery and performance of this Contract by RS&A have been duly authorized by all necessary action. This Contract and all other documents delivered to Client will be, duly executed and delivered on behalf of RS&A by duly authorized agents of RS&A, and the legal, valid and binding obligations of RS&A enforceable in accordance with their respective terms.

3.1.4 This agreement does not include an extended parts or labor warranty. The Client assumes all machine liabilities at the time of acceptance.

3.2 Client Representations and Warranties. Client represents and warrants as follows:

3.2.1 By entering into this Contract, Client shall not be in violation of any contract with another party, including without limitation, any exclusive right by the manufacturer to service the Equipment.

3.2.2 Client has full power and authority to enter into and to perform its obligations hereunder.

3.2.3 The execution, delivery and performance of this Contract by Client have been duly authorized by all necessary action. This Contract and all other documents delivered to RS&A will be, duly executed and delivered on behalf of Client, and the legal, valid and binding obligations of Client enforceable in accordance with their respective terms.

4. MISCELLANEOUS

4.1 Disclaimer of Warranties.

4.1.1 THE WARRANTY FOR MATERIALS AND EQUIPMENT IS A MANUFACTURER'S WARRANTY ONLY, AND RS&A PROVIDES NO OTHER WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY, ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE AND ANY IMPLIED WARRANTIES OTHERWISE ARISING FROM COURSE OF DEALING OR TRADE.

4.2 Limitation of Liability.



*Equipment:
Machine Procurement Agreement.*

4.2.1 Notwithstanding anything in this Agreement to the contrary, RS&A shall have no responsibility or liability for delays however caused. In no event shall RS&A be liable for any indirect, special, incidental, consequential or punitive damages, losses or expenses including, but not limited to, loss of use, loss of profits, or loss of goodwill. Any liability of RS&A is expressly limited to payments actually received by RS&A under this Contract.

4.2.2 Client hereby agrees to hold harmless RS&A and its respective officers, employees, agents, representatives, and their respective successors and assigns from and against any and all loss, liability, damages, claims, causes of action, costs, and expenses, including but not limited to attorney's fees and other types of liability, whether accrued, absolute, contingent or otherwise, arising out of or related to use of any of the Equipment at any time. Client alone is responsible for costs required to comply with all requirements imposed by law or regulation relating in any way to personal safety prior to use or operation of Equipment.

4.3 Computer Software. Computer software (including, without limitation, source code, object code, application software, server and Client software, operating system software, and software implemented as firmware) provided with the Equipment remains the property of the original equipment manufacturer (the "OEM") or the OEM's licensors. All software licensing and registration fees, including machine licensing and portal imaging licensing must be addressed with the OEM. RS&A agrees to work with the Client to obtain all necessary software for the Equipment.

4.4 Third Party Beneficiary. Nothing in this Agreement is intended or should be construed to give any third person, including a patient of Client, any legal or equitable rights under this Agreement.

4.5 Entire Agreement. This Agreement, including any schedules, price lists and exhibits that may be attached hereto, constitutes the entire understanding and agreement between the parties and supersedes any and all prior and contemporaneous oral or written representations, communications, understandings and agreements between the parties with respect to the subject matter contained herein and in the schedules, price lists and exhibits attached hereto. A modification of the terms and conditions hereof by any separate terms and conditions offered by Client must be signed by RS&A in order to become binding on RS&A and enforceable by Client. The parties acknowledge and agree that neither party is entering into this Agreement on the basis of any representation, understanding, agreement or promise not expressly set forth in this Agreement.

4.6 Confidential information. Each Party agrees not to use any Confidential Information of the other party for any purpose except for performing their respective obligations pursuant to this Agreement. Each Party agrees to limit disclosure of any Confidential Information of the other party to those agents, business consultants, representatives or employees of the receiving party who are required to have the information in order to evaluate or engage in discussions concerning the contemplated business relationship. Neither Party shall reverse engineer, disassemble or decompile any software or other tangible objects which are provided as the other party's Confidential Information. "Confidential Information" means any information relating to, available to, or disclosed pursuant to this Agreement, including, but not limited to, information relating to either party's products, services and/or service plans, trade secrets, inventions, data, designs, reports, analyses, costs, prices and names, patients, patient information, customer lists, finances, marketing plans, business plans, strategic plans or business opportunities.

4.7 Attorney's Fees. If any legal action is brought for the enforcement of this Agreement or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party or parties shall be entitled to recover their reasonable attorney's fees and other costs incurred in that action or proceeding, in addition to any other relief to which they may be entitled.

4.8 Counterparts and Facsimile Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same Agreement. For purposes of this Agreement, signatures sent via facsimile shall be deemed originals and shall have the same force and effect as if they were originals.

4.9 Force Majeure. Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, government restrictions (including the denial or cancellation of any export or other necessary license), wars, adverse weather conditions, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.

4.10 Governing Law. This Contract shall be governed by and construed in accordance with the laws of the state of North Carolina. Client hereby irrevocably consents to the venue and jurisdiction of the courts in Forsyth County, North Carolina.

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Project Roles and Responsibilities (Typical)



Purpose Open communication and alignment of everybody's role during an equipment project is integral to its overall success. This is especially important when construction or renovation activities are required within a department/facility. Below is a suggested assignment of key roles to help provide clarity throughout.

Responsibility Matrix (as applicable)		Client	Architect	Contractor	RS&A
1 Preparation					
a	Provide as-built documentation.	X	X		
b	Provide complete architectural and engineering construction documents for review.	X	X		
c	Provide review of all construction related documents.			X	
d	Provide review of equipment related items/considerations on construction documents.				X
e	Provide seismic testing documentation for all supportive anchoring (if applicable).	X	X	X	
f	Provide all permits, regulatory, and facility plan approvals prior to beginning construction/install.	X		X	
g	Verify that the pre-Installation checklist is completed.	X		X	X
2 Site Coordination					
a	Provide equipment and material storage during construction.	X		X	
b	Provide unloading space for forklift, crane (if needed), and truck.	X			
c	Provide access requirements (badges, forms, etc.).	X			
d	Provide ample parking for project team members.	X			
e	Provide supervision (as needed) during installation.	X	X	X	
f	Provide clear rigging route from the drop-off point to the room; includes verifying room is clear, floor/structure can handle load, etc.			X	
3 Construction					
a	Provide room shielding and shielded door in alignment with architect/engineer specifications.			X	
b	Provide and connect mechanical/electrical utilities, as required for the linear accelerator operation, to an interface point.			X	
c	Provide mechanical/electrical systems as required for room occupancy, including plumbing, fire protection systems, HVAC, compressed air, lighting and power distribution.			X	
d	Provide monitoring systems including radiation detection, CCTV and intercom/telephone as selected by Client.			X	
e	Prepare base frame pit for installation activities.			X	
f	Provide casework, cabinetry, doors or other millwork.			X	
4 Installations and Removals					



Responsibility Matrix (as applicable)		Client	Architect	Contractor	RS&A
a	Disconnect facility utilities as needed (water, air, electricity)	X			
b	Remove existing equipment (as needed).				X
c	Request base frame for shipment.			X	
d	Receive and install base frame.				X
e	Pour and grout base frame.			X	
f	Pull linear accelerator interconnect cables.			X	X
g	Provide and pull network cables (where required).			X	
h	Provide and deliver linear accelerator equipment.				X
i	Install linear accelerator equipment; provide oversight during installation.				X
j	Coordinate acceptance testing protocols with Physics staff.	X			X
k	Maintain treatment room and control equipment area in a dust free and vandal-proof condition during linear accelerator assembly and acceptance testing.			X	
l	Ensure housekeeping standards are being met.			X	X
m	Remove all shipping crates and material when complete.			X	X
B. Project Coordination					
a	Schedule and facilitate regular project meetings.			X	
b	Provide ongoing progress updates.			X	
c	Monitor and report on progress; ensure conformance approved construction documents.			X	
d	Provide structural/engineering alterations throughout project (as required).			X	
e	Provide a safe and secure working environment.	X		X	
f	Provide periodic on-site inspections to ensure construction related activities meet specifications.				X
C. Project Close Out					
a	Provide punch-list and resolution (construction-related items).	X	X	X	
b	Provide follow-up on all warranty related items.	X			
c	Complete final cleaning of the facility.	X			



3275 Suntree Blvd.
 Melbourne, Florida 32940
 United States
 Phone: +1 321-259-6862
 Fax: +1 321-757-0066

Quotation

Bill To
 First Health of the Carolinas - Moore
 Regional Hospital
 155 Memorial Drive
 Pinehurst, NC 28327
 UNITED STATES

Ship To
 Michelle Tortora
 First Health of the Carolinas - Moore
 Regional Hospital
 155 Memorial Drive
 Pinehurst, NC 28327
 UNITED STATES
 (910) 715-4481
 910-245-1060
 mtortora@firsthealth.org

Date	8/15/2016
Quote #	Q-00446-2
Date Exp.	10/15/2016

Questions? Contact: Roy Markham at roymarkham@sunnuclear.com or by phone at +1 321-259-6862 2467

Important:

Please provide a desired ship date when submitting your PO (For Capital Product Purchases only).

For Purchase Order processing, please email orders to Orders@sunnuclear.com.

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
1220000-PMZ	ArcCHECK® Package MultiPlug™ Package for VMAT and IMRT delivery QA, including ArcCHECK (1220000-0), ArcCHECK Multi Plug (1220000-3), 3DVH Software (1212000-0), and two days training at the Sun Nuclear Training Center (TRNG-IHAC3DVH). 3DVH license is valid for one ArcCHECK system. ArcCHECK Package includes analysis software, 25 meter power-data cable, USB cable, power supply (110/220 V.), case, and 1 year of hardware and software maintenance. See product datasheet for minimum PC requirements. Refer to training class schedule online for available class dates. Includes air travel / airport transfer allowance and lodging up to \$1,000 (see terms & conditions).	1.00	\$84,050.00	\$79,847.50
1233000-P	1D SCANNER™ Scanning Package (US Only) Complete 1D SCANNER package including 1D SCANNER (1233000-0), dual channel reference class PC Electrometer (1014000-0), 1st Channel ADCL calibration, and 1D Scanning Software (1230-1DS). Package includes 1 year of hardware and software maintenance. See product datasheet for minimum PC requirements. US market only.	1.00	\$11,800.00	\$11,210.00
TRNG-WEB	Training Voucher, Web Based Training Voucher for remote web-based product training. Includes up to 4 hours of in depth product training by a qualified Sun Nuclear representative for one Sun Nuclear product. Additional web-based training can be purchased for additional Sun Nuclear products. Allow 4 weeks minimum for scheduling.	1.00	\$1,500.00	\$1,425.00

Subtotal \$97,350.00
 Discount Amount (\$4,867.50)
 Total \$92,482.50

This quotation is a confidential document containing privileged information that is not to be disclosed to parties outside of quote and Sun Nuclear Corporation. (Disclosure to GPOs is considered a violation of confidentiality) Disclosure of this information to third parties voids terms and pricing outlined in the quotation.

Sun Nuclear Corporation Terms & Conditions

- 1 All purchases are Net 30 from the shipping date or services.
- 2 Shipping terms are FOB Shipping Point. SNC Shipping costs include insurance from SNC dock to Customer dock and SNC will help manage shipping related issues during transit.
- 3 Payment with credit cards is restricted to SNC products and services of less than \$2,500. A 3% convenience charge will be added to any payment processed for special order products (resale items) and any SNC product of service with a sales price greater than \$2,500.
- 4 Prices do not include applicable taxes. SNC will collect and remit the appropriate taxes for some U.S. states. If applicable taxes are not on Customer Purchase Order, Customer is responsible for remittance of appropriate taxes.
- 5 Undisputed past due accounts are subject to a late service fee charge of 18% per annum (1.5% per month), or the maximum allowed by law.
- 6 Any payment made in respect of credit transactions shall first be applied to the accumulated service charge, if any, and thereafter to the principal amount of the outstanding debt.
- 7 SNC will assess handling charges in the amount of \$100.00 for any dishonoured check received from the Customer.
- 8 All products shipped are subject to recourse by SNC until paid in full. Upon request from SNC, Customer agrees to immediately relinquish and return all unpaid equipment in its original condition to SNC, subject to a 20% restock fee or costs required to return equipment to its original condition, whichever is higher.
- 9 The parties agree that the Customer's sole and exclusive remedy for defective products shall be limited to the stated warranty provided by SNC for its manufactured products, or the warranty assigned by SNC to the extent provided by the manufacturer (resale items) of the particular component or system. The Customer agrees that no other remedy (including, but not limited to, incidental or consequential damages for lost profits, lost sales, injury to person or property, transportation charges or other incidental or consequential loss) shall be available.
- 10 Customers who cancel or postpone scheduled training/education/installation services are subject to cancellation fees (minimum of \$500 not to exceed \$3,000) for resource allocations and non-recoverable scheduling costs (i.e., hotels, airfare, reservations, etc.).
- 11 Travel allowance for customers attending courses at the Sun Nuclear Training Center is limited to \$800 for one day training (\$1,000 for two day training) for itineraries requiring airfare and \$500 for itineraries requiring ground transportation.
- 12 Customer is liable for payment of training services per terms of the invoice. A training voucher will be provided to customer at time of invoice for customer to redeem when training services are performed.
- 13 Training Vouchers are valid for (12) months from the invoice date.
- 14 Customer agrees to advise SNC of any defective product(s) and/or any disputed invoice(s) in writing within 10 days of receipt. Failure to properly notify SNC of any dispute and /or defective goods constitutes a waiver of any and all such disputes, provided, however, that this provision shall in no way affect or limit Customer's rights under SNC warranty, or where such is limited by law.
- 15 Subject to SNC approval, Customer may return unused product within 30 days from the shipping date subject to a 20% restocking fee and Customer must pay for the return shipping charges. All approved returns must have an RMA (Return Materials Authorization) number issued by SNC. Special order products (Resale items) cannot be returned without the express written consent of the manufacturer. Customer must pay for the return shipping charges. Unauthorized returns (i.e., those without an RMA # provided) will be rejected and returned at Customer's expense.
- 16 SNC Support Contracts and Maintenance Agreements are non-refundable or transferable. Multi-year SNC Support Contracts may not be cancelled for current coverage period amounts that have been billed to the customer by SNC. Remaining Multi-year SNC Support Contract coverage periods that have not been billed to the customer by SNC may be cancelled if the customer no longer offers Radiation Oncology Services or should SNC no longer be able to provide services associated with the Agreement. SNC at its discretion may prorate the charges should one of these circumstances arise.
- 17 Customer hereby agrees to indemnify SNC for all collection fees, legal fees and all other fees and expenses which SNC incurs should Customer's account be in arrears.
- 18 SNC software is only licensed to the original purchaser and the license is not transferable.
- 19 SNC requires that when (i) the standard warranty has ended and lapsed by more than 365 days, (ii) a previously purchased contract has expired and lapsed by more than 365 days or (iii) there has been a transfer of product ownership, the equipment must be inspected and a reinstatement fee paid before placing such equipment under a new support services contract. The inspection and reinstatement fee is non-refundable and does not apply to the purchase of the support services contract. Equipment which has had a transfer of ownership and has not been inspected by SNC is eligible for standard repair pricing.
- 20 SNC reserves the right to modify these terms, require advance payment, and cancel any order.
- 21 SNC sales representatives do not have the authority to bind SNC or make any representation in respect of credit or any other matter which deviates from standard policy. All special arrangements or requirements must be confirmed in writing with an authorized person from SNC.

Customer's Acceptance

ONLY to be completed in lieu of a hard copy purchase order.

After completion, please scan and email to Orders@sunnuclear.com or fax to +1 321-757-0066.

By:

Printed Name:

Title:

Date:

PO #:

Desired Ship Date:



Agreement Number: 2016-145658-CB

Version: 1

Date: August 23, 2016

Budgetary Quote

Customer ("the "Customer")	End-User (if not the Customer) / Site address (the "Site")	Supplier (the "Supplier")
Firsthealth Moore Regional Hospital ACCOUNTS PAYABLE PO BOX 3000 PINEHURST, North Carolina, 28374-3000 US (p) (910) 715-1000 (f) (910) 215-1444 (e)	To be Confirmed	[Legal Entity not Defined]

This Quotation ("Quote") is an initial non-binding estimate only which is provided for information purposes only and does not constitute an offer capable of acceptance.

The estimated pricing for the Scope of Supply set out in Appendix A of this Quote shall expire 90 days from 8/23/2016 . Any agreement entered into pursuant to this Quote shall be subject to the Supplier's standard terms and conditions.

The Quote is subject to variation caused by product registration, price fluctuation, sanctions, credit checks, compliance, customs and other local regulations, product and resource availability, payment terms and methods, terms of delivery, regulatory clearance, code of conduct, regional geo-political stability amongst others.

The Supplier reserves the right not to accept an Order based on any Quote and shall have the right not to disclose the reason for any such refusal.

The Supplier is pleased to submit the following quote for the services, hardware and/or software listed set out below and as more particularly described in the attached Scope of Supply (collectively referred to as the "Deliverables"):

Hardware and/or Software

Description	Currency	Price
Connectivity to Refurbished (v2)	USD	66,200.00
Total Price (excl. Taxes*)		

* For the purpose hereof, "Taxes" means any state, local, VAT and other taxes, and import/export licenses.

Price Payment Schedule

Unless otherwise agreed, all fees shall be due and payable in full upon final signature of an agreement.

Software

Unless otherwise agreed, the license fee for the Software embedded in the Hardware is included in the Price set forth above.



Agreement Number: 2016-145658-CB

Version: 1

Date: August 23, 2016

Delivery Date

Delivery date for the Deliverables is estimated to be within 120 days from date of agreement subject to payment of fees due. Delivery term shall be CIP Site (ICC Incoterms 2010).

Pricing Confidentiality

This Quote and the pricing terms set out herein are negotiated between the Customer and Supplier and may be unique to the Customer. Therefore, and except as otherwise provided by law, Customer hereby agrees to keep the pricing arrangement confidential for a period of no less than three (3) years from the date of the signed quote. Customer will not use this Confidential Information in furtherance of its business, or the business of anyone else, whether or not in competition with the Supplier.



Agreement Number: 2016-145658-CB

Version: 1

Date: August 23, 2016

Scope of Supply

EXHIBIT A

Qty	Description
1	IGRT Connectivity kit for Varian Includes Connectivity for volumetric image generation system, linear accelerator, MLC, IMRT and EPID. Licensed per device.
1	Connectivity to Varian VMAT Support for Varian VMAT treatment techniques.
1	Product Transfer : On-site Installation Transfer Product from Installed to Another. On-site Installation & testing to switch from one installed product model to another (done remotely). On-site Installation & testing to switch from one Installed product model to another (done on-site)

Confidential Budgetary Quotation for First Health Moore Regional Hospital

Quotation Number - 2016-61329

Maintenance Agreement



First Health Moore Regional Hospital ("Customer")
Margle Thomas
165 MEMORIAL DR
PINEHURST, North Carolina 28374 United States
Tel : 910-715-3477
Fax : 910-715-5335
Email : mlthomas@firsthealth.org

VMS Inc, Oncology Systems
Gregory Wells
US Mgr, District Field Service
3290 Northside Pkwy NW Suite 400
Atlanta, GA 30327 US
Tel : (336) 693-9247
Fax : (678) 255-3850
Email : gregory.wells@varian.com

Quote Information

Quotation Number : 2016-61329
Quotation Valid Until : February 11, 2017
Quotation Date : October 14, 2016

Services

Payment Terms : Net 30 days
Payment Frequency : Annual
Invoicing : Start of Billing Cycle

Quotation Total

Quotation Total : US \$50,000.00

Terms and Conditions

This quotation shall be governed by: (a) Terms and Conditions of Sale - Form RAD 1652U; (b) any terms and conditions contained within the quotation related to the specific products or services identified on this quotation; and (c) any other Varian terms and conditions or separate agreements included along with this quotation; except that (a) to (c) shall not apply if and to the extent a separate, signed written agreement is in effect between the customer/purchaser and Varian that governs the purchase and sale of the products, software, support and/or services set forth in this quotation.

For and on behalf of Customer :

For and on behalf of Varian Medical Systems :

Name : Margle Thomas

Name : Gregory Wells

Date : October 14, 2016

Date : October 14, 2016

Title : Director, Radiation Oncology

Title : US Mgr, District Field Service

PHILIPS HEALTHCARE
 A division of Philips Electronics North America Corporation
 22100 Bothell Everett Highway
 P.O. Box 3003
 Bothell, Washington 98041-3003



Quotation #: 1-1180H25	Rev: 1	Effective From: 19-Sep-16	To: 18-Nov-16
Presented To: FIRST HEALTH OF THE CAROLINAS 35 MEMORIAL DR PINEHURST, NC 28374-8708 Tel: Alternate Address:		Presented By: Kelly Fisher <i>Field Service Engineer</i> <i>Regional Manager</i> Tel: (440) 483-2262 Fax: Tel: Fax:	
Date Printed: 19-Sep-16			
Please return the signed quote and purchase order to the Philips Field Service Engineer or email the signed quote with the purchase order to is.order_entry@philips.com . Submit Orders To: Tel: (425) 487-7000 Fax:			

The Service Information contained in this Quote is subject to a separate service proposal.

The Lease Information contained in this Quote is subject to a separate leasing proposal.

This quotation contains confidential and proprietary information of Philips Healthcare, a division of Philips Electronics North America Corporation ("Philips") and is intended for use only by the customer whose name appears on this quotation. It may not be disclosed to third parties without the prior written consent of Philips.

IMPORTANT NOTICE: Health care providers are reminded that if the transactions herein include or involve a loan or discount (including a rebate or other price reduction), they must fully and accurately report such loan or discount on cost reports or other applicable reports or claims for payment submitted under any federal or state health care program, including but not limited to Medicare and Medicaid, such as may be required by state or federal law, including but not limited to 42 CFR 1001.952(h).

Quote Solution Summary

<u>Line #</u>	<u>Product</u>	<u>Qty</u>	<u>Price</u>
	100583 SmartEnterprise Server	1	\$5,930.00
Equipment Total:			\$5,930.00

Solution Summary Detail

<u>Product</u>	<u>Qty</u>	<u>Each</u>	<u>Monthly</u>	<u>Price</u>
100583 SmartEnterprise Server	1	\$5,930.00		\$5,930.00

Buying Group:

Contract #:

Add'l Terms:

Each Quotation solution will reference a specific Buying Group/Contract Number representing an agreement containing discounts, fees and any specific terms and conditions which will apply to that single quoted solution. If no Buying Group/Contract Number is shown, Phillips' Terms and Conditions of Sale will apply to the quoted solution.

Each equipment system listed on purchase order/orders represents a separate and distinct financial transaction. We understand and agree that each transaction is to be individually billed and paid.

Payment Terms: 0% Down, 0% Upon Shipment, Due When the Product is Available for First Patient Use, 100% due upon Invoicing Net 30

100330 SmartEnterprise Server

System Type: New
Freight Terms: FOB Destination
Warranty Terms: Part numbers beginning with two (2) asterisks (**) are covered by a System 12 Months Warranty. All other part numbers are third (3rd) party items.

Special Notations: Contingencies must be removed 120 days before scheduled shipment to assure delivery on specified date. Any rigging costs are the responsibility of the Purchaser.

Additional Terms:

Line #	Part #	Description	Qty	Each	Price
1	**989801256048	ONC Full Travel Package OffSite	1	\$2,330.00	\$2,330.00
		<p>Includes one (1) participant's airfare from North American customer location to Cleveland, Ohio, with modest lodging, ground transportation, and meal expenses. Breakfast/dinner provided by the hotel, and lunch/breaks are catered by Philips. All other expenses will be the responsibility of the attendee. Details are provided during the scheduling process.</p> <p>Note: Cancellation/rescheduling policy strictly enforced.</p> <p>Education expires one (1) year from equipment installation date (or purchase date if sold separately).</p>			
2	**989801256051	ONC Pinnacle Physics 28 Hour OffSite	1	\$3,600.00	\$3,600.00
		<p>Philips will provide one (1) Physicist, as selected by customer, with lectures, hands-on lab, and demonstrations for defining Machine Physical Characteristics, Beam Data Collection Requirements and data entry into the system, modeling of the beam data, quality assurance and commissioning of the machines. This twenty-eight (28) hour class is located in Cleveland, Ohio, and is scheduled based on your equipment configuration, geography, and availability. Due to program updates, the number of class hours is subject to change without notice. Customer will be notified of current, total class hours at the time of registration. American Board of Radiology or CAMPEP (Commission on Accreditation of Medical Physics Educational Programs) CEU credits may be available for each participant that meets the Guidelines provided by Philips during the scheduling process.</p> <p>Travel and lodging are not included, but may be purchased through Philips. It is highly recommended that 989801256048 (Oncology Full Travel Pkg Offsite) is purchased with this OffSite course.</p> <p>Education expires one (1) year from equipment installation date (or purchase date if sold separately).</p>			

NET PRICE

\$5,930.00

Buying Group: NO CONTRACT

Contract #: NONE

Add'l Terms:

Each Quotation solution will reference a specific Buying Group/Contract Number representing an agreement containing discounts, fees and any specific terms and conditions which will apply to that single quoted solution. If no Buying Group/Contract Number is shown, Phillips' Terms and Conditions of Sale will apply to the quoted solution.

Each equipment system listed on purchase order/orders represents a separate and distinct financial transaction. We understand and agree that each transaction is to be individually billed and paid.

Price above does not include any applicable sales taxes.

The preliminary delivery request date for this equipment is: _____.

If you do not issue formal purchase orders indicate by initialing here _____.

Tax Status:

Taxable _____ Tax Exempt _____

If Exempt, please indicate the Exemption Certification Number: _____, and attach a copy of the certificate.

Delivery/Installation Address:

Invoice Address:

Contact Phone #:

Contact Phone #:

Purchaser approval as quoted:

Date:

Title:

This quotation is signed and accepted by an authorized representative in acknowledgement of the system configuration, terms and conditions stated herein.

Philips Standard Terms and Conditions of Sale for Lifecycle Solutions

The products and services listed in the quotation are offered by Philips Healthcare, a division of Philips Electronics North America Corporation ("Philips") only under the terms and conditions described below.

1. CANCELLATION

The quotation is subject to change or withdrawal prior to written acceptance by Customer. All purchase orders issued by Customer are subject to acceptance by Philips. If Customer cancels an order prior to product delivery, Customer shall pay the costs incurred by Philips up to the date of cancellation including, but not limited to, the costs to manufacture the product, the costs to provide any training, educational, or other services to Customer in connection with the order, a nominal restocking fee, and the costs to return or cancel any product ordered from a third party on Customer's behalf. Orders delivered are non-cancellable by Customer.

2. DEFAULT

Customer's failure to pay any amount due within 30 days of when payment is due constitutes a default between Customer and Philips. In such an event, Philips may, at its option,

- (i) withhold performance hereunder or under any or all of the other agreements until all defaults have been cured,
- (ii) commence collection activities for all sums due hereunder, including, but not limited to costs and expenses of collection, and reasonable attorney's fees,
- (iii) and pursue any other remedies permitted by law.

3. LEASES

If Customer desires to convert the purchase of any product to a lease, Customer will arrange for the lease agreement and all other related documentation to be reviewed and approved by Philips not later than ninety (90) days prior to the date of the availability for delivery of major components of the product. The Customer is responsible for converting the transaction to a lease, and is required to secure the leasing company's approval of all of these Terms and Conditions of Sale. No product will be delivered to the Customer until Philips has received copies of the fully executed lease documents and has approved the same.

4. DELIVERY

Philips will make reasonable efforts to meet Customer's delivery requirements. If Philips is unable to meet Customer's delivery requirements, alternative arrangements may be agreed. In the absence of such agreement, Customer's sole remedy is to cancel the order. If the Customer requests a major delay in the date of delivery of the product, Philips may attempt to arrange re-delivery within a reasonable time or may terminate the order.

5. SHIPMENT AND RISK OF LOSS

Title to any product (excluding software), and the risk of loss or damage to any product shall pass to the Customer F.O.B. destination. Customer shall obtain and pay for insurance covering such risks at destination.

6. SITE PREPARATION

Except where Philips has agreed in writing to provide construction services for a fee pursuant to a construction agreement and scope of work signed by Customer, Customer shall be responsible, at its expense, for the preparation of the installation site where the product will be installed including any required structural alterations. Customer shall provide any and all plumbing, carpentry work, conduit, wiring including communications and/or computer wiring, network equipment, power supply, surge suppression and power conditioning (except to the extent they are expressly included in the quotation), fire protection and environmental controls, ground fault and isolation system, and other fixtures and utilities required to properly attach, install, and use the product. Site preparation shall be in compliance with all safety, electrical, RF or magnetic shielding and acoustical suppression and building codes relevant to the product and its installation and use. The sufficiency of any installation site plans shall be the responsibility of Customer. Customer, at its expense, shall obtain all permits and licenses required by federal, state, or local authorities in connection with the installation and operation of the product, including any certificate of need and zoning variances. PHILIPS MAKES NO WARRANTY AND ASSUMES NO LIABILITY FOR THE FITNESS OR ADEQUACY OF THE SITE IN WHICH THE PRODUCT IS TO BE INSTALLED OR USED. CUSTOMER INDEMNIFIES PHILIPS AGAINST ANY CLAIMS, INCLUDING SUBROGATION CLAIMS, ARISING FROM CUSTOMER'S SITE PREPARATION RESPONSIBILITIES.

7. INSTALLATION

Customer shall provide Philips full and free access to the installation site and suitable and safe space for the storage of the products before installation. Customer shall advise Philips of conditions at or near the site, including any hazardous materials, that could adversely affect the installation or pose a health or safety risk to Philips' personnel, and shall ensure that those conditions are corrected and hazardous materials removed, and that the site is fully prepared and available to Philips before installation work begins. Customer shall ensure, at no charge to Philips, that there are no obstacles preventing Philips from moving the product from the entrance of the Customer's premises to the installation site. Customer shall be responsible, at its expense, for rigging, the removal of partitions or other obstacles, and restoration work. The products will be installed during normal working hours. Philips will unpack the product, construct applicable pads (if required for certain products), and connect the product to a safety switch or breaker to be installed by the Customer, and calibrate and test the product. If local labor conditions, including but not limited to a requirement to utilize union labor, require the use of non-Philips employees to participate in the installation of the product, then such participation of non-Philips employees shall be at Customer's expense. In such case, Philips will provide engineering supervision during the installation.

Philips Standard Terms and Conditions of Sale for Lifecycle Solutions

8. PRODUCT WARRANTY HARDWARE/SYSTEMS

8.1 Philips warrants to Customer that the Philips equipment (including its operating software) will perform in substantial compliance with its performance specifications, in the documentation accompanying the products, for a period of 12 months unless specified differently in the quote.

8.2 This warranty is subject to the following conditions: the product:

- (a) is to be installed by authorized Philips representatives (or is to be installed in accordance with all Philips installation instructions by personnel trained by Philips);
- (b) is to be operated exclusively by duly qualified personnel in a safe and reasonable manner in accordance with Philips' written instructions and for the purpose for which the products were intended; and,
- (c) is to be maintained and in strict compliance with all recommended and scheduled maintenance instructions provided with the product and Customer is to notify Philips immediately if the product at any time fails to meet its printed performance specifications. Philips' obligations under any product warranty do not apply to any product defects resulting from improper or inadequate maintenance or calibration by the Customer or its agents; Customer or third party supplied interfaces, supplies, or software including without limitation loading of operating system patches to the Licensed Software and/or upgrades to anti-virus software (except DAT file changes) running in connection with the Licensed Software without prior validation approval by Philips; use 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; improper site preparation; unauthorized maintenance or modifications to the product; or viruses or similar software interference resulting from connection of the product to a network. Philips does not provide a warranty for any third party products furnished to Customer by Philips under the quotation; however, Philips shall use reasonable efforts to extend to Customer the third party warranty for the product. The obligations of Philips described herein and in the applicable product-specific warranty document are Philips' only obligations and Customer's sole and exclusive remedy for a breach of a product warranty.

8.3 THE WARRANTIES SET FORTH HEREIN AND IN PHILIPS' WARRANTY DOCUMENT WITH RESPECT TO A PRODUCT (INCLUDING THE SOFTWARE PROVIDED WITH THE PRODUCT) ARE THE ONLY WARRANTIES MADE BY PHILIPS IN CONNECTION WITH THE PRODUCT, THE SOFTWARE, AND THE TRANSACTIONS CONTEMPLATED BY THE QUOTATION, AND ARE EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, WHETHER WRITTEN, ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Philips may use refurbished parts in the manufacture of the products, which are subject to the same quality control procedures and warranties as for new products.

8.4 Philips' sole obligations and Customer's exclusive remedy under any product warranty are limited, at Philips' option, to the repair or the replacement of the product or a portion thereof within thirty (30) days after receipt of written notice of such material breach from Customer ("Product Warranty Cure Period") or, upon expiration of the Product Warranty Cure Period, to a refund of a portion of the purchase price paid by the Customer, upon Customer's request. Any refund will be paid, to the Customer when the product is returned to Philips. Warranty service outside of normal working hours (i.e. 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding Philips' observed holidays), will be subject to payment by Customer at Philips' standard service rates.

9. STAND-ALONE LICENSED SOFTWARE

For a period of ninety (90) days from the date Philips makes Stand-alone Licensed Software available for first patient use, such Stand-alone Licensed Software shall substantially conform to the technical user manual that ships with the Stand-alone Licensed Software. "Stand-alone Licensed Software" means sales of Licensed Software without a contemporaneous purchase of a server for the Licensed Software. If Philips is not the installer of the Stand-alone Licensed Software, the foregoing warranty period shall commence upon shipment.

10. LICENSE SOFTWARE GRANT

10.1 Subject to any usage limitations for the Licensed Software set forth on the product description of the quotation, Philips grants to Customer a nonexclusive and non-transferable right and license to use the computer software package ("Licensed Software") in accordance with the terms of the quotation. The License shall continue for as long as Customer continues to own the product, except that Philips may terminate the License if Customer is in breach or default. Customer shall return the Licensed Software and any authorized copies thereof to Philips immediately upon expiration or termination of this License.

10.2 The License does not include any right to use the Licensed Software for purposes other than the operation of the product. Customer may make one copy of the Licensed Software in machine-readable form solely for backup purposes, Philips reserves the right to charge for backup copies created by Philips. Customer may not copy, reproduce, sell, assign, transfer, or sublicense the Licensed Software for any purpose without the prior written consent of Philips. Customer shall reproduce Philips' copyright notice or other identifying legends on such copies or reproductions. Customer will not (and will not allow any third party to) decompile, disassemble, or otherwise reverse engineer or attempt to reconstruct or discover the product or Licensed Software by any means whatsoever.

10.3 The License shall not affect the exclusive ownership by Philips of the Licensed Software or of any trademarks, copyrights, patents, trade secrets, or other intellectual property rights of Philips (or any of Philips' suppliers) relating to the Licensed Software.

10.4 Customer agrees that only authorized officers, employees, and agents of Customer will use the Licensed Software or have access to the Licensed Software (or to any part thereof), and that none of Customer's officers, employees, or agents will disclose the Licensed Software, or any portion thereof, or permit the Licensed Software or any portion thereof, to be used by any person or entity other than those entities identified on the quotation. Customer acknowledges that certain of Philips' rights may be derived from license agreements with third parties, and Customer agrees to preserve the confidentiality of information provided by Philips under such third party license agreements.

10.5 The Licensed Software shall be used only on the product(s) referenced in the quotation.

10.6 Customer may transfer the Licensed Software in connection with sale of the product to a healthcare provider who accepts all of the terms and conditions of this License; provided that Customer is not in breach or default of this License, the Terms and Conditions of Sale, or any payment obligation to Philips.

Philips Standard Terms and Conditions of Sale for Lifecycle Solutions

11. PATENT INFRINGEMENT CLAIMS

11.1 Philips shall defend or settle any claim brought against Customer that a Philips product provided in the quotation infringes a valid claim under a United States patent provided that Customer:

- (a) provides Philips prompt written notice of the claim;
- (b) grants Philips full and complete information and assistance necessary for Philips to defend, settle, or avoid the claim; and
- (c) gives Philips sole control of the defense or settlement of the claim.

11.2 The provisions of this section shall not apply if the product is sold or transferred.

11.3 If

- (a) a Philips the product is found or believed by Philips to infringe such a claim; or,
- (b) Customer has been enjoined from using the Philips product pursuant to an injunction issued by a court of competent jurisdiction, Philips may, at its option:
 - (i) procure the right for Customer to use the product;
 - (ii) replace or modify the product to avoid infringement; or

(iii) refund to Customer a portion of the product purchase price upon the return of the original product. Philips shall have no obligation for any claim of infringement arising from: Philips' compliance with Customer's designs, specifications, or instructions; Philips' use of technical information or technology supplied by Customer; modifications to the product by Customer or its agents; use of the product other than in accordance with the product specifications or applicable written product instructions; use of the product with products not manufactured by Philips; if infringement would have been avoided by the use of a current unaltered release of the products and Philips provided Customer written notification that use of such release was mandatory; or use of the products after Philips has offered Customer one of the options described herein. The terms expressed in this section state Philips' entire obligation and liability for claims of infringement; and Customer's sole remedy in the event of a claim of infringement.

12. LIMITATION OF LIABILITY

THE TOTAL LIABILITY, IF ANY, OF PHILIPS AND ITS AFFILIATES FOR ALL DAMAGES AND BASED ON ALL CLAIMS, WHETHER ARISING FROM BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHER TORT, OR OTHERWISE, ARISING FROM A PRODUCT, LICENSED SOFTWARE, AND/OR SERVICE IS LIMITED TO THE PRICE PAID HEREUNDER FOR THE PRODUCT, LICENSED SOFTWARE, OR SERVICE. THIS LIMITATION SHALL NOT APPLY TO THIRD PARTY CLAIMS FOR BODILY INJURY OR DEATH CAUSED BY PHILIPS' NEGLIGENCE OR PROVEN PRODUCT DEFECT.

13. DISCLAIMER

IN NO EVENT SHALL PHILIPS OR ITS AFFILIATES BE LIABLE FOR ANY INDIRECT, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUES OR PROFITS, BUSINESS INTERRUPTION, LOSS OF DATA, OR THE COST OF SUBSTITUTE PRODUCTS OR SERVICES WHETHER ARISING FROM BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHER TORT.

14. COMPLIANCE WITH LAWS & PRIVACY

Each party shall comply with all laws, rules, and regulations applicable to the party in connection with the performance of its obligations in connection with the transactions contemplated by the quotation, including, but not limited to, those relating to affirmative action, fair employment practices, FDA, Medicare fraud and abuse, and the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). Health care providers are reminded that if the purchase includes a discount or loan, they must fully and accurately report such discount or loan on cost reports or other applicable claims for payment submitted under any federal or state health care program, including but not limited to Medicare and Medicaid, as required by federal law (see 42 CFR 1001.952[h]).

It is Customer's responsibility to notify Philips if any portion of the order is funded under the American Reinvestment and Recovery Act ("ARRA"). To ensure compliance with the ARRA regulation, Customer shall include a clause stating that the order is funded under ARRA on its purchase order or other document issued by Customer.

15. GENERAL TERMS

The following additional terms shall be applicable to the purchase of a product:

15.1 Force Majeure

Each party shall be excused from performing its obligations (except for payment obligations) arising from any delay or default caused by events beyond its reasonable control including, but not limited to, acts of God, acts of third parties, acts of any civil or military authority, fire, floods, war, 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.

Phillips Standard Terms and Conditions of Sale for Lifecycle Solutions

15.2 Bankruptcy

If Customer becomes insolvent, is unable to pay its debts when due, files for bankruptcy, is the subject of involuntary bankruptcy, has a receiver appointed, or has its assets assigned, Phillips may cancel any unfulfilled obligations, or suspend performance; however, Customer's financial obligations to Phillips shall remain in effect.

15.3 Assignment

Customer may not assign any rights or obligations in connection with the transactions contemplated by the quotation without the prior written consent of Phillips, which consent shall not be unreasonably withheld, and any attempted assignment without such consent shall be of no force or effect.

15.4 Export

Customer shall assume sole responsibility for obtaining any required export authorizations in connection with Customer's export of the products from the country of delivery.

15.5 Governing Law

All transactions contemplated by the quotation shall be governed by the laws of the state where the equipment will be installed, without regard to that state's choice of law principles, and expressly excluding application of the Uniform Computer Information Transactions Act ("UCITA"), in any form. EACH PARTY, KNOWINGLY AND AFTER CONSULTATION WITH COUNSEL, FOR ITSELF, ITS SUCCESSORS' AND ASSIGNS, WAIVES ALL RIGHT TO TRIAL BY JURY OF ANY CLAIM ARISING WITH RESPECT TO THIS AGREEMENT OR ANY MATTER RELATED IN ANY WAY THERETO.

15.6 Entire Agreement

These Terms and Conditions of Sale, the terms and conditions set forth in the quotation and the applicable Phillips' product-specific warranty constitute the entire understanding and agreement by and between the parties with respect to the transactions contemplated by the quotation, and supersede any previous understandings or agreements between the parties, whether written or oral, regarding the transactions contemplated by the quotation. The pricing in the quotation is based upon the terms and conditions in the quotation. No additional terms, conditions, consents, waivers, alterations, or modifications shall be binding unless in writing and signed by the parties. Customer's additional or different, terms and conditions, whether stated in a purchase order or other document issued by Customer, are specifically rejected and shall not apply to the transactions contemplated by the quotation.

15.7 Headings

The headings in the quotation are intended for convenience only and shall not be used to interpret the quotation.

15.8 Severability

If any provision of the quotation is deemed to be illegal, unenforceable, or invalid, in whole or in part, the validity and enforceability of the remaining provisions shall not be affected or impaired, and shall continue in full force and effect.

15.9 Notices

Notices or other communications shall be in writing, and shall be deemed served if delivered personally, by overnight mail or courier, or by certified mail, return receipt requested and addressed to the party at the address set forth in the quotation.

15.10 Performance

The failure of Customer or of Phillips at any time to require the performance of any obligation will not affect the right to require such performance at any time thereafter. Course of dealing, course of performance, course of conduct, prior dealings, usage of trade, community standards, industry standards, and customary standards and customary practice or interpretation in matters involving the sale, delivery, installation, use, or service of similar or dissimilar products or services shall not serve as references in interpreting the terms and conditions of the quotation.

15.11 Obligations

Customer's obligations are independent of any other obligations the Customer may have under any other agreement, contract, or account with Phillips. Customer will not exercise any right of offset in connection with the terms and conditions in the quotation or in connection with any other agreement, contract, or account with Phillips.

Phillips Std Terms and Conditions of Lifecycle Solutions Sale
Rev. 2
03/20/2013

PROPOSED CAPITAL COSTS

Project name: Linear Accelerator ReplacementProponent: FirstHealth Moore Regional Hospital

Construction Contract	
(8) Cost of materials/labor	\$257,976
(9) Other (Contingency)	NA
(10) Sub-Total Construction Contract	\$257,976
Miscellaneous Project Costs	
(11) Building purchase	N/A
(12) Fixed equipment purchase/lease	\$648,500
(13) Mobile equipment purchase/lease	
ArcCHECK	\$92,483
Software	\$66,200
License Transfer Fee	\$50,000
Training	\$5,930
(14) Furniture	N/A
(15) Landscaping	N/A
(16) Consultant fees	N/A
(17) Financing costs (e.g. bond, loan, etc.)	N/A
(18) Other (Project Contingency)	N/A
(19) Other (Reimbursables)	N/A
(20) Sub-Total Miscellaneous	\$863,113
(21) TOTAL CAPITAL COST OF PROJECT	\$1,121,089

To the best of my knowledge, the above capital costs for the proposed project are complete and correct, and it is the intent of FirstHealth of the Carolinas, Inc. d/b/a FirstHealth Moore Regional Hospital to carry out the proposed project as described.



 Lynn DeJaco, Senior Vice-President and CFO

10/20/14

 Date

EQUIPMENT COMPARISON

Exhibit C

	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type of Equipment (List Each Component)	Linear Accelerator	Linear Accelerator
Manufacturer of Equipment	Varian	Varian
Tesla Rating for MRIs	N/A	N/A
Model Number	21EX	21IX
Serial Number	2238	TBD at purchase
Provider's Method of Identifying Equipment	Research, Quality, and Price	Research, Quality, and Price
Specify if Mobile or Fixed	Fixed	Fixed
Mobile Trailer Serial Number/VIN#	N/A	N/A
Mobile Tractor Serial Number/VIN#	N/A	N/A
Date of Acquisition of Each Component	04/2009	TBD
Does Provider Hold Title to Equipment or Have a Capital Lease?	Title	Title
Specify if Equipment Was/Is New or Used When Acquired	Used	Used
Total Capital Cost of Project (Including Construction, etc.)	N/A	\$1,106,089
Total Cost of Equipment	N/A	\$648,500
Fair Market Value of Equipment	\$0	\$648,500
Net Purchase Price of Equipment	N/A	\$648,500
Locations Where Operated	FMRH	FMRH
Number Days in Use/To be Used in N.C. Per Year	365	365
Percent of Change in Patient Charges (by Procedure)	N/A	0.0%
Percent of Change in Per Procedure Operating Expenses (by Procedure)	N/A	2.3%
Type of Procedures Currently Performed on Existing Equipment	Radiation Oncology	N/A
Type of Procedures New Equipment is Capable of Performing	N/A	Radiation Oncology

EXHIBIT
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STATE MEDICAL FACILITIES PLAN



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

Division of Health Service Regulation

Table 17C-1: Hospital and Free-Standing Linear Accelerators and Radiation Oncology Procedures

Facility Name	Service Area Number	County	Number of Linear Accelerators	Number of Procedures (ESTVs) 10/1/2017-9/30/2018	Average Number of Procedures per Unit
Harris Regional Hospital	1	Jackson	1	2,526	2,526
NC Radiation Therapy - Franklin	1	Macon	1	1,832	1,832
Mission Hospital - Main	2	Buncombe	3	17,910	5,970
NC Radiation Therapy - Asheville	2	Buncombe	2	6,039	3,020
North Carolina Radiation Therapy Management Services-Weaverville	2	Buncombe	1	2,208	2,208
NC Radiation Therapy - Clyde	2	Haywood	1	4,643	4,643
NC Radiation Therapy - Marion	2	McDowell	1	4,293	4,293
Watauga Medical Center	3	Watauga	1	2,286	2,286
Margaret R. Pardee Memorial Hospital	4	Henderson	1	4,051	4,051
NC Radiation Therapy - Hendersonville	4	Henderson	1	2,533	2,533
NC Radiation Therapy - Brevard	4	Transylvania	1	2,282	2,282
Carolinas Healthcare System Blue Ridge	5	Burke	2	4,815	2,407
Caldwell Memorial Hospital	5	Caldwell	1	2,619	2,619
Catawba Valley Medical Center	5	Catawba	2	11,839	5,919
Frye Regional Medical Center	5	Catawba	1	5,971	5,971
Atrium Health Cleveland	6	Cleveland	1	0	0
Carolinas Healthcare System Cleveland	6	Cleveland	1	4,196	4,196
CaroMont Regional Medical Center*	6	Gaston	3	19,946	6,649
NC Radiation Therapy - Forest City	6	Rutherford	1	4,163	4,163
Atrium Health Pineville	7	Mecklenburg	1	7,133	7,133
Atrium Health University City	7	Mecklenburg	1	8,164	8,164
Carolinas Medical Center	7	Mecklenburg	3	19,210	6,403
Matthews Radiation Oncology Center	7	Mecklenburg	1	10,929	10,929
Novant Health Huntersville Medical Center	7	Mecklenburg	1	630	630
Novant Health Presbyterian Medical Center	7	Mecklenburg	2	10,849	5,424
Pineville Radiation Therapy Center	7	Mecklenburg	1		
Atrium Health Union	7	Union	1	8,988	8,988
Iredell Memorial Hospital	8	Iredell	2	6,281	3,141
Lake Norman Radiation Oncology Center	8	Iredell	1	6,648	6,648
Novant Health Rowan Medical Center	8	Rowan	1	6,547	6,547
Atrium Health Cabarrus	9	Cabarrus	3	13,327	4,442
Atrium Health Stanly	9	Stanly	1	4,344	4,344
North Carolina Baptist Hospital	10	Forsyth	4	28,962	7,241
Novant Health Forsyth Medical Center	10	Forsyth	5	24,196	4,839
Hugh Chatham Memorial Hospital	10	Surry	1	3,872	3,872
Lexington Medical Center	11	Davidson	1	2,748	2,748
Cone Health	12	Guilford	4	29,379	7,345
High Point Regional Health	12	Guilford	2	873	436

Table 17C-1: Hospital and Free-Standing Linear Accelerators and Radiation Oncology Procedures

Facility Name	Service Area Number	County	Number of Linear Accelerators	Number of Procedures (ESTVs) 10/1/2017-9/30/2018	Average Number of Procedures per Unit
UNC Rockingham Health Care	12	Rockingham	1	6,510	6,510
Randolph Hospital	13	Randolph	1	4,590	4,590
University of North Carolina Hospitals	14	Orange	6	38,228	6,371
Alamance Regional Medical Center	15	Alamance	2	15,711	7,855
Duke Regional Hospital	16	Durham	1	4,996	4,996
Duke University Hospital	16	Durham	8	38,266	4,783
Maria Parham Medical Center	16	Vance	1	3,996	3,996
FirstHealth Moore Regional Hospital	17	Moore	2	16,461	8,231
Scotland Memorial Hospital	17	Scotland	1	3,015	3,015
Cape Fear Valley Medical Center	18	Cumberland	5	17,481	3,496
Southeastern Regional Medical Center***	18	Robeson	2	7,823	3,911
NC Radiation Therapy - Sampson	18	Sampson	1	2,592	2,592
New Hanover Regional Medical Center**	19	New Hanover	4	27,747	6,937
Franklin County Cancer Center	20	Franklin	1	33	33
Duke Raleigh Hospital	20	Wake	4	19,929	4,982
Rex Hospital	20	Wake	4	22,514	5,628
UNC Hospitals Radiation Oncology - Holly Springs	20	Wake	1		
UNC REX Cancer Care of East Raleigh	20	Wake	1	5,370	5,370
Central Harnett Hospital	21	Harnett	1		
Johnston Radiation Oncology	22	Johnston	1	5,182	5,182
Smithfield Radiation Oncology	22	Johnston	1	4,500	4,500
UNC Lenoir HealthCare	23	Lenoir	1	5,400	5,400
NC Radiation Therapy - Goldsboro	23	Wayne	1	4,942	4,942
Carteret General Hospital	24	Carteret	1	6,241	6,241
CarolinaEast Medical Center	24	Craven	2	9,801	4,901
Onslow Radiation Oncology	25	Onslow	1	4,672	4,672
NC Radiation Therapy - Roanoke Rapids	26	Halifax	1	2,162	2,162
Nash General Hospital	26	Nash	2	7,890	3,945
Wilson Medical Center	26	Wilson	1	1,820	1,820
Vidant Beaufort Hospital	27	Beaufort	1	3,244	3,244
Vidant Roanoke-Chowan Hospital	27	Hertford	1	3,016	3,016
North Carolina Radiation Therapy Management Services	27	Pitt	5	18,691	3,738
The Outer Banks Hospital, Inc.	28	Dare	1	2,325	2,325
Sentara Albemarle Medical Center	28	Pasquotank	1	4,943	4,943

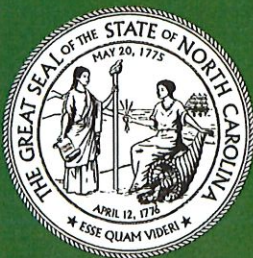
EXHIBIT

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PROPOSED
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NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

Division of Health Service Regulation

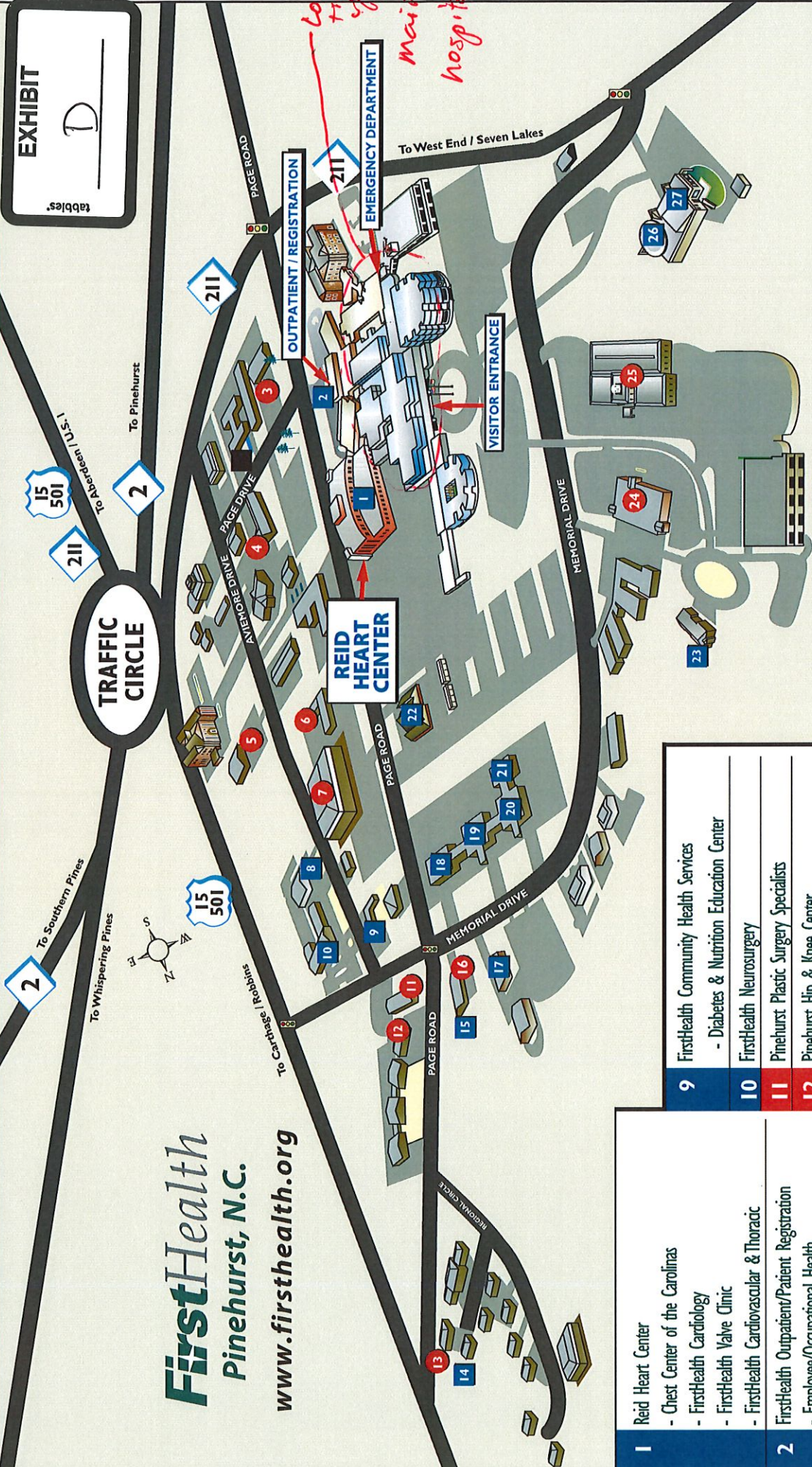
Table 17C-1: Hospital and Free-Standing Linear Accelerators and Radiation Oncology Procedures

Facility Name	Service Area Number	County	Number of Linear Accelerators	Number of Procedures (ESTVs) 10/1/2018-9/30/2019	Average Number of Procedures per Unit
Harris Regional Hospital	1	Jackson	1	2,806	2,806
North Carolina Radiation Therapy Management Services - Franklin	1	Macon	1	1,795	1,795
Mission Hospital - Mission Cancer Care	2	Buncombe	3	17,350	5,783
North Carolina Radiation Therapy Management Services - Asheville	2	Buncombe	2	9,069	4,535
North Carolina Radiation Therapy Management Services - Weaverville	2	Buncombe	1	9,069	9,069
North Carolina Radiation Therapy Management Services - Clyde	2	Haywood	1	4,158	4,158
North Carolina Radiation Therapy Management Services - Marion	2	McDowell	1	4,434	4,434
Watauga Medical Center	3	Watauga	1	2,075	2,075
Margaret R. Pardee Memorial Hospital	4	Henderson	1	4,725	4,725
North Carolina Radiation Therapy Management Services - Hendersonville	4	Henderson	1	2,965	2,965
North Carolina Radiation Therapy Management - Brevard	4	Transylvania	1	2,270	2,270
Carolinas Healthcare System Blue Ridge	5	Burke	2	6,570	3,285
Caldwell Memorial Hospital	5	Caldwell	1	3,205	3,205
Catawba Valley Medical Center	5	Catawba	2	12,415	6,207
Frye Regional Medical Center	5	Catawba	1	2,634	2,634
Atrium Health Cleveland	6	Cleveland	1	6,506	6,506
CaroMont Regional Medical Center*	6	Gaston	3	16,403	5,468
North Carolina Radiation Therapy Management Services - Forest City	6	Rutherford	1	4,763	4,763
Atrium Health Pineville	7	Mecklenburg	1	10,451	10,451
Atrium Health University City	7	Mecklenburg	1	8,428	8,428
Carolinas Medical Center	7	Mecklenburg	3	18,602	6,201
Matthews Radiation Oncology Center	7	Mecklenburg	2	10,236	5,118
Novant Health Huntersville Medical Center	7	Mecklenburg	1	7,651	7,651
Novant Health Presbyterian Medical Center	7	Mecklenburg	3	11,191	3,730
Atrium Health Union	7	Union	1	8,783	8,783
Iredell Memorial Hospital	8	Iredell	2	7,024	3,512
Lake Norman Radiation Oncology	8	Iredell	1	6,535	6,535
Novant Health Rowan Medical Center	8	Rowan	1	6,333	6,333
Atrium Health Cabarrus	9	Cabarrus	3	13,321	4,440
Atrium Health Stanly	9	Stanly	1	3,588	3,588
North Carolina Baptist Hospital	10	Forsyth	4	25,469	6,367
Novant Health Forsyth Medical Center	10	Forsyth	5	20,291	4,058
Hugh Chatham Memorial Hospital	10	Surry	1	5,034	5,034
Lexington Medical Center	11	Davidson	1	4,093	4,093
Cone Health	12	Guilford	4	51,694	12,924

Table 17C-1: Hospital and Free-Standing Linear Accelerators and Radiation Oncology Procedures

Facility Name	Service Area Number	County	Number of Linear Accelerators	Number of Procedures (ESTVs) 10/1/2018-9/30/2019	Average Number of Procedures per Unit
High Point Regional Health	12	Guilford	2	10,856	5,428
UNC Rockingham Health Care	12	Rockingham	1	5,255	5,255
Randolph Hospital	13	Randolph	1	3,848	3,848
University of North Carolina Hospitals	14	Orange	6	40,917	6,819
Alamance Regional Medical Center	15	Alamance	2	10,053	5,027
Duke Regional Hospital	16	Durham	1	2,099	2,099
Duke University Hospital	16	Durham	8	40,578	5,072
Maria Parham Medical Center	16	Vance	1	3,943	3,943
FirstHealth Moore Regional Hospital	17	Moore	2	16,437	8,218
Scotland Memorial Hospital	17	Scotland	1	4,087	4,087
Cape Fear Valley Medical Center	18	Cumberland	5	18,611	3,722
Southeastern Regional Medical Center***	18	Robeson	2	7,591	3,796
North Carolina Radiation Therapy Management Services - Clinton	18	Sampson	1	2,933	2,933
New Hanover Regional Medical Center**	19	New Hanover	4	30,752	7,688
Franklin County Cancer Center	20	Franklin	1	0	0
Duke Raleigh Hospital	20	Wake	4	21,286	5,322
Rex Hospital	20	Wake	4	22,493	5,623
Rex Hospital Holly Springs	20	Wake	1	0	0
UNC Rex Cancer Care of East Raleigh	20	Wake	1	3,764	3,764
Central Harnett Hospital	21	Harnett	1	0	0
Johnston Radiation Oncology	22	Johnston	1	5,932	5,932
Smithfield Radiation Oncology	22	Johnston	1	4,530	4,530
UNC Lenoir HealthCare	23	Lenoir	1	6,398	6,398
North Carolina Radiation Therapy Management Services - Goldsboro	23	Wayne	1	4,913	4,913
Carteret General Hospital	24	Carteret	1	6,427	6,427
CarolinaEast Medical Center	24	Craven	2	9,813	4,906
Onslow Radiation Oncology, LLC	25	Onslow	1	4,395	4,395
North Carolina Radiation Therapy Management Services - Roanoke Rapids	26	Halifax	1	2,163	2,163
Nash General Hospital	26	Nash	2	8,494	4,247
Wilson Medical Center	26	Wilson	1	2,104	2,104
Vidant Beaufort Hospital	27	Beaufort	1	8,280	8,280
Vidant Roanoke-Chowan Hospital	27	Hertford	1	2,254	2,254
North Carolina Radiation Therapy Management Services - Greenville	27	Pitt	4	9,677	2,419
The Outer Banks Hospital, Inc.	28	Dare	1	2,851	2,851
Sentara Albemarle Medical Center	28	Pasquotank	1	5,754	5,754

FirstHealth Moore Regional Hospital Area Map

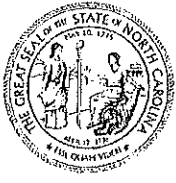


FirstHealth
Pinehurst, N.C.
www.firsthealth.org

1	Reid Heart Center - Chest Center of the Carolinas - FirstHealth Cardiology - FirstHealth Valve Clinic - FirstHealth Cardiovascular & Thoracic
2	FirstHealth Outpatient/Patient Registration - Employee/Occupational Health
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NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation



VIA EMAIL ONLY

March 30, 2020

Denise M. Gunter
Denise.gunter@nelsonmullins.com

Exempt from Review

Record #: 3246
Facility Name: FirstHealth Moore Regional Hospital
FID #: 943358
Business Name: FirstHealth of the Carolinas, Inc.
Business #: 737
Project Description: Develop a new comprehensive outpatient cancer center 150 yards from the main hospital campus and relocate two existing linear accelerators and one CT simulator from the main hospital to the cancer center
County: Moore

Dear Ms. Gunter:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of March 25, 2020, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(g). Therefore, you may proceed to offer, develop or establish the above referenced project without a certificate of need.

However, you need to contact the Agency's Construction and Acute and Home Care Licensure and Certification Sections to determine if they have any requirements for development of the proposed project.

It should be noted that this determination is binding only for the facts represented by you. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by the Agency. Changes in a project include but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

[Handwritten signature of Tanya M. Saporito]

Tanya M. Saporito
Project Analyst

[Handwritten signature of Martha J. Frisone]

Martha J. Frisone
Chief

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, 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: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704
https://info.ncdhhs.gov/dhsr/ • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER



NELSON MULLINS

NELSON MULLINS RILEY & SCARBOROUGH LLP
ATTORNEYS AND COUNSELORS AT LAW

Denise M. Gunter
T 336.774.3322 F 336.774.3372
denise.gunter@nelsonmullins.com

380 Knollwood Street | Suite 530
Winston-Salem, NC 27103
T 336.774.3300 F 336.774.3299
nelsonmullins.com

March 25, 2020

Via Email

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

Re: Notice of Exemption for Two Projects Pursuant to N.C. Gen. Stat. § 131E-184

Facility Name: FirstHealth of the Carolinas, Inc. d/b/a FirstHealth
Moore Regional Hospital
FID #: 943358
Business Name: FirstHealth of the Carolinas, Inc.
Business #: 737
Project Description: Construct a Cancer Center on the Main Campus of
FirstHealth Moore Regional Hospital, as well as
parking
County: Moore

Dear Ms. Frisone:

Pursuant to N.C. Gen. Stat. §§ 131E-184(a)(4) and (g), this letter serves as prior written notice of two CON-exempt projects at FirstHealth Moore Regional Hospital ("FMRH") in Pinehurst: (1) FMRH's intent to construct an Outpatient Cancer Center on its main campus (the "Outpatient Cancer Center"); and (2) FMRH's intent to build a parking deck connected to the Outpatient Cancer Center via a covered walkway as well as surface parking. Each project is discussed below.

Construct the Outpatient Cancer Center

The Outpatient Cancer Center involves construction of an approximately 120,000 SF 4-story building on a 6.23-acre tract. The Outpatient Cancer Center will provide convenient and expanded access to services and offer support for patients from the point of diagnosis, throughout treatment and ultimately survivorship, as a centralized care setting for FMRH's patients and their families. FMRH will move two existing linear accelerator units from FMRH's existing Hospital into the new Outpatient Cancer Center upon completion. The new Outpatient Cancer Center will also house the following services: Medical Oncology, Radiation Oncology, CT Simulator, Palliative Care, Chemo Pharmacy, Food Service and other ancillary services. The CT Simulator is an existing CT Simulator; FMRH does not propose to acquire an additional CT Simulator as part of this project.

The site is located on the eastern side of the intersection of Page Road North and Page Drive and extends to Aviemore Drive. The Outpatient Cancer Center will face Page Road North with a Parking Deck connected via a covered walkway located to the north. There will be additional ground-level parking to the front and side of the Outpatient Cancer Center, and at the eastern portion of the site, connecting to Aviemore Drive. The new Outpatient Cancer Center will be located approximately 130 yards away from FMRH's main campus. See Exhibit A. A campus map with street names is attached as Exhibit B. The total project cost for the Outpatient Cancer Center is approximately \$75,000,000. The Cancer Center construction will commence upon completion of the parking deck (early 2021) with completion slated for the end of 2022.

N.C. Gen. Stat. § 131E-184(g) provides that the Department shall exempt from CON review any capital expenditure that exceeds the \$2 million threshold in N.C. Gen. Stat. § 131E-176(16)b., if all of the following conditions are met:

- (1) The sole purpose of the capital expenditure is to renovate, replace on the same site, or expand the entirety or a portion of an existing health service facility that is located on the main campus.
- (2) The capital expenditure does not result in (i) a change in bed capacity as defined in G.S. 131E-176(5) or (ii) the addition of a health service facility or any other new institutional health service other than that allowed in G.S. 131E-176(16)b.
- (3) The licensed health service facility proposing to incur the capital expenditure shall provide prior written notice to the Department, along with supporting documentation to

demonstrate that it meets the exemption criteria of this subsection.

N.C. Gen. Stat. § 131E-176(14n) defines "main campus" as:

- a. The site of the main building from which a licensed health service facility provides clinical patient services and exercises financial and administrative control over the entire facility, including the buildings and grounds adjacent to that main building.
- b. Other areas and structures that are not strictly contiguous to the main building but are located within 250 yards of the main building.

The Outpatient Cancer Center meets the requirements of N.C. Gen. Stat. § 131E-184(g) and N.C. Gen. Stat. § 131E-176(14n) because:

- (1) FHMRH is an existing health service facility (Hospital License # H0100) located at 155 Memorial Drive in Pinehurst. The sole purpose of the Outpatient Cancer Center is to expand an existing health service facility that is located on the main campus. As shown in **Exhibit A**, the location of the Outpatient Cancer Center is within 130 yards of FHMRH. This distance was measured by FirstHealth's architect. FHMRH is the main building from which FMRH provides clinical patient services and exercises financial and administrative control over the entire facility, including the buildings and grounds adjacent to that main building
- (2) Construction of the Outpatient Cancer Center will not result in (i) a change in bed capacity as defined in G.S. 131E-176(5) or (ii) the addition of a health service facility or any other new institutional health service other than that allowed in G.S. 131E-176(16)b.
- (3) This letter constitutes the required prior written notice.

We would appreciate the Agency's written confirmation that the construction of the Outpatient Cancer Center is exempt from CON review.

Martha J. Frisone
March 25, 2020
Page 4

Construct a Parking Deck and surface parking

FMRH proposes to construct a 415-space 4-Level Parking Deck that will be connected to the Outpatient Cancer Center. There will be additional ground-level parking to the front and side of the Cancer Center, and at the eastern portion of the site, connecting to Avimore Drive. The parking deck is shown on Exhibit A.

N.C. Gen. Stat. § 131E-184(a)(4) provides that upon prior written notice, the Department shall exempt from CON review projects to:

. . . provide parking, heating or cooling systems, elevators, or other basic plant or mechanical improvements, unless these activities are integral portions of a project that involves the construction of a new health service facility or portion thereof and that is subject to certificate of need review.

The parking deck and surface parking do not involve the construction of a new health service facility or portion thereof and that is subject to CON review. The parking deck and surface parking are necessary to accommodate patients receiving treatment at the Outpatient Cancer Center as well the staff who will work in the Outpatient Cancer Center. The construction of the parking deck is scheduled to commence the summer of 2020 with completion by early 2021.

We would appreciate the Agency's written confirmation that the foregoing parking deck and surface parking construction are exempt from CON review.

If you need any further information, please let me know.

Thank you for your time and attention.

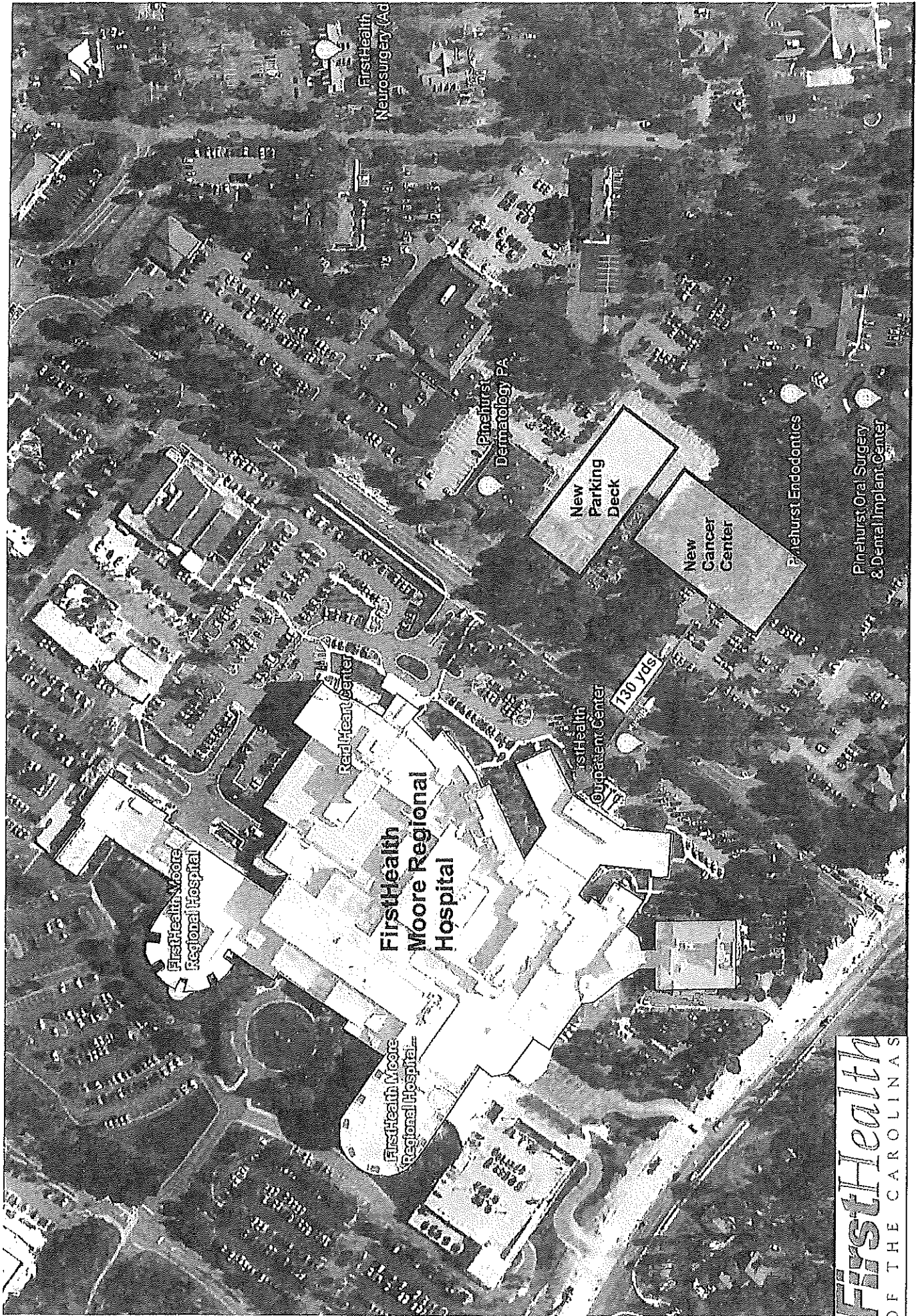
Sincerely,



Denise M. Gunter

Enclosures

Exhibit A

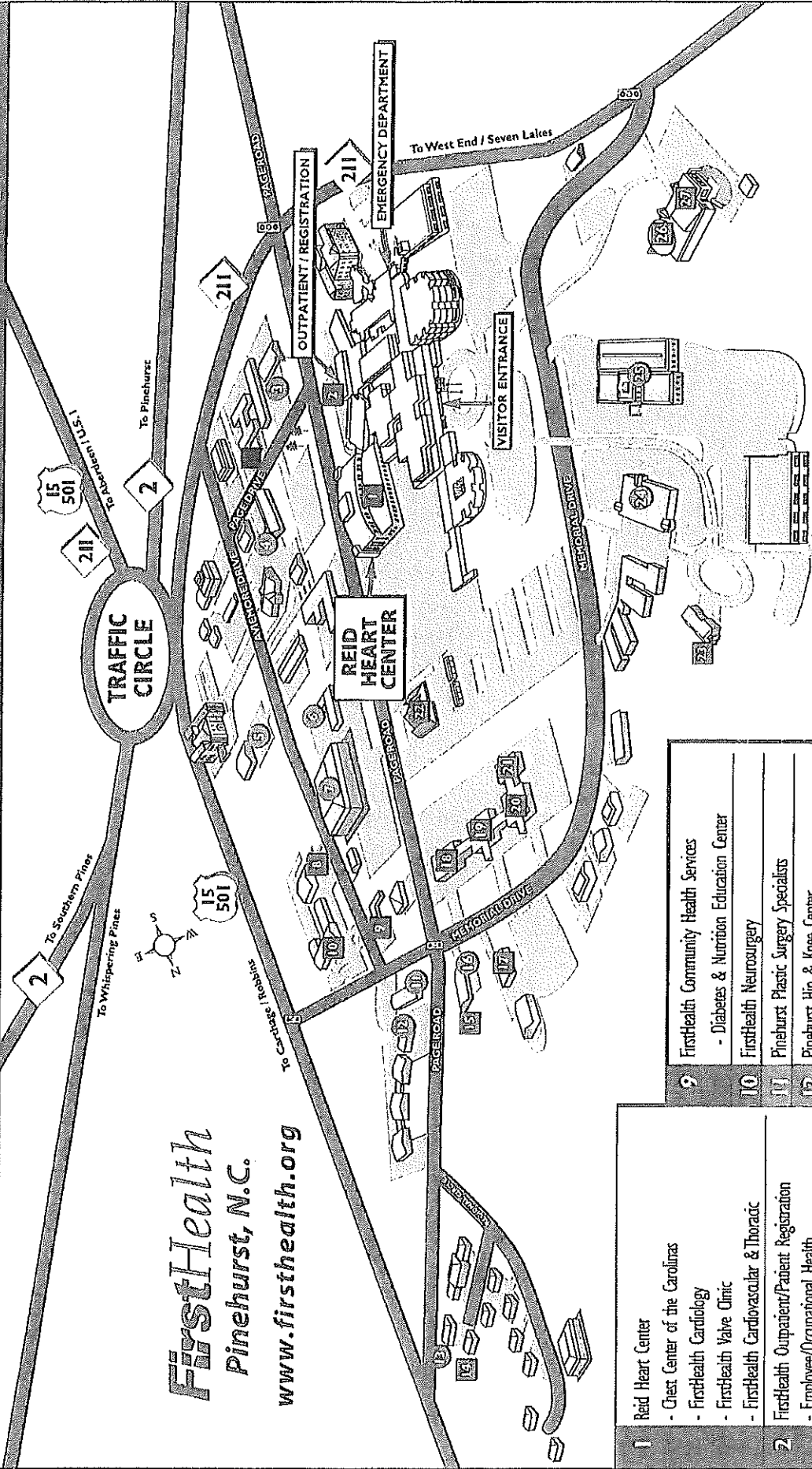


FirstHealth
OF THE CAROLINAS

Exhibit B

FirstHealth Moore Regional Hospital Area Map

FirstHealth
 Pinehurst, N.C.
www.firsthealth.org

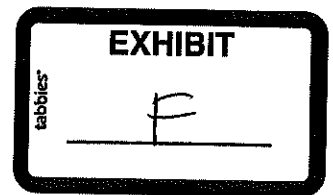


231.170-14

1	Reid Heart Center - Chest Center of the Carolinas - FirstHealth Cardiology - FirstHealth Valve Clinic - FirstHealth Cardiovascular & Thoracic
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24	Surgery Center of Pinehurst
25	Pinehurst Surgical
26	FirstHealth Fitness
27	FirstHealth Rehabilitation-Moore Rehab



Current Procedures on CL-IX

IGRT

IMRT

CBCT

6x Beam

18x Beam

Electron

Procedures on New True Beams

IGRT

IMR

CBCT

6x Beam

18x Beam

Electron

SBRT

SRS

IGRT

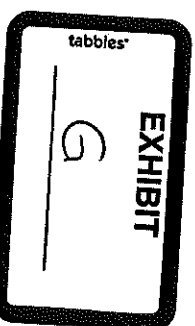
Gating

KVKV

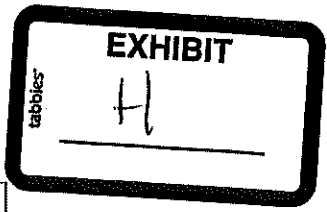
Rapid Arc

True VMAT

EQUIPMENT COMPARISON



Date: October 9, 20202	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type (e.g., Cardiac Catheterization, Gamma Knife®, Heart-lung bypass machine, Linear Accelerator, Lithotripter, MRI, PET, Simulator, CT Scanner, Other Major Medical Equipment)	Linear Accelerator	Linear Accelerator
Manufacturer	Varian	Varian
Model number	CL-IX H293851	TrueBeam (no model number)
Other method of identifying the equipment (e.g., Room #, Serial Number, VIN #)	IX Serial 4390	To come when machine is built
Is the equipment mobile or fixed?	Fixed	Fixed
Date of acquisition	IX – 4/2017	3/2021
Was the existing equipment new or used when acquired? / Is the replacement equipment new or used?	IX – used	New
Total projected capital cost of the project <Attach a signed Projected Capital Cost form>	NA	attached
Total cost of the equipment	\$607,5000.00	\$2,999,999.00
Location of the equipment <Attach a separate sheet for mobile equipment if necessary>	Moore Regional Hospital Radiation Oncology Department	Moore Regional Hospital Radiation Oncology Department
Document that the existing equipment is currently in use	Yes	NA
Will the replacement equipment result in any increase in the average charge per procedure ?	NA	No, but will be able to do new procedures
If so, provide the increase as a percent of the current average charge per procedure	NA	NA
Will the replacement equipment result in any increase in the average operating expense per procedure ?	NA	No
If so, provide the increase as a percent of the current average operating expense per procedure	NA	NA
Type of procedures performed on the existing equipment <Attach a separate sheet if necessary>	Attached	NA
Type of procedures the replacement equipment will perform <Attach a separate sheet if necessary>	NA	Attached

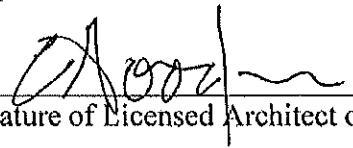


Projected Capital Cost Form

Building Purchase Price	N/A
Purchase Price of Land	N/A
Closing Costs	N/A
Site Preparation	N/A
Construction/Renovation Contract(s)	\$472,500
Landscaping – N/A	N/A
Architect / Engineering Fees	\$28,000
Medical Equipment	2,999,999
Non-Medical Equipment	N/A
Furniture	\$3,000
Consultant Fees (specify) – DHSR Fee	\$3,000
Financing Costs	N/A
Interest during Construction	N/A
Other (specify)	N/A
Total Capital Cost	3,506,499

CERTIFICATION BY A LICENSED ARCHITECT OR ENGINEER

I certify that, to the best of my knowledge, the projected capital cost for the proposed project is complete and correct.

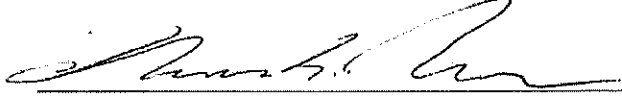


Signature of Licensed Architect or Engineer

Date Signed: 10/26/20

CERTIFICATION BY AN OFFICER OR AGENT FOR THE PROPONENT

I certify that, to the best of my knowledge, the projected total capital cost for the proposed project is complete and correct and that it is our intent to carry out the proposed project as described.



Signature of Officer/Agent

Date Signed: 10/22/20

Administrative Director of Facility Services and PDC
Title of Officer/Agent

From: [Denise Gunter](#)
To: [Waller, Martha K](#)
Subject: [External] FirstHealth of the Carolinas, Inc. (Health Service Area V, Moore County)
Date: Thursday, October 29, 2020 12:06:47 PM
Attachments: [20201029115917485.pdf](#)

CAUTION: External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to report.spam@nc.gov

Good afternoon, Martha,

I hope all is well with you. Attached is a notice of exemption for FirstHealth in Moore County. Could you please send to the project analyst and let me know that you have received this?

Thanks.

Nelson Mullins is continuing to monitor developments related to COVID-19, including guidance from the Centers for Disease Control and various health officials; and federal, state, and local government authorities. The firm has implemented precautionary measures and plans to ensure the continuation of all firm services to clients from both in office and remote work arrangements across our 25 geographically disperse offices. [Click here to visit the Nelson Mullins Coronavirus Resources page.](#) Information described therein is subject to change.

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