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.

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.

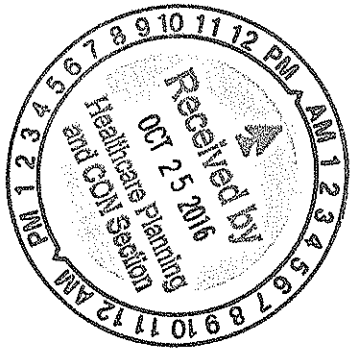
Sincerely,

Tanya S. Rupp
Project Analyst

Martha J. Frisone
Assistant Chief, Certificate of Need

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

FirstHealth
OF THE CAROLINAS



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 id 727
NR id 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.

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,

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

Exhibit A

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.

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
	Note: Includes the first year of service only.		
	Estimated Taxes	$	41,000
	(To be confirmed – amount based on 6.75% sales tax in Moore County, NC)		
	Total	$	648,500

**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:		Date:
	Kenneth C. Wolff President and CEO	

Attachments:

- Terms and Conditions
- Project Roles & Responsibilities

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, (vi) 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:

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.

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.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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
5	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
6	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			

SUN NUCLEAR corporation

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 contact 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: _____

ELEKTA

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)	Total Price (excl. Taxes*)	USD	66,200.00

* 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.

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.

ELEKTA

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

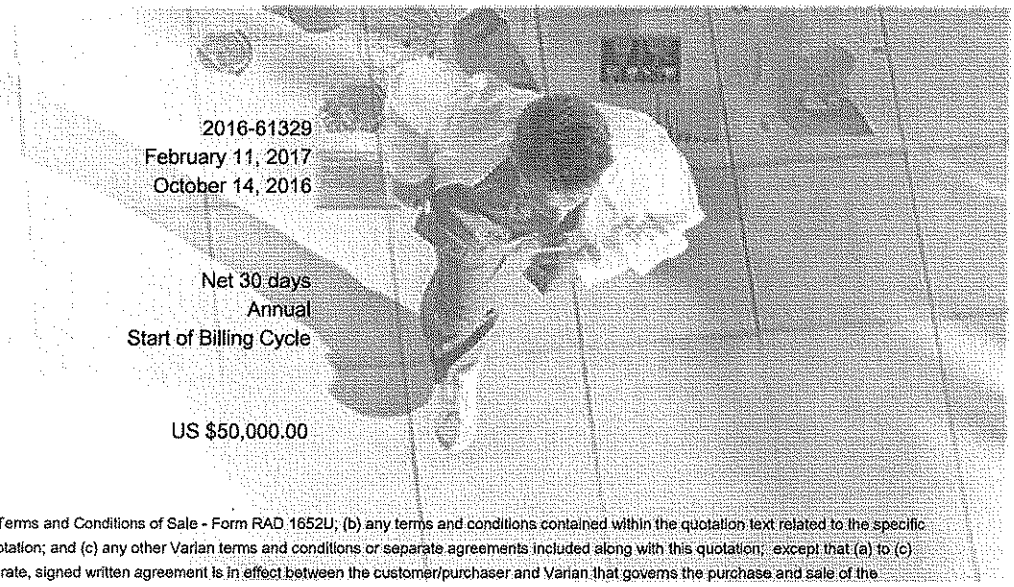
VARIAN medical systems | A partner for life

Maintenance Agreement

VARIAN
medical systems

First Health Moore Regional Hospital ("Customer")
Margie Thomas
155 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 text 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 :

Name : Margie Thomas

Date : October 14, 2016

Title : Director, Radiation Oncology

For and on behalf of Varian Medical Systems :

Name : Gregory Wells

Date : October 14, 2016

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

PHILIPS
Lifecycle Solutions

Quotation #: 1-1I80H25	**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
Field Service Engineer
Tel: (440) 483-2262
Fax:

Regional Manager
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.

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

Line #	Product	Qty	Price
	100583 SmartEnterprise Server	1	$5,930.00
		Equipment Total:	$5,930.00

Solution Summary Detail

Product	Qty	Each	Monthly	Price
100583 SmartEnterprise Server	1	$5,930.00		$5,930.00

Buying Group: **Contract #:**

Addt'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, Philips' 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

100583 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

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.

Note: Cancellation/rescheduling policy strictly enforced.

Education expires one (1) year from equipment installation date (or purchase date if sold separately).

2	**989801256051	**ONC Pinnacle Physics 28 Hour OffSite**	1	$3,600.00	$3,600.00

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.

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.

Education expires one (1) year from equipment installation date (or purchase date if sold separately).

NET PRICE $5,930.00

Buying Group: NO CONTRACT Contract #: NONE

Addt'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, Philips' 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.

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 intellectua 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.

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.

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, Philips may cancel any unfulfilled obligations, or suspend performance; however, Customer's financial obligations to Philips 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 Philips, 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, IT'S SUCCESSSORS' 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 Philips' 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 Philips 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 Philips. 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 Philips.

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

EXHIBIT B

PROPOSED CAPITAL COSTS

Project name: Linear Accelerator Replacement

Proponent: 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

10/20/16
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