



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 13, 2020

Denise M. Gunter
denise.gunter@nelsonmullins.com

Exempt from Review – Replacement Equipment

Record #: 3234
Facility Name: Novant Health Imaging Cabarrus
FID #: 980835
Business Name: Novant Health, Inc.
Business #: 1341
Project Description: Replace existing CT scanner
County: Cabarrus

Dear Ms. Gunter:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter February 27, 2020, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(7). Therefore, you may proceed to acquire without a certificate of need the GE Lightspeed VCT Pro 32-slice CT scanner to replace the GE Brightspeed Elite 4-slice CT scanner. 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 Radiation Protection Section 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 Julie M. Faenza

Julie M. Faenza
Project Analyst

Handwritten signature of Martha J. Frisone

Martha J. Frisone
Chief

cc: 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

## Faenza, Julie M

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**From:** Faenza, Julie M  
**Sent:** Wednesday, March 4, 2020 12:54 PM  
**To:** Denise Gunter  
**Subject:** RE: [External] RE: Question re: NH Imaging Cabarrus exemption

Perfect! Thanks, Denise.

**Julie M. Faenza, Esq.**

Pronouns: She/her/hers

Project Analyst, Certificate of Need

Division of Health Service Regulation, Healthcare Planning and Certificate of Need Section  
North Carolina Department of Health and Human Services

919 855 3873 office

[Julie.Faenza@dhhs.nc.gov](mailto:Julie.Faenza@dhhs.nc.gov)

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**From:** Denise Gunter <[denise.gunter@nelsonmullins.com](mailto:denise.gunter@nelsonmullins.com)>  
**Sent:** Wednesday, March 4, 2020 10:50 AM  
**To:** Faenza, Julie M <[Julie.Faenza@dhhs.nc.gov](mailto:Julie.Faenza@dhhs.nc.gov)>  
**Subject:** [External] RE: Question re: NH Imaging Cabarrus exemption

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Julie, I have been in contact with the client, and we believe that Branch View (Drive not Way) was an address for the land before it was developed into medical offices, likely built to suit the client's original occupancy. The development is known as Branch View Commons. If you look at the website for Novant Health Imaging Cabarrus (see below), it refers to the location being close to Branchview Drive, and the map shows that Bradley Street is located off Branch View.

The other address in Kannapolis seems to be an error as the client has never had imaging at that address.

Please let me know if you have any questions or need anything else.

Thanks.

From the website:

Novant Health Imaging Cabarrus is an outpatient diagnostic imaging facility conveniently located close to the intersection of Burrage Road and Branchview Drive in Concord, NC.

<https://www.novanthealthimaging.com/locations/concord/novant-health-imaging-cabarrus/>.



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DENISE M. GUNTER PARTNER

denise.gunter@nelsonmullins.com

She/Her/Hers

THE KNOLLWOOD | SUITE 530

380 KNOLLWOOD STREET | WINSTON-SALEM, NC 27103

T 336.774.3322 F 336.774.3372

NELSONMULLINS.COM VCARD VIEW BIO

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**From:** Faenza, Julie M <Julie.Faenza@dhhs.nc.gov>  
**Sent:** Wednesday, March 4, 2020 8:11 AM  
**To:** Denise Gunter <denise.gunter@nelsonmullins.com>  
**Subject:** Question re: NH Imaging Cabarrus exemption

◀External Email▶ - From: [julie.faenza@dhhs.nc.gov](mailto:julie.faenza@dhhs.nc.gov)

Good morning, Denise! I'm reviewing the exemption request you sent, and I have a question unrelated to the request, but related to the facility.

On the certificate for F-5916-98, the address listed is Branch View Way (no number) in Concord. In our system, the address is listed as 555 Jackson Park Road in Kannapolis. In your letter, the address is listed as 925 Bradley Street NE in Concord. I can't find any previous exemptions or material compliance requests for address changes – however, that also doesn't mean they don't exist, either, and it doesn't mean somehow our system was inaccurate at some point. However, I at least need to figure out why there are three addresses with no available information about any changes in address on our side. Do you have any information that can help, or can you help me get that information? Please let me know if you have any questions. Thanks!

**Julie M. Faenza, Esq.**

Pronouns: She/her/hers

Project Analyst, Certificate of Need

Division of Health Service Regulation, Healthcare Planning and Certificate of Need Section

North Carolina Department of Health and Human Services

919 855 3873 office

[Julie.Faenza@dhhs.nc.gov](mailto:Julie.Faenza@dhhs.nc.gov)

809 Ruggles Drive  
2704 Mail Service Center  
Raleigh, NC 27699-2704

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## Waller, Martha K

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**From:** Flores, Disraeliza  
**Sent:** Friday, February 28, 2020 9:44 AM  
**To:** Waller, Martha K  
**Cc:** Denise Gunter  
**Subject:** FW: [External] Correspondence to CON for Health Service Area III, Cabarrus County  
**Attachments:** 20200227201614393.pdf

Recived

Disraeliza Flores  
Adminstrative Assistantant  
Division of Health Service Regulation  
North Carolina Department of Health and Human Services

919-855-3872 office  
[disraeliza.flores@dhhs.nc.gov](mailto:disraeliza.flores@dhhs.nc.gov)

809 Ruggles Drive  
Raleigh NC, 27603

2704 Mail Service Center  
Raleigh, NC 27699-2704

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**From:** Denise Gunter <[denise.gunter@nelsonmullins.com](mailto:denise.gunter@nelsonmullins.com)>  
**Sent:** Thursday, February 27, 2020 8:22 PM  
**To:** Flores, Disraeliza <[Disraeliza.Flores@dhhs.nc.gov](mailto:Disraeliza.Flores@dhhs.nc.gov)>  
**Subject:** [External] Correspondence to CON for Health Service Area III, Cabarrus County

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Good evening,

Attached is correspondence for Health Service Area III. Please confirm that you have received this and that it will be processed.

Thanks.

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NELSON MULLINS RILEY & SCARBOROUGH LLP  
ATTORNEYS AND COUNSELORS AT LAW

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Winston-Salem, NC 27103  
T 336.774.3300 F 336.774.3299  
nelsonmullins.com

Received by Healthcare  
Planning & CON Section  
FEB 28 2020

February 27, 2020

**Via Electronic Mail**

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

Re: Cabarrus Diagnostic Imaging, LLC d/b/a Novant Health Imaging Cabarrus  
Cabarrus County  
Health Service Area III  
FID #980835  
Relocation of Diagnostic Center, Replacement of Certain Equipment and  
Acquisition of x-ray unit

Dear Ms. Frisone:

On behalf of Novant Health, Inc. ("Novant"), I am writing to provide the CON Section with prior written notice of Novant's intention to relocate a diagnostic center within Cabarrus County, replace certain equipment at the facility, and acquire an x-ray unit (the "Project"). This letter supersedes and replaces the letter submitted to the CON Section on February 5, 2020 (the "February 5 Letter") concerning the Project. I withdrew the February 5 Letter via email to Julie Faenza on February 10, 2020.

**A. Background**

Cabarrus Diagnostic Imaging, Inc. ("CDI") received a CON on March 14, 2000 to acquire a fixed Hitachi Airis open MRI scanner pursuant to Project I.D. No. F-5916-98. Novant subsequently acquired CDI via a stock purchase agreement on November 9, 2007. Today, Novant operates the facility as Cabarrus Diagnostic Imaging, LLC d/b/a Novant Health Imaging Cabarrus ("NHIC"). NHIC is currently located at 925 Bradley Street, NE, Concord, NC 28025. In addition to MRI, NHIC offers CT scans on a GE

Martha J. Frisone, Chief  
February 27, 2020  
Page 2

Brightspeed 4-slice CT scanner and ultrasound exams on a portable ultrasound unit.<sup>1</sup> On December 4, 2018, Novant was approved to replace the Hitachi Airis open MRI scanner with a GE HDXt 23X MRI scanner within a mobile trailer permanently parked at NHIC. See **Exhibit A**. The GE Scanner is known internally as MQ 26. The Hitachi Airis was sold and removed from the state.

As set forth in this letter, Novant now proposes to: (1) relocate NHIC to a different location within Cabarrus County; (2) replace the GE MRI scanner with a Siemens Aera MRI scanner (the "Replacement MRI Scanner"); (3) replace the existing 4-slice CT scanner with a 32-slice CT scanner (the "Replacement CT Scanner"); and (4) acquire an x-ray unit. There will be no changes to the ultrasound unit; it will be moved "as is" to the relocated center. Thus, the imaging modalities that will be offered at the relocated NHIC will be MRI, CT, ultrasound and x-ray.

Based on our review of the Court of Appeals' decision in *Mission Hospitals, Inc. v. NCDHHS*, 205 N.C. App. 35, 696 S.E.2d 163 (2010), and my telephone call with you on February 18, 2020, we understand that the applicable capital cost threshold for the relocation of NHIC is \$2 million. See N.C. Gen. Stat. § 131E-176(16)(b). We further understand that the Replacement MRI Scanner and Replacement CT Scanner have separate capital cost thresholds of \$2 million each. See N.C. Gen. Stat. § 131E-176(22a). The x-ray unit's capital cost threshold is \$750,000. See N.C. Gen. Stat. § 131E-176(14o). For the reasons stated below, none of the elements of the Project exceeds any applicable CON threshold. Each element of the Project is described below.

## **B. Relocation of NHIC**

NHIC proposes to relocate from 925 Bradley Street, NE, Concord, NC to 13460 Plaza Road Extension, Suite 150, Charlotte, NC 28215.<sup>2</sup> The building is owned by a third-party developer. This address is within the incorporated city limits of Harrisburg, in Cabarrus County. See **Exhibit B** (Cabarrus County Commercial Building Plan Review Summary dated 11/1/19 establishing that 13460 Plaza Road Extension is in Cabarrus County). Therefore, the relocation does not cross county lines or add any regulated equipment to the inventory of regulated medical equipment in Mecklenburg County. NHIC is already a diagnostic center. The Bradley Street site will shut down when the Plaza Road Extension site opens, so the relocation does not result in the establishment of a new health service facility. See N.C. Gen. Stat. § 131E-176(16)a.

There is total of 3650 SF in Suite 150 to be upfit for the Project. Novant estimates that 21.2% or 775 SF of Suite 150 will be used for the MRI, 14.4% or 525 SF of Suite 150

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<sup>1</sup> A mobile mammography unit periodically visits NHIC to offer screening mammograms. This unit travels to several different locations and is not part of the relocation of NHIC.

<sup>2</sup> The February 5 Letter incorrectly states the address of the relocated NHIC as 13523 Plaza Road Extension, Suite 150, Charlotte, NC 28215.

will be used for the CT, and the remaining 64.4% or 2350 SF of Suite 150 will be used for the rest of the center. Novant has allocated the construction costs and related architect/engineering fees for Suite 150 in accordance with these percentages. Costs attributable to MRI, CT and the rest of the center are discussed in detail below in Sections C-E below.

### C. Replacement MRI Scanner

In addition to relocating the facility, Novant proposes to replace MQ 26 with a Siemens Aera 1.5T MRI scanner, which offers superior image quality and patient comfort due to its larger bore diameter and Novant's plan to locate it in an exam room inside the new facility rather than continue to offer service in a mobile MRI trailer. An equipment comparison form is attached as **Exhibit C**. An equipment quote for the Siemens Aera (\$845,000) is attached as **Exhibit D**. The total capital cost to acquire the replacement MRI scanner and make it operational is \$1,046,400. See **Exhibit E**.

N.C. Gen. Stat. § 131E-184(a)(7) exempts the acquisition of replacement equipment. Replacement equipment is defined as:

. . . equipment that costs less than two million dollars (\$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 the fair market value of the equipment or the cost of the equipment, whichever is greater.

N.C. Gen. Stat. § 131E-176(22a). As shown in **Exhibit E**, the total cost of the project is \$1,046,400, and therefore below the \$2 million threshold in N.C. Gen. Stat. § 131E-176(22a). MQ 26 will be sold or moved out of state.

10A NCAC 14C.0303(c) states that "comparable medical equipment means equipment which is functionally similar and which is used for the same diagnostic or treatment purposes." Subsection (d) of 10A NCAC 14C.0303 further states:

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).

Each of the conditions in Subsection (d) is satisfied. See **Exhibit C** (equipment comparison form). Further, none of the exclusions contained in Subsection (e) of 10A NCAC 14C.0303 applies here. See **Exhibit C**.

#### **D. Replacement CT Scanner**

In addition to the MRI replacement, Novant plans to replace the GE Brightspeed Excel 4 CT scanner, currently serving NHIC and acquired for less than \$750,000, with a GE Lightspeed VCT Pro 32 CT scanner. The Replacement CT Scanner was originally purchased by Novant in 2011 for use at Novant Health Brunswick Medical Center ("NHBMC"). Currently, the unit is in storage in a Novant-owned storage facility in North Carolina. The replacement scanner has a fair market value of \$50,000. See **Exhibit F**. Costs to move the equipment out of storage, perform maintenance on it and deliver it to NHIC are \$24,500. A contrast injector costs \$15,000. See **Exhibit G**. As shown in **Exhibit H**, the total capital cost for the Replacement CT Scanner is \$226,300. This includes the cost to move the CT scanner out of storage, perform maintenance on the Replacement CT Scanner, deliver it to NHIC, purchase a contrast injector and perform all construction needed to make the Replacement CT Scanner operational.<sup>3</sup> An equipment comparison form is attached as **Exhibit I**. The existing scanner will be sold and removed from North Carolina when the Replacement CT Scanner is installed. Thus, the

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<sup>3</sup>For a period of time, the Replacement CT Scanner was stored at a third party's storage facility in Pisgah Forest, NC. The total cost for storage was \$2,700. See **Exhibit J**. The Replacement CT Scanner is now at a Novant-owned storage facility and there is no charge for this storage. Novant does not believe that the \$2,700 in storage costs for the Replacement CT Scanner need to be included for the Project because storage is not essential to acquiring the replacement equipment or making it operational. As shown in **Exhibits G and H**, however, Novant has included the cost to remove the Replacement CT Scanner from storage, perform maintenance and deliver it to NHIC, as those costs are essential to acquiring the Replacement CT Scanner and making it operational. In any event, adding the \$2,700 in storage costs does not change the result that the Replacement CT Scanner is well below the \$2 million replacement equipment threshold. See N.C. Gen. Stat. § 131E-176(22a).

Martha J. Frisone, Chief  
February 27, 2020  
Page 5

Replacement CT Scanner satisfies N.C. Gen. Stat. § 131E-176(22a) and 10A NCAC 14C.0303(d). See Exhibits H and I.

#### **E. Rest of Center**

As shown on the attached Exhibit K, the total capital cost for the rest of the center is \$809,800. This includes signage and moving costs. While the x-ray unit is subject to its own \$750,000 capital cost threshold, we have included it on the capital cost form for the rest of the center due to the relatively minor cost of the x-ray unit (\$98,500). See Exhibit L (equipment quote for x-ray unit).

As the total amount to relocate the center is well below \$2 million, no CON is required.

#### **F. Conclusion**

Since each of the foregoing elements of the Project does not cross an applicable CON threshold, we respectfully ask that the CON Section determine that the relocation of NHCI, the acquisition of the Replacement MRI Scanner, the acquisition of the Replacement CT Scanner and the acquisition of the x-ray unit do not require a CON.

Please let me know if you have any questions or need further information.

Sincerely,



Denise M. Gunter

Enclosures



NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

Exhibit A

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

December 4, 2018

Doug Shepard
3480 Preston Ridge Road, Suite 600
Alpharetta, GA 30005

Exempt from Review – Replacement Equipment
Record #: 2789

Facility Name: Novant Health Imaging Cabarrus
FID #: 980835
Business Name: Novant Health, Inc.
Business #: 1341
Project Description: Replace MRI scanner
County: Cabarrus

Dear Mr. Shepard:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of November 20, 2018, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(7). Therefore, you may proceed to acquire without a certificate of need the GE HDxt23x MRI scanner to replace the Hitachi Airis II MRI scanner. 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, and Acute and Home Care Licensure and Certification Sections to determine if they have any requirements for development of the proposed project.

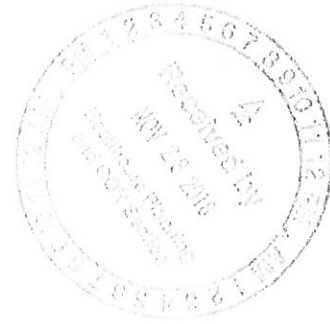
It should be noted that the Agency's position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by this office and a separate determination. If you have any questions concerning this matter, please feel free to contact this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

Sincerely,

Gloria C. Hale
Gloria C. Hale
Team Leader

Martha J. Frisone
Martha J. Frisone
Chief, Healthcare Planning and
Certificate of Need Section

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Melinda Boyette, Administrative Assistant, Healthcare Planning, DHSR



November 20, 2018

**VIA US MAIL**

Greg Yakaboski, Project Analyst  
North Carolina Department of Health and Human Services  
Division of Health Service Regulation  
Healthcare Planning and Certificate of Need Section  
2704 Mail Service Center  
Raleigh, NC 27699-2704

Re: Replacement Equipment Exemption Request  
Novant Health Imaging Cabarrus  
FID #980835  
925 Bradley Street NE, Concord, NC (Cabarrus County)

Dear Mr. Yakaboski:

On behalf of Novant Health, Inc. ("Novant"), please accept this letter as notice and a request for written confirmation that replacement of an MRI scanner at the above referenced location as described herein is exempt from certificate of need review pursuant to N.C.G.S. §131E-184(a)(7).

Cabarrus Diagnostic Imaging, LLC, as successor to Cabarrus Diagnostic Imaging, Inc., ("CDI") was awarded a certificate of need on March 14, 2000 to acquire a fixed Hitachi Airis open MRI scanner assigned Project I.D. No. F-5916-98. Novant subsequently acquired CDI by stock purchase on November 9, 2007 and operates the facility as Cabarrus Diagnostic Imaging, LLC d/b/a Novant Health Imaging Cabarrus ("NHIC").

After eighteen years of service, the fixed unit is in need of replacement. In order to contain costs and provide minimal disruption to patient care, Novant proposes to replace its existing MRI with a mobile MRI that will be permanently located (fixed) at the facility. NHIC has an existing mobile MRI pad at the site that is functional and therefore will not incur any costs related to the construction of a mobile pad.

Novant has identified as the replacement unit, a mobile MRI it currently owns that is serving an out-of-state affiliate and will be available for relocation to NHIC on or after December 1, 2018. The mobile unit contains a GE 1.5T HDxt 23x MRI and is internally identified as "MQ 26". MQ 26 offers superior image quality and faster patient exams but does not qualify as a new institutional health service as set forth in N.C.G.S. §131E-176(16). An Equipment Comparison Form is attached as **Exhibit A**.

MQ 26 was purchased by a wholly-owned Novant subsidiary on May 17, 2016 for \$835,000 and is estimated to have a current fair market value of approximately \$700,000. The original purchase price is evidenced by the purchase and sale agreement attached as **Exhibit B**. As required by N.C.G.S. §131E-176(22a), the purchase price has been utilized in the Project Capital Cost Form attached as **Exhibit C**. Since the replacement unit is already owned, the only current outlay will be construction costs associated with removing the existing Hitachi Airis MRI from the facility which will be sold and removed from the state. The total capital cost for the proposed replacement equipment project, inclusive of the prior equipment acquisition cost, is estimated to be \$860,000.

The proposed project meets the definition of "replacement equipment" found in N.C.G.S. §131E-176(22a) and 10A N.C.A.C. 14C.0303 for the following reasons:

- (1) NHIC will replace the existing MRI unit with the proposed MRI unit that is functionally similar and will be used for the same diagnostic purposes, although it possesses expanded capabilities due to technological improvements.
- (2) The proposed MRI unit will not be used to provide a new institutional health service.
- (3) The acquisition of the proposed MRI 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.
- (4) NHIC seeks to replace comparable medical equipment currently in use at project cost less than \$2 million.
- (5) The existing equipment was not purchased second-hand nor was the existing equipment leased.
- (6) The existing equipment will be removed from North Carolina.

Please contact me on my direct line (678) 992-7354 or via email to [deshepard@medquestmail.com](mailto:deshepard@medquestmail.com) if you have any questions or concerns.

Sincerely,

**MEDQUEST ASSOCIATES, INC.**



Doug Shepard  
Director of Real Estate and Development

Enclosures

cc: Barbara Freedy via email to: [blfreedy@novanthealth.org](mailto:blfreedy@novanthealth.org)  
Tiffany Brooks via email to: [brookshealthcareconsulting@gmail.com](mailto:brookshealthcareconsulting@gmail.com)

**EXHIBIT A**  
**NC Equipment Comparison Form**

**Equipment Comparison Form  
NHI - Cabarrus - MRI Replacement**

	<b>Existing Equipment</b>	<b>Replacement Equipment</b>
Type of Equipment (List Each Component)	MRI Equipment	MRI Equipment
Manufacturer of Equipment	Hitachi	GE
Tesla Rating for MRIs	0.35T	1.5T
Model Number	Airis II	HDxt 23x
Serial Number	C287	R0380
Provider's Method of Identifying Equipment	Internal Asset Numbering System	MQ 26
Specify if Mobile or Fixed	Fixed	Fixed (mobile unit)
Mobile Trailer Serial Number /VIN#	N/A	1JJV482W5XL512394
Mobile Tractor Serial Number /VIN#	N/A	N/A (trailer only)
Date of Acquisition of Each Component	9/28/2000	5/17/2016
Does Provider Hold Title to Equipment or Have a Capital Lease?	Title	Title
Specify if Equipment Was/Is New or Used When Acquired	New	Used
Total Capital Cost of Project	\$1,295,213	\$ 835,000
Total Cost of Equipment	\$1,007,000	\$ 835,000
Fair Market Value of Equipment	\$ 25,000	\$ 700,000
Net Purchase Price of Equipment	\$1,007,000	\$ 835,000
Locations Where Operated	NHI-Cabarrus	NHI-Cabarrus
Number of Days in Use/To be Used in NC per Year	365	365
Percent of Change in Patient Charges by Procedure	N/A	No increase
Percent of Change in Per Procedure Operating Expenses by Procedure	N/A	No increase
Type of Procedures Currently Performed on Existing Equipment	MRI Procedures	N/A
Type of Procedures New Equipment is Capable of Performing	N/A	MRI Procedures

**EXHIBIT B**  
**Equipment Purchase & Sale Agreement**



**Orbit Medical Technologies, Inc.**

16151 Clinton Street, Harvey, IL 60426  
Tel: (708) 825-1344 Fax (866) 596-7188  
sales@orbitmed.com  
www.orbitmed.com



**PURCHASE AND SALE AGREEMENT**  
**(EQUIPMENT)**

Orbit Medical Technologies, Inc. ("SELLER"), located at 16151 Clinton Street, Harvey, IL 60426 hereby agrees to sell and Jacksonville Diagnostic Imaging, LLC, ("PURCHASER"), 3480 Preston Ridge Road, Alpharetta, GA 30005, billing address is 3480 Preston Ridge Road, Alpharetta, GA 30005, hereby agrees to purchase the equipment described below ("Equipment") in accordance with the terms and conditions forth below in this Agreement and the standard terms and conditions set forth in Exhibit A, attached hereto and incorporated to this Agreement by reference:

**PURCHASE PRICE: Eight Hundred and Thirty-Five Thousand Dollars, (\$835,000.00)** ("Purchase Price") less Purchaser's credit balance of **One Hundred and Ninety-Three Thousand and Five Hundred Dollars, (\$193,500.00)** ("Credit Balance") with the SELLER, which net a final balance of **Six Hundred and Forty-One Thousand and Five Hundred Dollars, (\$641,500.00)** ("Net Purchase Price"). The Net Purchase Price and any other amounts payable under this Agreement shall be paid in U.S. Dollars by the wire transfer of immediately available funds to bank account directed by the SELLER.

**EXECUTION OF AGREEMENT AND DEPOSIT BY PURCHASER:** PURCHASER shall return an executed Agreement to the SELLER on or before March 15, 2016 along with a deposit of **\$320,750.00** (50% of Net Purchase Price) via wire transfer of immediately available funds to a bank account directed by the SELLER. If PURCHASER fails to execute this Agreement and pay the deposit prior to such date, the terms and conditions set forth in this Agreement shall be null and void.

**PAYMENT TERMS:** The Purchase Price shall be paid by the PURCHASER as follows: (i) 50% of the Net Purchase Price upon the execution of this Agreement; (ii) 50% upon date of Delivery to PURCHASER's site and Purchaser's Acceptance of the Equipment as further set forth in this Agreement.

**REFURBISHMENT:** Refurbishing of Equipment includes inspecting all mechanical parts and adjusting or replacing parts if necessary, along with professional cleaning and painting to look like new. Refurbishment of the Trailer will be limited as listed in the Specifications and Exhibit A.

**LIMITED WARRANTY:** The limited warranty provided by the SELLER shall be governed pursuant to the terms and conditions set forth on Exhibit "A" attached hereto and made a part hereof; provided that notwithstanding anything to the contrary in this Agreement or Exhibit A, the Equipment shall be operating in accordance with OEM specifications at time of Delivery to Purchaser.

**Orbit Medical Technologies, Inc.**

16151 Clinton Street, Harvey, IL 60426  
Tel: (708) 825-1344 Fax (866) 596-7188  
sales@orbitmed.com  
www.orbitmed.com



**DELIVERY DATE:** The Equipment delivery time frame is on or before March 30, 2016. ("Delivery Date") at SVSR, Inc., 852 Memorial Hwy, Harmony, NC and, the SELLER shall pay all transportation costs.

**ACCEPTANCE OF TERMS AND CONDITIONS:** The SELLER and PURCHASER have carefully read the terms and conditions of this Agreement and its Standard Terms and Conditions. The undersigned are duly authorized to execute this Agreement on behalf of the PURCHASER and the SELLER.

**SELLER:**  
Orbit Medical Technologies, Inc.

A handwritten signature in black ink, appearing to read 'Nader Azabin', written over a horizontal line.

Orbit Medical Technologies Signature

**PURCHASER:**  
Jacksonville Diagnostic Imaging, LLC

A handwritten signature in black ink, appearing to read 'Dan Schaefer', written over a horizontal line.

Purchaser Signature

NADER AZABIN / General Manager.  
Print Name/Title

Dan Schaefer / COO  
Print Name/Title

3/14/2016  
Date

3/14/16  
Date

## Orbit Medical Technologies, Inc.

16151 Clinton Street, Harvey, IL 60426  
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sales@orbitmed.com  
www.orbitmed.com



### Quotation

**Quote #:** 1434

**Date:** March 14, 2016

**Customer:** Jacksonville Diagnostic Imaging, LLC  
3480 Preston Ridge Road, Alpharetta, GA 30005

This quotation constitutes Orbit Medical Technologies offer to sell and provide services on the products described herein. This quotation shall not bind Orbit Medical Technologies until it has been countersigned by an authorized representative in the corporate offices in Harvey, Illinois.

### Equipment Being Offered:

*Refurbished GE 1.5T 23x 16-Channel CXK4 Mobile MRI System*

### System Features:

- Detachable Patient Table Accommodates Patient Weight to a Maximum 350 lbs.
- HFD Gradient Driver 33 mT/m, Slew Rate 120
- High Performance Gradient Subsystem
- DICOM 3.0 Compliant

### System Hardware Included:

- 1.5T Echospeed Plus 23.0X 16-Channel Electronics with Phased Array
- HP Linux Dual Processor Workstation/Operator Console w/Wide Screen
- 16- Channel Digital RF System
- VRE Reconstruction Engine

### ScanTools 23.0 System Software Includes:

Modality Worklist (MWL), Flow and Volume Measurement, Bloodsupp, ConnectPro, iDrive, iDrive Pro, iDrive Pro Plus, Performed Procedure Step, Protocol Library, ProtoCopy, Workflow Manager, AutoStart, AutoScan, AutoVoice, Linking, Inline Processing, Inline Viewing and Image Fusion, FuncTools, IP Protection, 16 Channel System

**Fast Spin Echo Based Acquisitions:** Fast Spin Echo (FSE), Fast Spin Echo-XL (FSE-XL), Fast Recover Fast Spin Echo (FRFSE), Single Shot Fast Spine Echo (SSFSE), FLAIR, 3DFRFSE

**Gradient Echo Based Acquisitions:** GRE, FGRE, SPGR, FSPGR, 2D and 3D Dual Echo Gradient Echo, 2D and 3D Time of Flight (TOF), 2D MERGE, 3D MERGE, COSMIC, 2D FIESTA, 3D FIESTA, 3D FatSat FIESTA, BRAVO, SPECIAL, LAVA, FastCINE, iDrive Pro, SmartPrep

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16151 Clinton Street, Harvey, IL 60426  
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www.orbitmed.com



**Echo Planar Based Acquisitions:** Diffusion EchoPlanar Imaging (DW EPI), FLAIR EPI, Array Spatial Sensitivity Encoding Technique (ASSET), Auto-Calibrating Reconstruction (ARC)

**Propeller 3.0 Package:** T1 FLAIR Propeller, T2 Propeller, T2 FLAIR Propeller, Diffusion Weighted Propeller (DW Propeller)

**VIBRANT Package:** Vibrant (Breast2)

**IDEAL:** Provides consistent, robust fat and water separation every time. Four different contrasts: water-only, fat-only, in-phase, out-of-phase are generated from a single acquisition, to help facilitate more confident diagnoses and reduce repeat exams

**Additional Software Upgrades:**

**Inhance 2.0 Suite:** Inhance 2D Inflow, Inhance 3D Velocity, Inhance 3D Inflow IR

- LAVA, LAVA-XV
- Enhanced Diffusion Weighted Imaging(eDWI)
- Time Resolved Imaging and Contrast Kinetics (TRICKS)
- Phase Contrast Vascular Imaging
- Probe Press Single Voxel
- Probe 2000 Upgrade & Probe 3D Brain
- CUBE T2
- T2 STAR WEIGHTED IMAGING (SWAN)
- Fluoro Triggered MRA
- Spectroscopy PROBE

**Coil List:**

- o 16-Channel Head, Neck and Spine Coil
- o 12-Channel Body Coil
- o 8-Channel Breast Coil
- o 8-Channel T/R Knee Array
- o 8-Channel Foot and Ankle Array
- o 8-Channel Wrist Array
- o 3-Channel Shoulder Array
- o General Purpose Flex Coil
  
- o Medrad Spectris Soloris Dual Head Injector

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sales@orbitmed.com  
www.orbitmed.com



**Additional Items:**

**Refurbished Trailer:** Refurbishment of Trailer will be limited to:

*Exterior:*

- Test generator/ fix issues
- Paint Trailer
- Weather stripping on all doors
- Check tires replace if needed
- Refurbish patient lift
- Replace door hardware with stainless
- Fix generator corners
- Check rails
- Perform trailer checklist
- Evaluate HVAC unit fix or replacement if needed
- New Tires
- Valid DOT inspection and sticker

*Interior:*

- Magnet room floor ramp down and replace if necessary
- Add door stopper in magnet room
- Equipment room wall replace
- Equipment room floor replace remove system cabinets
- Equipment room ceiling remove carpet
- Install whiteboard ceiling
- Replace counter top
- Tune all cabinets all trim and wall in all three Rooms

**EXHIBIT C**  
**Project Capital Cost Form**

**PROJECT CAPITAL COST**  
**NHI - Cabarrus- MRI Replacement**

<b>A. Site Costs</b>		
	(1) Full purchase price of land	
	(2) Closing Costs	
	(3) Site Inspection & Survey	
	(4) Legal Fees & subsoil investigation	
	(5) Site Preparation Costs	
	(6) Other:	
	<b>(7) Sub-Total Site Costs</b>	<b>N/A*</b>
<b>B. Construction Contract</b>		
	(8) Cost of Materials	\$10,000
	(9) Cost of Labor	\$15,000
	(10) Other:	
	<b>(11) Sub-Total Construction Contract</b>	<b>\$25,000**</b>
<b>C. Miscellaneous Project Costs</b>		
	(12) Building Purchase	
	(13) & (14) Fixed Equipment Purchase/Lease + Movable Equipment Purchase/Lease*	\$835,000
	(14a) Information Technology	\$
	(15) Furniture	
	(16) Landscaping	
	(17) Consultant Fees (CON Consultant)	
	Other: Signage	\$
	<b>Sub-Total Consultant Fees</b>	
	(18) Financing Costs (Bond, Loan, etc.)/Imputed Interest	
	(19) Interest During Construction	
	(20) Other (Specify):	
	<b>(21) Sub-Total Miscellaneous</b>	<b>\$860,000</b>
<b>D. Total Capital Cost of Project</b>	<b>(22) Total Capital Cost of Project -Sum above Subtotals for Rows (11) &amp; (21)</b>	<b>\$860,000</b>

\*NHIC has an existing and operational mobile MRI pad that can accommodate the proposed replacement unit without additional expense.

\*\*Construction estimate for the removal of the existing MRI from the building.

**Equipment Comparison Form  
NHI Cabarrus – MRI Replacement**

	Existing Equipment	Replacement Equipment
Type of Equipment (List Each Component)	MRI Equipment	MRI Equipment
Manufacturer of Equipment	GE	Siemens
Tesla Rating for MRIs	1.5T	1.5T
Model Number	HDxt 23x	Aera
Serial Number	R0380	TBD
Provider's Method of Identifying Equipment	MQ 26	TBD
Specify if Mobile or Fixed	Fixed (mobile unit)	Fixed
Mobile Trailer Serial Number /VIN#	1JJV482W5XL512394	N/A
Mobile Tractor Serial Number /VIN#	N/A (trailer only)	N/A
Date of Acquisition of Each Component	5/17/2016	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	\$ 835,000	\$1,046,400
Total Cost of Equipment	\$ 835,000	\$ 845,000
Fair Market Value of Equipment	\$ 650,000	\$ 845,000
Net Purchase Price of Equipment	\$ 835,000	\$ 845,000
Locations Where Operated	NHI-Cabarrus	NHI-Cabarrus
Number of Days in Use/To be Used in NC per Year	365	365
Percent of Change in Patient Charges by Procedure	N/A	No increase
Percent of Change in Per Procedure Operating Expenses by Procedure	N/A	No increase
Type of Procedures Currently Performed on Existing Equipment	MRI Exams	N/A
Type of Procedures New Equipment is Capable of Performing	N/A	MRI Exams



**Cabarrus County Commercial Building Plan Review Summary**

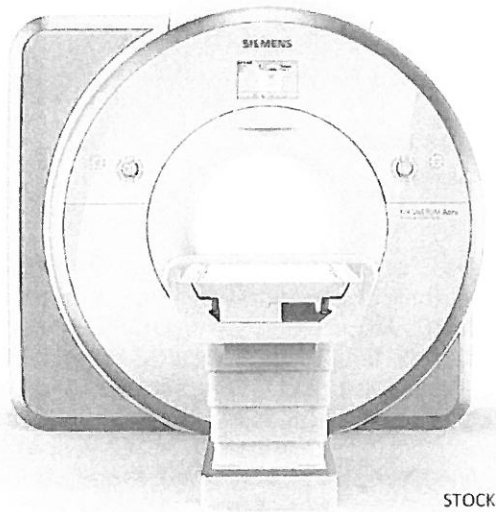
Begin Date: 10/1/2019 through End Date: 10/31/2019

Application Number	Application Date	Address	Applicant	Description	Value	Count
BU2019-03655	10/23/2019	13460 PLAZA RD EXT CHARLOTTE, NC 28215	R & N Construction	Rocky River Healthcare Retaining Wall - 196.5' Long	\$67,190	0
BU2019-03663	10/24/2019	4474 OLD AIRPORT RD CONCORD, NC 28025	EMPIRE CONTRACTING, LLC	Cell Tower Uplift	\$145,000	0
BU2019-03674	10/25/2019	2777 ODELL SCHOOL RD CONCORD, NC 28027	DAVID WAYNE SCOTT	At 110', add (2) RAU2 X 18 outdoor radio units and (2) runs of CNT400 3/8" Coax. Final count will be (4) RAU2 X 18 ODU's and 4 runs of CNT400 3/8" Coax. 3 New Frequencies 19625.0000V, 19575.0000H, 19675.0000H.	\$37,500	0
BU2019-03675	10/25/2019	4000 US HWY 601 S CONCORD, NC 28025	Allen VFD	Add 3 bunk rooms to day room area and change 2 doors to 90 min fire doors.	\$0	0
BU2019-03677	10/25/2019	6081 BAYFIELD PKWY CONCORD, NC 28027		1 39 sq ft wall sign and 1 60 sq ft wall sign	\$35,000	0
BU2019-03683	10/28/2019	609 CHURCH ST N CONCORD, NC 28025		Standard canvas Awning on front 3' drop X 3' projection x 38' wide.	\$15,000	0
BU2019-03697	10/28/2019	8549 QUAY RD CONCORD, NC 28027	BETACOM INCORPORATED	REMOVE 12 PANELS, 12 1-5/8" COAX CABLES, AND 6 RRUS, INSTALL 9 NEW PANELS, 6 RRUS, 1 1-5/8" HYBRID CABLE AND 1 OVP	\$75,000	0
BU2019-03698	10/28/2019	2420 BRANTLEY RD KANNAPOLIS, NC 28083	BETACOM INCORPORATED	Verizon will be removing 6 coax cables and adding 3 new antennas, 4 RRUs, 6 diplexers, 1 hybrid cable, and 1 OVP.	\$75,000	0
BU2019-03699	10/28/2019	614 S CANNON BLVD KANNAPOLIS, NC 28083	SHIEL-SEXTON COMPANY INC	GENERAL CONSTRUCTION CONSISTS OF A BUILD OUT OF A BUILDING SHELL. INTERIOR WALLS SHALL BE METAL STUD LIGHT GAUGE FRAMING. TOTAL CLINIC AREA CONSISTS OF 8,990 SQ. FT. GROSS. INTERIOR WORK TO HOUSE 23 STATIONS AND ONE SEPARATION ROOM, A PROGRAM MANAGER'S OFFICE, A CONSULTATION ROOM, AND VARIOUS OTHER SUPPORT OFFICES AS WELL AS TWO HOME TRAINING ROOMS.	\$14,000,000	0
BU2019-03713	10/29/2019	5200 NC HWY 49 S HARRISBURG, NC 28075	WHITLEY CONSTRUCTION LLC	Interior Uplift for Dental Office	\$2,350,530	5,648
BU2019-03720	10/30/2019	7831 GATEWAY LN NW CONCORD, NC 28027	CONCORDE CONSTRUCTION CO	Interior fireplace being replaced and surround being renovated. Host desk being reconfigured, shop being reconfigured, buffet being reconfigured, bar being reconfigured with new front and back bar and lounge seating area layout, patio being enclosed with a new outdoor fireplace.	\$6,500,000	0
BU2019-03731	10/31/2019	3049 DERITA RD CONCORD, NC 28027	ERICSSON INC	Verizon is removing 9 antennas, 4 RRUs, and 6 coax cables and replacing those with 9 new antennas, and 12 RRUS	\$75,000	1
BU2019-03741	10/31/2019	368 GEORGE W LILES PKWY NW CONCORD, NC 28027	RITE LITE SIGNS, INC.	Change Existing Panel in front of ATM to new Panel with new Branding Logo.	\$3,250	0
BU2019-03742	10/31/2019	1335 AJ TUCKER LOOP MIDLAND, NC 28107		Minor Demo and Uplift	\$65,000	616
BU2019-03743	10/31/2019	1331 AJ TUCKER LOOP MIDLAND, NC 28107		UPFIT	\$50,000	1,350
BU2019-03746	11/1/2019	191 SIMS PKWY HARRISBURG, NC 28075	J.D. GOODRUM CO., INC	Harrisburg Park Segmental Walls	\$1,360,000	9,000
<b>Total Plans Reviewed: 48</b>					<b>\$111,014,230</b>	<b>1,583,520</b>

# Healthcare



**Cabarrus Diagnostic Imaging, LLC.**  
**3480 Preston Ridge Road, Suite 600**  
**Alpharetta, GA 30005**



STOCK PHOTO

## MRI EQUIPMENT SALE AGREEMENT

AGREEMENT NUMBER	AGREEMENT TYPE	DESCRIPTION OF EQUIPMENT
168015SP DATE: December 13, 2019	MRI Turnkey Agreement with 12-month Warranty	Siemens Aera 1.5T 48 Channel MRI Scanner with Chiller and Medrad Spectris Solaris EP Injector

**Oxford Instruments Healthcare**  
**Sales Representative**  
**Steve Pennington**  
**Senior Sales & Leasing Manager**

## SPECIFICATIONS

Siemens Aera 1.5T 48 Channel MRI Scanner:

- ❖ Magnetom AERA A Tim+Dot System
- ❖ XJ Gradients, 33mT/m, SR 125
- ❖ Sumitomo F-70, MR AWP Console, Syngo MRE11, VE11C Console SW

Software Packages:

- ❖ COEM VZ10F\_SL02P02
- ❖ SYNGO VH22B\_SL19P26\_CS103
- ❖ N4\_VE11C\_LATEST\_20160120
- ❖ N4\_VE11X\_LATEST\_20160120\_P16 (SP01)
- ❖ N4\_VE11C\_FEATURE\_20160120\_SD04\_F1 (SD04)
- ❖ N4\_VE11C\_FEATURE\_20170704\_SH04\_F2 (SH04)
- ❖ N4\_VE11C\_FEATURE\_20170704\_SH03\_F2 (SH03)
- ❖ MR\_MR011-14-P\_N40UPD0001
- ❖ N4\_VE11C\_LATEST\_20170704\_P16 (AP04)
- ❖ SECURITYDELIVERY\_SD05\_F3 (SD05)

Software Options:

Tim Application Suite, Angio Suite, Cardiac Suite, Neuro Suite, Body Suite, Onco Suite, Ortho Suite, Quiet Suite, Breast Suite, Scientific Suite, Syngo General License, 3D Usage License, 3D MPR (Volume of Interest), 3D MIP, 3D SSD, Argus Viewer, Worklist, PhoenixZIP, Optimized Protocols for EC, Syngo Remote Assist, CISS & DESS, TimCT Fast View, iPAT Extensions, Motion Correction NR, Image Filter Software, MPPS, Inline 3D Distortion Correction, 3D Distortion Correction, MDDW, Morpho Quality Control, Inline Diffusion, BLADE, TGSE, Dot Engine Basic, Brain DOT Engine, AutoAlign Head LS, Spectroscopy:SVS, Spectroscopy:2D CSI, MR Spectroscopy Evaluation, Composing, Inline Perfusion, Inline Composing, SWI, TWIST, MapIt, AutoAlign Knee, Spectroscopy:3D CSI, Syngo BreVis Biopsy, Auto Bolus Detection, Abdomen Dot Engine, Knee Dot Engine, Neuro Perfusion Local AIF, Breast Dot Engine, Hip Dot Engine, AutoAlign Shoulder, AutoAlign Hip, Advanced Diffusion, Breast Dynamic, Advanced WARP, Fast Dixon.

Coils:

- ❖ Head / Neck 20
- ❖ Body 18 - No 1
- ❖ Body 10 No 2
- ❖ Hand Wrist 16
- ❖ Foot Ankle 16
- ❖ TxRx Knee 15
- ❖ Flex 4 Large
- ❖ Flex 4 Small
- ❖ Flex Coil Interface
- ❖ 4 Channel Special Purpose Coil
- ❖ Spine 32
- ❖ Shoulder 16 Small

**\*\* Subject to Availability\*\***

CUST. INT. \_\_\_\_\_ OIHC INT. \_\_\_\_\_



## MRI EQUIPMENT SALE AGREEMENT

Oxford Instruments Service, LLC ("OXFORD INSTRUMENTS HEALTHCARE"), located at 1027 SW 30<sup>th</sup> Avenue, Deerfield Beach, FL 33442, hereby agrees to sell; and Cabarrus Diagnostic Imaging, LLC. ("PURCHASER"), located at 3480 Preston Ridge Road, Suite 600, Alpharetta, GA 30005. The billing address is 3480 Preston Ridge Road, Suite 600, Alpharetta, GA 30005. The physical address of equipment to be installed/serviced is Novant Health Imaging Cabarrus, 13528 Plaza Road Extension Suite 150 Charlotte, NC 28215, hereby agrees to purchase the equipment described below ("Equipment") in accordance with the terms and conditions set forth below in this Agreement and the standard terms and conditions set forth in Exhibit A, attached hereto and incorporated to this Agreement by reference:

**PURCHASE PRICE: Eight Hundred Forty-Five Thousand Dollars (\$845,000.00) ("Purchase Price").** The Purchase Price and any other amounts payable under this Agreement shall be paid in U.S. Dollars by the wire transfer of immediately available funds to bank account directed by OXFORD INSTRUMENTS HEALTHCARE.

**EXECUTION OF AGREEMENT AND DEPOSIT BY PURCHASER:** PURCHASER shall return an executed Agreement to OXFORD INSTRUMENTS HEALTHCARE on or before **March 27, 2020** along with a deposit of **\$253,500.00** (30% of Purchase Price) via wire transfer of immediately available funds to a bank account directed by OXFORD INSTRUMENTS HEALTHCARE. If PURCHASER fails to execute this Agreement and pay the deposit prior to such date, the terms and conditions set forth in this Agreement shall be null and void.

**PAYMENT TERMS:** The Purchase Price shall be paid as follows: (i) 30% of the Purchase Price upon the execution of this Agreement; (ii) 60% upon written notice of shipment to PURCHASER's site and prior to delivery of the Equipment to the PURCHASER'S site; and (iii) 10% upon the first use of the Equipment, but no later than 30 days after the delivery of the Equipment.

**REFURBISHMENT:** Refurbishing of Equipment includes a controlled process of inspecting all mechanical parts and adjusting or replacing parts as necessary, along with professional cleaning and painting to look like new.

**LIMITED WARRANTY:** The limited warranty provided by OXFORD INSTRUMENTS HEALTHCARE shall be governed pursuant to the terms and conditions set forth on Exhibit "A" attached hereto and made a part hereof. **Every attempt has been made to assure complete and accurate system specifications to the best of our ability.**

**INSTALLATION, TURNOVER AND ON-SITE APPLICATIONS TRAINING:** The installation and turnover of the Equipment, along with applications training shall be governed pursuant to the terms and conditions set forth on Exhibit "A" attached hereto and made a part hereof.

**DELIVERY DATE:** The Equipment shall be de-installed and delivered on or before **July 31, 2020** ("Delivery Date") at **Novant Health Imaging Cabarrus 13528 Plaza Road Extension Suite 150 Charlotte, NC 28215**, OXFORD INSTRUMENTS HEALTHCARE shall pay all transportation costs.

CUST. INT. \_\_\_\_\_ OIHC INT. \_\_\_\_\_

# Healthcare



*The Business of Science®*

**ACCEPTANCE OF TERMS AND CONDITIONS:** OXFORD INSTRUMENTS HEALTHCARE and PURCHASER have carefully read the terms and conditions of this Agreement and its Standard Terms and Conditions. The undersigned are duly authorized to execute this Agreement on behalf PURCHASER and OXFORD INSTRUMENTS HEALTHCARE.

**SELLER:**  
"OXFORD INSTRUMENTS HEALTHCARE"

**PURCHASER/CUSTOMER:**  
Cabarrus Diagnostic Imaging, LLC.

\_\_\_\_\_  
OXFORD INSTRUMENTS HEALTHCARE Signature

\_\_\_\_\_  
Purchaser/Customer Signature

\_\_\_\_\_  
Jeff Fall, President  
Print Name and Title

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

DRAFT

**EXHIBIT A  
STANDARD TERMS AND CONDITION**

**1. INCORPORATION OF ADDITIONAL TERMS AND CONDITIONS:** This Exhibit is an integral part of OXFORD INSTRUMENTS HEALTHCARE's offer to sell the Equipment to PURCHASER. By signing the Agreement and the Exhibit and returning it to OXFORD INSTRUMENTS HEALTHCARE, PURCHASER hereby accepts all of the terms and conditions set forth in this Agreement, including, but limited to the terms set forth in this and any other Exhibit.

**2. DEFAULT:**

(a) If OXFORD INSTRUMENTS HEALTHCARE fails to deliver the Equipment within 45 days after the Delivery Date, **January 20, 2020**, then PURCHASER shall have the right to cancel this Agreement and receive a full refund of any and all funds paid to OXFORD INSTRUMENTS HEALTHCARE, including, but limited to all deposits and prepayments. The aforementioned refund shall be PURCHASER's sole and exclusive remedy.

(b) If PURCHASER fails to comply with the payment terms described on the first page of this Agreement, and such non-payment continues for a period of five (5) business days after such payment due date, then in addition to any and all rights and remedies available to OXFORD INSTRUMENTS HEALTHCARE at law or equity, OXFORD INSTRUMENTS HEALTHCARE shall have the right to cancel this Agreement and retain any and all funds paid to OXFORD INSTRUMENTS HEALTHCARE, including, but limited to all deposits and prepayments.

(c) In the event OXFORD INSTRUMENTS HEALTHCARE agrees to accept multiple payments to satisfy the Purchase Price which shall be paid over a period of time, PURCHASER hereby grants OXFORD INSTRUMENTS HEALTHCARE a purchase money security interest under the UCC in all Equipment to secure full payment for such goods received. PURCHASER shall execute any documents required by OXFORD INSTRUMENTS HEALTHCARE to perfect such security interest in the Equipment, and where permitted, PURCHASER hereby authorizes OXFORD INSTRUMENTS HEALTHCARE to sign and file the same without PURCHASER's signature. PURCHASER agrees to pay any and all expenses related to the preparation and filing of such documents.

**3. TRANSFER OF TITLE:** Upon OXFORD INSTRUMENTS HEALTHCARE's receipt of the full Purchase Price, OXFORD INSTRUMENTS HEALTHCARE shall assign, transfer and convey all of its right, title and interest in the Equipment to PURCHASER, free and clear of all liens and encumbrances.

**4. INSTALLATION, TURNOVER AND ON-SITE APPLICATIONS TRAINING:**

(a) OXFORD INSTRUMENTS HEALTHCARE shall provide PURCHASER with site planning assistance including preliminary/final room drawings. OXFORD INSTRUMENTS HEALTHCARE shall only perform commercially normal installation. There will be no special rigging requirements such as the use of cranes. The PURCHASER agrees to pay upon receipt of invoice from OXFORD INSTRUMENTS HEALTHCARE any amount above \$7,500 for rigging of the Equipment into the site of installation.

(b) PURCHASER shall be responsible to prepare the site in accordance with the site plan and the specifications of the Original Equipment Manufacturer (OEM). All applicable, licenses and/or permits shall be the responsibility of the PURCHASER.

(c) OXFORD INSTRUMENTS HEALTHCARE shall provide 7-days on-site applications training. The training schedule is generally 4-5 days following the turnover of the Equipment, and 2-3 days follow up. Training is approved for CEU's.

(d) The following Service shall not be provided by OXFORD INSTRUMENTS HEALTHCARE: (i) RF Room and Shielding. (ii) Installation of air conditioning units, water chillers, and electrical panels and related equipment and environmental which shall be performed by licensed contractors hired by PURCHASER. (iii) Site modifications and renovations to the installation site as would be required by Original Equipment Manufacturer (OEM) specifications.

CUST. INT. \_\_\_\_\_ OIHC INT. \_\_\_\_\_

(e) The procedure for the installation and turnover of the Equipment, along with on-site applications training is as follow: (i) Upon the delivery of the Equipment and upon PURCHASER's completion of site preparation, OXFORD INSTRUMENTS HEALTHCARE shall commence installation of the Equipment (in accordance with the provision set forth in paragraphs (a) and (b) above); provided that if Purchaser delays the installation of the Equipment or the site has not been properly prepared by Purchaser for installation within 5 business days of the Delivery Date, then the installation and turnover of the Equipment shall be deemed accepted. Further, shall pay OXFORD INSTRUMENTS HEALTHCARE a storage fee in the amount of \$3,000.00 per month (plus the cost of any cryogenics required to keep the magnet cold while in storage), and such fees shall be due and payable prior to the delivery and installation of the Equipment at the site. (ii) OXFORD INSTRUMENTS HEALTHCARE shall schedule and provide Purchaser's employees with application training for the Equipment (in accordance with the provision set forth in paragraph (c) above) upon completion of the installation of the Equipment provided; however, if Purchaser delays the application training by more than 5 business days, then the installation and turnover of the Equipment shall be deemed accepted. (iii) Upon completion of the installation of the Equipment and the applications training, OXFORD INSTRUMENTS HEALTHCARE shall provide Purchaser with a Certificate of Acceptance which shall provide that: (A) the Equipment has been properly installed and the Equipment meets or exceeds the original specifications of the original equipment manufacturer, and (B) the application training has been completed. (iv) Purchaser shall have 5 business days from the receipt of the Certificate of Acceptance to provide OXFORD INSTRUMENTS HEALTHCARE with either: (A) written acceptance to the installation and turnover of the Equipment; or (B) provide OXFORD INSTRUMENTS HEALTHCARE with written notice which describes any issues relating to the Equipment's conditions or specifications, the installation of the Equipment or the application training. (v) If Purchaser fails to provide OXFORD INSTRUMENTS HEALTHCARE with a written response to the Certificate of Acceptance in accordance with subparagraph (iv) above, then the installation and turnover of the Equipment shall be deemed accepted.

5. **RISK OF LOSS:** The risk of loss from any damages or casualty to the Equipment shall pass from OXFORD INSTRUMENTS HEALTHCARE to PURCHASER when the Equipment is duly delivered to the transportation carrier or the Equipment is picked up by the transportation carrier.

6. **LIMITED WARRANTY:**

(a) Subject to the provisions set forth below, OXFORD INSTRUMENTS HEALTHCARE shall provide a limited warranty for a **12-Month** period commencing on the earlier of: (i) acceptance of the Equipment by PURCHASER (in accordance with the terms set forth on Exhibit "A"), or (ii) first clinical use and billing of patient ("Warranty Period"). The warranty coverage period is M-F, 8:00 a.m. – 5:00 p.m., excluding holidays.

(b) OXFORD INSTRUMENTS HEALTHCARE warrants that the Equipment is free from defects in material or workmanship under normal use and service. There shall be no warranty on consumables. The limited warranty shall cover all parts and labor (surface coils and cryogenics – which shall not exceed 1000 liters).

(c) Any Equipment found to be defective during the Warranty Period shall be repaired or replaced free of charge, provided that PURCHASER satisfies all of the following conditions: (i) PURCHASER gives written notice of the defect (with reasonable relevant information) to OXFORD INSTRUMENTS HEALTHCARE as soon as reasonably practicable and within the Warranty Period; (ii) the Equipment has been used solely for its proper purpose and in accordance with the operating instructions specified by the original equipment manufacturer (including, but not limited to meet or exceed the proper power requirements in accordance with the specifications of the original equipment manufacturer and all HVAC requirements); (iii) the defect has not been caused by fire, accident, misuse, neglect, incorrect installation by PURCHASER or its customers, agents or servants, (iv) there has been no unauthorized alteration, repair or maintenance or the use of sub-standard consumables; (v) the defect has not arisen from any design, specification, component or material supplied by or on behalf of PURCHASER; (vi) no part of the Equipment has been replaced with a part not supplied or approved by OXFORD INSTRUMENTS HEALTHCARE; (vii) all repairs to the Equipment have been made by personnel of OXFORD INSTRUMENTS HEALTHCARE or approved by OXFORD INSTRUMENTS HEALTHCARE; (viii) PURCHASER has made all payments due and owed to OXFORD INSTRUMENTS HEALTHCARE. In the event PURCHASER fails to meet the requirements set forth in sub-paragraph (c)(i) above, OXFORD INSTRUMENTS HEALTHCARE shall have the right to impose additional charges to PURCHASER or void the limited warranty set forth herein, as provided by OXFORD INSTRUMENTS HEALTHCARE in its sole discretion.

CUST. INT. \_\_\_\_\_ OIHC INT. \_\_\_\_\_

- (d) PURCHASER shall be liable for any costs incurred by OXFORD INSTRUMENTS HEALTHCARE in responding to claims caused by operator error or incorrect application or other default of PURCHASER or other third party;
- (e) PURCHASER shall pay the costs of all consumables.
- (f) OXFORD INSTRUMENTS HEALTHCARE, at its sole discretion, shall determine whether to replace or repair the Equipment.
- (g) If a part fails within this Warranty Period and is replaced or repaired, then the new part will have a warranty period equal to the remaining period of the part that failed.
- (h) OXFORD INSTRUMENTS HEALTHCARE, at its option and sole discretion, may repair the Equipment at the site of PURCHASER or direct PURCHASER to have the Equipment returned to OXFORD INSTRUMENTS HEALTHCARE's premises. If repairs are made at the location of PURCHASER, OXFORD INSTRUMENTS HEALTHCARE will not charge for the cost of materials or labor but will, at its discretion, charge travelling and subsistence expenses incurred by OXFORD INSTRUMENTS HEALTHCARE's representatives; and
- (i) PURCHASER shall accord OXFORD INSTRUMENTS HEALTHCARE and its representatives or agents sufficient and timely access to the Equipment to enable its staff to inspect and adjust, repair, remove or replace the Equipment; and
- (j) THIS WARRANTY IS GIVEN IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, DESCRIPTION AND FITNESS FOR PARTICULAR PURPOSE.

**7. LIMITATION OF WARRANTIES AND LIABILITY, HOLD HARMLESS:**

- (a) PURCHASER ACKNOWLEDGES THAT OXFORD INSTRUMENTS HEALTHCARE DID NOT MANUFACTURE THE EQUIPMENT, AND THAT EXCEPT AS SET FORTH HEREIN, OXFORD INSTRUMENTS HEALTHCARE MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, WITH RESPECT TO THE EQUIPMENT. THIS AGREEMENT STATES OXFORD INSTRUMENTS HEALTHCARE'S ENTIRE OBLIGATION WITH RESPECT TO THIS TRANSACTION. EXCEPT AS SET FORTH HERIN, OXFORD INSTRUMENTS HEALTHCARE PROVIDES NO WARRANTY OF OPERABILITY AND WILL HAVE NO LIABILITY FOR ANY FAILURE OF THE EQUIPMENT AFTER PURCHASER OR ITS AGENTS TAKE TITLE AND BEGIN DEINSTALLATION. IN NO EVENT WILL OXFORD INSTRUMENTS HEALTHCARE OR ITS AGENTS BE LIABLE FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES, INCLUDING LOSS OF USE, PROJECTED PROFITS, OR OTHER FINANCIAL LOSSES DERIVING FROM THE SALE OR USE OF THE ABOVE MENTIONED EQUIPMENT, NOR SHALL OXFORD INSTRUMENTS HEALTHCARE OR ITS AGENTS BE LIABLE FOR ANY DAMAGES FOR BODILY INJURY.
- (b) PURCHASER AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS OXFORD INSTRUMENTS HEALTHCARE AGAINST ANY AND ALL CLAIMS, JUDGMENTS, COSTS (INCLUDING ACTUAL ATTORNEY FEES), EXPENSES, OR OTHER LOSSES TO ANY PERSON, GROUP OR ENTITY, DERIVING FROM OXFORD INSTRUMENTS HEALTHCARE'S SERVICE. IN THE EVENT THAT THE TRANSFER IS NOT COMPLETED FOR ANY REASON, INCLUDING FORCE MAJEURE, ACTS OF WAR OR GOD, OR WITHDRAWAL OF THE EQUIPMENT FOR SALE, THE SOLE LIABILITY OF OXFORD INSTRUMENTS HEALTHCARE SHALL BE LIMITED TO THE RETURN OF ALL MONIES ALREADY PAID TO OXFORD INSTRUMENTS HEALTHCARE BY PURCHASER, INCLUDING DEPOSITS. PURCHASER WILL HAVE NO OTHER REMEDY UNDER LAW FOR ANY REASON WHATSOEVER, INCLUDING BUT NOT LIMITED TO LOSS OF USE OR DERIVATIVE PROFITS OR ANY OTHER DAMAGES.

**8. SOFTWARE**

- (a) PURCHASER acknowledges and agrees that OXFORD INSTRUMENTS HEALTHCARE has no rights, titles, and interest in and to software relating to the Equipment, and that OXFORD INSTRUMENTS HEALTHCARE has no right to grant any licenses thereunder. PURCHASER further acknowledges and agrees that all rights, title and interest in such software remain with the original equipment manufacturer ("OEM").
- (b) OXFORD INSTRUMENTS HEALTHCARE makes no representations and warranties to PURCHASER that the software was properly installed in the Equipment and that it will perform substantially as described in the OEM's specification for the Equipment.
- (c) By executing this Agreement, the PURCHASER hereby designates OXFORD INSTRUMENTS HEALTHCARE as PURCHASER's attorney in fact, with full power and authority, to act on PURCHASER's behalf with the OEM in connection with obtaining the necessary software from the OEM to operate, repair or maintain the Equipment.

CUST. INT. \_\_\_\_\_ OIHC INT. \_\_\_\_\_



9. **TAXES:** Any sales, use, property, or other taxes or regulatory fees applicable to this transaction will be in addition to the purchase price quoted, and shall be due and payable by PURCHASER. PURCHASER shall provide to OXFORD INSTRUMENTS HEALTHCARE proof of any claimed exemption from the foregoing items.

10. **SUBCONTRACTORS:** OXFORD INSTRUMENTS HEALTHCARE reserves the right to utilize sub-contracts for any of the required to meet its obligations under this Agreement.

11. **APPLICABLE LAW, ARBITRATION, LITIGATION, JURISDICTION, AND VENUE:**

(a) This Agreement shall be governed by and interpreted by the laws of the State of Massachusetts. Any Controversy or Claim arising out of or in relation to this Agreement, or breach thereof, shall be submitted to binding arbitration. Any such arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association, but not necessarily administered by the American Arbitration Association. The venue of any such arbitration shall be the State of Massachusetts. Any controversy will be submitted to a panel of three arbitrators. PURCHASER and OXFORD INSTRUMENTS HEALTHCARE shall each select one arbitrator and those arbitrators shall select a third arbitrator. Any arbitrator must be a member of the Massachusetts Bar Association. The fees for the arbitrators will be levied as follows: PURCHASER and OXFORD INSTRUMENTS HEALTHCARE will each be responsible for paying the respective fee of the arbitrator they selected. PURCHASER and OXFORD INSTRUMENTS HEALTHCARE will each pay fifty percent (50%) of fees charged by the third arbitrator. Judgment upon the award rendered by the arbitrators may be entered and enforced by any court having jurisdiction. The prevailing party in arbitration shall be awarded all costs incurred in connection with the pursuit of its claims, including filing fees, arbitrators' fees, and reasonable attorney fees.

(b) PURCHASER hereby consents to personal jurisdiction in the State of Massachusetts and to venue in the county or federal district in which OXFORD INSTRUMENTS HEALTHCARE maintains its headquarters.

12. **ENTIRE AGREEMENT, NON-CANCELLATION:** This Agreement (and all exhibits) represents the entire agreement between the parties, is a final expression of that agreement, is non-cancelable, and supersedes any previous oral or written agreements between the parties. Any changes must be in writing and signed by both parties. This Agreement will not be binding until signed by both parties, and can be withdrawn by either party at any time, without notice, prior to signature by either party.

13. **MISCELLANEOUS PROVISIONS:**

- (a) Paragraph headings used in this Agreement are of no legal effect;
- (b) If any provision contained in this Agreement is determined to be invalid, illegal or otherwise unenforceable, the remaining provisions shall be fully enforceable;
- (c) Any forbearance by either party from enforcing any term of this Agreement shall not constitute a waiver of any right under this Agreement, unless stated in writing;
- (d) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. A copy of a signature received through telefax transmission or other electronic means (including in Adobe PDF or similar format) shall bind the party whose signature is so received as if such signature were an original;
- (e) PURCHASER may not assign any of its rights or obligations under this Agreement without the prior written consent of OXFORD INSTRUMENTS HEALTHCARE which consent shall not be unreasonably withheld;
- (f) All Exhibits to this Agreement are expressly made a part of this Agreement as fully as though completely set forth in this Agreement;

CUST. INT. \_\_\_\_\_ OIHC INT. \_\_\_\_\_

# Healthcare



The Business of Science®

(g) This Agreement and the Attachments hereto constitute the entire agreement between the contracting parties concerning the subject matter hereof. All prior agreements, discussions, representations, warranties and covenants are merged herein. There are no warranties, representations, covenants or agreements, express or implied, between the parties except those expressly set forth in this agreement. Any amendments or modifications of this agreement shall be in writing and executed by the contracting parties. Should there be any inconsistency between the terms and conditions set forth in the main body of this agreement, and the terms and conditions specified in the Addendum, the provisions of the Addendum shall prevail and supersede the inconsistent provisions of the main body of this agreement;

**OXFORD INSTRUMENTS HEALTHCARE** and **PURCHASER** do each hereby agree and accept the terms and conditions set forth in this Exhibit.

**SELLER:**  
**"OXFORD INSTRUMENTS HEALTHCARE"**

**PURCHASER/CUSTOMER:**  
**Cabarrus Diagnostic Imaging, LLC.**

\_\_\_\_\_  
OXFORD INSTRUMENTS HEALTHCARE Signature

\_\_\_\_\_  
Purchaser/Customer Signature

\_\_\_\_\_  
Jeff Fall, President  
Print Name and Title

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

DRAFT

**Projected Capital Cost Form - MRI**

Building Purchase Price	
Purchase Price of Land	
Closing Costs	
Site Preparation	
Construction/Renovation Contract(s)	\$188,680
Landscaping	
Architect / Engineering Fees	\$12,720
Medical Equipment	\$845,000
Non-Medical Equipment	
Furniture	
Consultant Fees (specify)	
Financing Costs	
Interest during Construction	
Other (specify)	
<b>Total Capital Cost</b>	<b>\$1,046,400</b>

**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: 2.27.2020

**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: 2-27-20

PRESIDENT  
 \_\_\_\_\_  
 Title of Officer/Agent

**D.E.S.**

Diagnostic Equipment Services Inc. 11350 Old Roswell Road Suite 1200 Alpharetta, Georgia 30009 770-475-6179

*February 10, 2020*

Doug Shepard  
Medquest Associates  
3480 Preston Ridge Road, Suite 600  
Alpharetta, GA 30005

Dear Mr. Shepard:

Respectfully, I am providing within this document an Appraisal Report for a GE Lightspeed VCT 32 CT scanner located at a storage facility in Pisgah Forest, NC. It is my privilege to present the opinion of the value as requested.

As engaged, I am providing Fair Market Value as of the date of this report. If there is any change in the assets as listed (sale, loss under any circumstance, or sold under any other value scenario), then different values could be realized. My opinion of the value(s) is/are based on my training and experience, our company's 35 years of experience specializing in GE Diagnostic Imaging equipment sales and service, and the consideration of current market conditions. Myself or a representative of our company has also either personally inventoried and visually inspected the equipment/machinery or utilized the information provided by your company.

You have requested a valuation of a 2011 GE Lightspeed VCT 32 CT Scanner. The system was in good working order prior to being de-installed and put in storage.

The Performix x-ray tube was installed on April 25, 2016.

It is my professional opinion that as of the effective date of this report: 02/10/2020

*Total Estimated Value:* *\$50,000.00 as where is.*

Sincerely,



John Galatas  
President  
D.E.S. Inc.

**D.E.S.**

Diagnostic Equipment Services Inc. 11350 Old Roswell Road Suite 1200 Alpharetta, Georgia 30009 770-475-6179

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**November 26, 2019**

Doug Shepard  
Medquest Associates  
3480 Preston Ridge Road, Suite 600  
Alpharetta, GA 30005

**Lightspeed VCT Evaluation/Installation  
For  
Cabarrus Diagnostic Imaging; LLC**

**Scope of Work to be performed:** D.E.S. will remove the GE Lightspeed VCT CT system from the warehouse in Mocksville, NC and transport to our Alpharetta facility. D.E.S. will stage the system, perform a detailed PM service, replace the oil in the x-ray tube heat exchanger sub-system, and report to Medquest any deficiencies found. D.E.S. will also replace all 64 batteries in the UPS system. D.E.S will transport the system to Novant Health Imaging Cabarrus, located in Charlotte, NC; and professionally install the system to meet or exceed O.E.M specifications.

Medquest will be responsible for preparing the equipment entrance path and rigging costs (if needed).

**Base Price-----\$24,500.00**

**Medrad Stellant D Injector-----\$ 15,000.00\***

**\*Includes ceiling suspension.**

\_\_\_\_\_  
**D.E.S. Inc.**

\_\_\_\_\_  
**Medquest Associates**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Date**


**This quote is valid for sixty (60) days**

**Projected Capital Cost Form - CT**

Building Purchase Price	
Purchase Price of Land	
Closing Costs	
Site Preparation	
Construction/Renovation Contract(s)	\$128,160
Landscaping	
Architect / Engineering Fees	\$8,640
Medical Equipment	\$89,500
Non-Medical Equipment	
Furniture	
Consultant Fees (specify)	
Financing Costs	
Interest during Construction	
Other (specify)	
<b>Total Capital Cost</b>	<b>\$226,300</b>

**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: 2.27.2020

**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: 2-27-20

PRESIDENT  
 \_\_\_\_\_  
 Title of Officer/Agent

**Equipment Comparison Form  
NHI Cabarrus – CT Replacement**

	Existing Equipment	Replacement Equipment
Type of Equipment (List Each Component)	CT Equipment	CT Equipment
Manufacturer of Equipment	GE	GE
Tesla Rating for MRIs	N/A	N/A
Model Number	Brightspeed Elite 4	Lightspeed VCT Pro 32
Serial Number	146524HM4	0001642338
Provider's Method of Identifying Equipment	4-slice CT	32-slice CT
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	12/1/2006	5/1/2011
Does Provider Hold Title to Equipment or Have a Capital Lease?	Title	Title
Specify if Equipment Was/Is New or Used When Acquired	Used	New
Total Capital Cost of Project	\$ 300,000	\$226,300
Total Cost of Equipment	\$ 240,000	\$ 89,500
Fair Market Value of Equipment	\$ 11,000	\$ 50,000
Net Purchase Price of Equipment	\$ 240,000	\$ 50,000
Locations Where Operated	NHI-Cabarrus	NHI-Cabarrus
Number of Days in Use/To be Used in NC per Year	365	365
Percent of Change in Patient Charges by Procedure	N/A	No increase
Percent of Change in Per Procedure Operating Expenses by Procedure	N/A	No increase
Type of Procedures Currently Performed on Existing Equipment	CT Exams	N/A
Type of Procedures New Equipment is Capable of Performing	N/A	CT Exams

Exhibit J

# Invoice

Duke Medical Equipment International  
5170 Old Hendersonville Hwy  
Pisgah Forest, NC 28768



Bill To:
MedQuest Associates, Inc 3480 Preston Ridge Rd Suite 600 Alpharetta, GA 30005

Date	Invoice No.	P.O. Number	Terms	Project
03/22/17	92			

Item	Description	Quantity	Rate	Amount
Storage	Storage of GE VCT 64.	1	2,700.00	2,700.00
	Sales Tax		0.00%	0.00
			Total	\$2,700.00




**Projected Capital Cost Form – Relocation**

Building Purchase Price	
Purchase Price of Land	
Closing Costs	
Site Preparation	
Construction/Renovation Contract(s)	\$573,160
Landscaping	
Architect / Engineering Fees	\$38,640
Medical Equipment (X-ray)	\$98,500
Non-Medical Equipment (IT)	\$32,000
Furniture	\$46,000
Consultant Fees (specify)	
Financing Costs	
Interest during Construction	
Other (specify) – Signage/Moving	\$21,500
<b>Total Capital Cost</b>	<b>\$809,800</b>

**CERTIFICATION BY A LICENSED ARCHITECT OR ENGINEER**

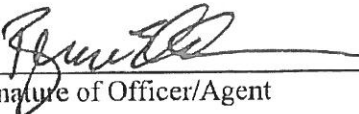
I certify that, to the best of my knowledge, the projected capital cost for the proposed project is complete and correct.

  
 \_\_\_\_\_  
 Signature of Licensed Architect or Engineer

Date Signed: 2.27.2020

**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: 2-27-20

PRESIDENT  
 \_\_\_\_\_  
 Title of Officer/Agent



Quote Number: QR-000518

Presented To

Chris Murphy/Doug Shepard

Novant Health Imaging Cabarrus

13460 Plaza Road Extension

Suite 150

Charlotte, NC 28215

*Prepared By*

Greg Hopkins

ghopkins@cmsimaging.com

(704) 491-2212

#### Company Value Proposition

At CMS Imaging, Inc. we treat every customer as if they're our only customer. We provide an exclusive customer experience for our hospital and ambulatory partners by offering "Best in Class" medical imaging, software, and informatics solutions, premier service, training, and support.



**Corporate Office**  
 4050 Azalea Drive  
 North Charleston, SC 29405  
 800-867-1821 office  
 843-571-5996 fax

**Regional Office**  
 8725 Youngerman Ct  
 Jacksonville, FL 32244  
 904-908-4024 office

Quote Number: QR-000518 Revision: 1

Page 1 of 9

<b>Install Address:</b>	<b>Novant Health Imaging Cabarrus</b> 13460 Plaza Road Extension Suite 150 Charlotte, NC 28215	<b>Account Manager:</b>	Greg Hopkins (704) 491-2212 ghopkins@cmsimaging.com
<b>Attention:</b>	Chris Muphy	<b>Date:</b>	02-26-2020
<b>Bill To Address:</b>	<b>3480 Preston Ridge Road</b> Suite 600 Alpharetta, GA 30005	<b>Configuration:</b>	Del Rad Room with Konica Performance DR Panel
<b>GPO Affiliation:</b>	Valued Customer	<b>Quote Price:</b>	\$ 98,500.00

**This quotation is valid for ninety (90) days. After 90 days, pricing is subject to change.  
 Expiration Date: 05-27-2020**

**THIS QUOTATION IS SUBJECT TO ALL PROVISIONS AND CONDITIONS REFERENCED IN THE ATTACHED**

<p>CUSTOMER ACCEPTANCE, AS QUOTED:</p> <p>Customer Signature: _____</p> <p>Title: _____</p> <p>Date: _____</p> <p><b>Please also initial bottom left hand corner of each page.</b></p> <p><i>No hand written changes or alterations to these terms will be accepted without written agreement</i></p> <p><b>TERMS OF PAYMENT:</b></p> <p>1) AT EXECUTION OF ORDER – 20% of Proposal Total plus Applicable Taxes on the amount due at Deposit. This payment is required to initiate equipment order.</p> <p>2) ON DELIVERY - 70% of Proposal Total On Delivery plus Applicable Taxes on the amount due at Delivery.</p> <p>3) COMPLETION – 10% of Proposal Total After Install plus Applicable Taxes on the amount due after Install</p> <p>CMS Imaging will provide an Invoice for Payment for each of the Terms of Payment shown above for your Payment submission.</p> <p>If your Facility is Tax Exempt please submit your Tax Exempt Certificate with the signed Proposal and Deposit.</p>	<p style="text-align: center;">CMS IMAGING, INC</p> <p>CMS Signature: _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Quote Price does not include Construction Cost, Rigging of Equipment, Building Modifications, Electrical / Mechanical work, IT / Network Upgrades (Network Drops, Etc.).</p> <p style="text-align: center;">See Last page for Terms and Conditions of Sale.</p> <p><b>Unless otherwise agreed upon, all Services related to this proposal, including Delivery, Installation, Applications and Warranty Service, are to be performed Monday through Friday 8:30 am to 5:00pm EST. excluding Federal and CMS Holidays. After hours, weekend and holiday coverage is available and will be provided at the current overtime rates.</b></p> <p style="text-align: center;"><i>All prices are F.O.B. Destination.</i></p>
--	--

Customer Initials \_\_\_\_\_

CMS Initials \_\_\_\_\_

Opportunity Number: 201908-6682

08-20-2019



**Corporate Office**  
 4050 Azalea Drive  
 North Charleston, SC 29405  
 800-867-1821 office  
 843-571-5996 fax

**Regional Office**  
 8725 Youngerman Ct  
 Jacksonville, FL 32244  
 904-908-4024 office

Quote Number: QR-000518 Revision: 1

Page 2 of 9

Qty	Product code	Description
1	DM-FMT	<p>Del Medical Floor Mounted Tube Stand</p> <p>Item Features:</p> <ul style="list-style-type: none"> <li>- Platform Tube Mount</li> <li>- Telescopic vertical column with tube support and operator controls</li> <li>- 10 ft. (305 cm) longitudinal rail standard</li> <li>- Focal Spot Travel</li> <li>- Transverse Travel 10.75 in. (27 cm)</li> <li>- Vertical Travel 62.75 in. (160 cm)</li> <li>- Minimum ceiling height = 87 in. (221 cm)</li> <li>- Pressure activated 180° column rotation</li> <li>- ±180° tube rotation about the horizontal axis</li> <li>- Control buttons for the following actions: (located on the control handle)</li> <li>- Longitudinal lock, transverse lock, vertical lock, column rotation roll lock, all locks and automatic detent stops (both horizontal and vertical)</li> <li>- Centering detent aligns focal spot to image receptor</li> <li>- Electromagnetic locks</li> </ul>
1	COL-RALCO-M	<p>Ralco Certified Manual Collimator</p> <ul style="list-style-type: none"> <li>- External adjustment of mirror angulation</li> <li>- High luminosity power LED for light field projection. LED cluster life: 50,000 hours</li> <li>- Timer that limits cluster ON time to 30 seconds</li> <li>- Radiation shielding: 150 kVp - 4 mA</li> <li>- Minimum inherent filtration 2mm aluminum equivalent. (1mm on request)</li> <li>- Continuous film coverage from min. 00 x 00cm to max. 48 x 48cm at 100cm FFD (SID)</li> </ul>
1	DM-AEC-INT-2ION	AEC kit with interface board and two (2) Ion Chambers
1	TUBE-VR14-90	Varian RAD 14 Tube - 90° cable arms, 0.6x1.2mm FS, 300kHU, 150kVp, 12° target, 3 anode"
1	DM-CAB-HV-40	40' Generator High Voltage Cables, 150 kVp
1	DM-EV800	<p>Del Medical EV800 Elevating Table with Four-Way Float Top</p> <ul style="list-style-type: none"> <li>- 800 lb. (363 kg) patient load capacity</li> <li>- 86.5 (220cm) x 35.9 (91cm) fiber resin table-top</li> <li>- Height adjustment: 21.75 in. (55.25cm) to 33.77 in. (85.8cm)</li> </ul>

Customer Initials \_\_\_\_\_

CMS Initials \_\_\_\_\_

Opportunity Number: 201908-6682

08-20-2019



**Corporate Office**  
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Quote Number: QR-000518 Revision: 1

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		<ul style="list-style-type: none"> <li>- Table top movement: +/- 21.25 in. (54cm) longitudinal, +/- 4.5 in. (11.4cm) transverse</li> <li>- Bucky travel: +/- 8.5 in. (22cm) longitudinal</li> <li>- Quiet duty motor with efficient elevating action</li> <li>- Recessed foot treadle lock controls for longitudinal and transverse, table top up/down movement</li> <li>- Integral collision safety sensors</li> </ul>
1	DM-GC-TRAY	Grid cabinet, 17 in. x 17 in. (43cm x 43cm) and One deluxe, heavy-duty manual cassette tray
1	GRID-103-10-34	103 Line, 10:1 Ratio, 34-44" Grid
1	DM-VS100	Del Medical VS100 Wall Stand (model 3546E) <ul style="list-style-type: none"> <li>- Electromagnetic Locks</li> <li>- Dual counterweight cables for added safety</li> <li>- Vertical travel range of 58.38 in. (148.28cm)</li> <li>- Height 86.75 in. (220.4cm) (includes vertical travel)</li> <li>- Depth: 13 in. (33cm)</li> <li>- Width with receptor, 23.25 in. (59cm)</li> <li>- Depth with receptor, 13 in. (33cm)</li> <li>- Receptor height, 23.38 in. (59.4cm)</li> <li>- Maximum focal spot height, 72.38 in. (183.84cm)</li> <li>- Minimum focal spot height, 14 in. (35.6cm)</li> <li>- Weight, 258lb (117kg)</li> <li>- 0.4mm front panel aluminum equivalency</li> <li>- Power Requirements, 24 V DC</li> <li>- ETL Listed</li> </ul>
1	DM-GC-TRAY	Grid cabinet, 17 in. x 17 in. (43cm x 43cm) and One deluxe, heavy-duty manual cassette tray
1	GRID-103-10-40	103 Line, 10:1 Ratio, 40-72" Grid
1	DM-CM50DR	Del Medical CM Series DR 50kW, 630mA, High Frequency Three Phase Generator <ul style="list-style-type: none"> <li>- 150 kVp</li> <li>- Digital Interface for integration with Digital Radiography systems</li> <li>- Anatomical Programming with 768 programmable technique selections</li> <li>- One, two, or three point technique selection</li> <li>- Two Bucky Capability</li> <li>- Power Cabinet with Auxiliary Power Supply</li> <li>- Tube Protection Circuitry</li> <li>- Integrated service software assists in calibration and service</li> </ul>

Customer Initials \_\_\_\_\_

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Opportunity Number: 201908-6682

08-20-2019



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 4050 Azalea Drive  
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 843-571-5996 fax

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 Jacksonville, FL 32244  
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		<p>- Self-diagnostic circuitry with error code recording for fast trouble shooting</p>
1	8001660	<p>KONICA PerformanceDR + CS-7 is targeted for Private Practice and Outpatient Clinics requiring wireless DR productivity and that have already implemented PACS. It includes Konica Minolta's PerformanceDR flat panel detector and CS-7 Software that simplifies DR image acquisition. PerformanceDR offers only the features needed for primary acquisition.</p> <p>The PerformanceDR system consists of the following items:</p> <p>CS-7 Control Station, featuring:</p> <ul style="list-style-type: none"> <li>• Study Append</li> <li>• Free Text Annotation</li> <li>• Automatic Masking</li> <li>• Study List Filter</li> <li>• History Search</li> <li>• Image Zoom</li> <li>• Grid Suppression</li> <li>• Procedure Code Mapping Tool</li> <li>• Study Combine and Move</li> <li>• DICOM Store</li> <li>• DICOM Modality Worklist</li> </ul> <p>Minimum Configuration:</p> <ul style="list-style-type: none"> <li>• Intel Core processor, 3.2 GHz,- 4GB RAM, 128 GB HDD, Windows 10</li> <li>• 23" LCD Multi-touch Monitor- 178 degree viewing angle</li> <li>- 1920 x 1080 Native Resolution</li> </ul> <p>PerformanceDR 14x17 Cassette Sized Wireless Digital Flat Panel Detector</p> <ul style="list-style-type: none"> <li>• Up to 125 exposures and 3.4 hour with a 13 minute charge using AeroSync</li> <li>• Up to 150 exposures and 4.1 hours with a 13 minute charge using SSRM</li> <li>• ~ 6 Second Panel Refresh Time (Cycle Time)</li> <li>• Meets International Specifications for true 14x17 cassette size</li> <li>• Lithium Ion capacitor includes exclusive 7 year Warranty against replacement for reduced operational cost</li> </ul> <ul style="list-style-type: none"> <li>• Wireless Connectivity Package (includes Access Point)</li> </ul> <p>AeroDR Docking Station</p> <ul style="list-style-type: none"> <li>• Rapid Charge Module</li> <li>• FPD Activation Module</li> <li>• FPD Recovery Module</li> </ul> <p>AeroSync Connectivity</p>

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		Installation and applications by authorized reseller Includes AeroDR S-SRM Gen Conn Kit (8001301) Allows connection to existing X-ray Generator for FPD integration Includes: Aero DR S-SRM Generator Connection Kit Software License Installation Includes Two year Drop Protection. \$6,000.00 Deductible
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**Professional Services associated with this Proposal**

<b>PRE-INSTALL</b>	When the order and associated deposit have been received CMS Project Management begins the Pre-Installation Services provided by CMS Imaging. These Services include developing a timeline for installation based on the scheduled delivery date of equipment, availability of Customer's facility, and availability of Customer's contractors. <b>Other Pre-Install services include providing a Site Walk Through, Equipment Room Planning Assistance, and provide Physical Planning specifications. CMS will work with the facility through onsite room measurement and/or through the use of CAD files (provided by the customer for new construction) and will provide Preliminary Room Placement Drawings. Final Room Placement Drawings will be made available when this proposal has been accepted and payment terms have been met and the Preliminary Drawing has been accepted by the Customer.</b>	<b>Included</b>
<b>INSTALL</b>	Project Coordination, Delivery Check in of components, On-Site Installation and integration of all components of this proposal.	<b>Included</b>
<b>APPS</b>	<b>Applications Training – On Site Applications Training</b>	<b>2 Days</b>
<b>WARRANTY</b>	One Year on UMG Del Equipment on Parts. Two Year Limited Warranty on Konica Performance Panel • Warranty Excludes all damage from misuse, abuse, tampering or acts of God Two Year Drop Protection - \$6,000.00 Deductible	<b>Included</b>

Unless otherwise agreed upon, all services related to this proposal, including delivery, installation, applications, and warranty service, are to be performed Monday through Friday 8:30am to 5:00pm EST. excluding Federal and CMS Holidays. After hours, weekend and holiday coverage is available and will be provided at the current overtime rates.

<b>Total Quote Price:</b>	<b>\$98,500.00</b>
Total Quote Price above does not include Freight and/or Rigging charges or taxes where applicable.	

Point of Sale Service Offerings for this quote were printed and reviewed with the customer.

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On existing equipment being upgraded and not serviced by CMS Imaging, it is the customer's responsibility to schedule any necessary equipment calibration after installation, to, not compromise customer's warranty and/or service agreement terms.

CMS Imaging works with multiple leasing vendors. The Account Manager providing this quote can supply a lease estimate. All lease transactions are subject to credit approval and acceptance of all credit terms on the application.

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In these Terms and Conditions:

- 1. The Purchaser means the person, firm, company or other organization who or which has ordered Products and/or Services from CMS Imaging, Inc.; the Company and CMS means CMS Imaging, Inc.; The Contract means the contract for the sale and purchase of Products and/or Services between CMS and the Purchaser; The Equipment means all electronic equipment, hardware and other electronic or mechanical items agreed to be supplied by CMS, excluding any consumables, accessories or spare parts sold separately; The Products means any Goods, Equipment or Software agreed to be supplied by CMS; and The Services means all advice given and services performed by CMS; and The Software means any firmware, software or data compilations (i) identified in the Contract or (ii) provided to Purchaser by CMS in connection with installation or operation of the Equipment. Software shall not include any "open source" firmware, software or data compilations, as any such "open source" firmware, software or data compilations will be subject to the terms and conditions set out in the relevant "open source" license.
2. This quotation is subject to withdrawal or change upon notice at any time prior to acceptance of an order and is valid for the length of time specified on the face hereof. It supersedes all previous quotations and, if accepted, all previous agreements relating to the subject matter hereof. Acceptance of this proposal is expressly limited to the terms and conditions contained herein and any additional or different terms or conditions contained in Purchaser's order in response hereto shall be deemed objected to by the seller without need or further notice or objection and shall be of no effect nor in any circumstances binding upon the seller. Purchaser will be deemed to have assented to all terms and conditions contained herein if any part of the described Products is accepted.
3. Where any part of the payment is dependent upon installation and/or first patient use of the Products and installation training or first patient use, is delayed for any reason for which the Company is not responsible, the 30th day from the date of delivery to the Purchaser shall be considered as the date of completion of the installation and the terms of payment, and the warranty, shall apply as of that date. Company shall not be liable for failures of or delays in manufacture, delivery or installation resulting from any cause or causes beyond its reasonable control.
a. In the event of late payment, CMS reserves the right:
(i) to suspend deliveries and/or cancel any of its outstanding obligations; until payment is received by CMS and
(ii) to bill a late charge at the lesser of 1% per month or the highest amount permitted by applicable law on all payments past due.
4. Shipping dates are approximate and are based upon prompt receipt of all necessary information. The Purchaser can not cancel order due to delays outside the control of CMS, including, but not limited to, customer construction delays, insufficient site preparedness, funding issues, shipper delays or acts of God. The Purchaser will notify CMS, in writing, within five (5) working days of delivery, defects and or damage reasonably discoverable on careful examination. Unless otherwise noted on the face hereof, Purchaser shall pay all costs of shipping. Shipping is F.O.B. at manufacturer's place of shipping. The Company shall not be liable for delays in delivery or failure to manufacture due to causes beyond its reasonable control, including, but not limited to, acts of God, acts of the Purchaser, acts of civil or military authority, priorities fires, strikes, floods, epidemics, quarantines, war, riot, delays in transportation, car shortage and inability due to causes beyond its reasonable control to obtain necessary labor, materials, components, manufacturing facilities or any other commercial impracticability. In the event of product shortage, the Company shall have the right to allocate its available products among its customers in such a manner as the Company may consider equitable. The Purchaser's acceptance of the Equipment shall constitute a waiver of any claims for delay.
5. It is the Purchaser's responsibility to transfer Equipment from receiving area to the installation location prior to the start of installation.
6. If the financial condition of the Purchaser at any time is such as to give the Company in its judgment, reasonable grounds for insecurity concerning the Purchaser's ability to perform its obligations under this Contract, the Company may require full or partial payment in advance and suspend any further deliveries (or continuance of the work to be performed by the Company) until such payment has been received. Failure to furnish such payment within 10 days of demand by the Company shall constitute a repudiation of the Contract and in such event the Company shall be entitled to receive reimbursement for its reasonable and proper cancellation charges. Payment shall become due in accordance with the payment terms on the face hereof. All deferred payment plans (notes or otherwise) must be accompanied by a suitable security agreement acceptable to the Company. If shipments are delayed by the Purchaser, such payment shall become due from the date when the Company is prepared to make shipment and all associated storage fees accrued are the responsibility of the Purchaser and will be invoiced by the Company. If manufacture is delayed by the Purchaser, payment shall be made based on the Contract price and the percentage of completion. Equipment held for the Purchaser shall be at the risk and expense of the Purchaser. The installation shall be considered complete when the Equipment is put to use for the purpose intended regardless of minor incompletions or missing parts or accessories.
7. Software license(s). Unless a separate software license agreement has been included concerning the Software, the Purchaser is hereby granted a non-exclusive license to use the Software solely in object code format and solely for its own internal business purposes subject to the terms contained herein. The Purchaser shall not (i) use the Software for purposes other than those for which it was designed; (ii) use the Software in connection with other manufacturers' products unless such connectivity is authorized in the Product documentation; (iii) grant, assign, transfer, or otherwise make available to third parties any right whatsoever in the Software; (iv) disclose to third parties any information contained in the Software; (v) copy or reproduce the Software (except for one copy for back-up purposes or as may otherwise be permitted by

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- applicable law); (vi) alter or modify the Software; or (vii) reverse engineer, decompile, disassemble or create any derivative works based upon the Software except as expressly permitted by mandatory law.
8. When this Contract is executed by the Purchaser and the Company, but the sale is not closed due to default or failure on the part of the Purchaser, the Purchaser shall pay to the Company 20% of the total Contract price, as agreed and liquidated damages herein such amount being hereby agreed upon as settled and liquidated damages, in as much as the actual damages are difficult to determine.
9. The Purchaser shall assume all transportation charges from the F.O.B. point shown on the face hereof. Nevertheless, until installation of the Products said hereunder or pro-rata payments received for Products shipped, title thereto, the right of possession and the risk of loss (except loss caused by the negligence of the Purchaser) shall remain with the Company and such Products shall remain personal property. Upon either installation, or upon shipment and receipt of pro-rata payments, whichever occurs first, title pro tan shall pass to the Purchaser, but the Company shall retain a security title and the right to possession and the Products shall remain personal property until all payments here under (including deferred payments whether evidenced by notes or otherwise) shall have been made in full in cash, the Purchaser agrees to do all acts necessary to perfect and maintain such title and right in the Company.
10. The Company's prices do not include sales tax, use, excise or similar taxes. Consequently in addition to the prices specified herein, the amount of any present or future sales use, excise, or other similar tax applicable to the manufacture, sale or use of the products hereunder, shall be paid by the Purchaser as a part of said price, or in lieu thereof the Purchaser shall provide the Company with a tax-exemption certificate acceptable to the taxing authorities at time this Contract is executed, or provided at the time of the down payment of this Contract. The failure to provide an acceptable tax certificate to the Company will require the payment of applicable taxes by the Purchaser.
11. Unless otherwise specified in writing the Company will assemble the Products covered herein (with the exception of certain supply and accessory items including, but not limited to, (detector grid caps, cross table lateral holders, etc.) The Purchaser is responsible for any network cabling and IT connections as specified on the system plans, provided by the Company. Unless specified above, the Purchaser will ensure systems meet the Purchaser's connectivity to safety switches, IT network standards and policies and is the Purchaser's responsibility to maintain all electrical and networking after installation. If for any reason such assembly or electrical/network connections, hereinafter referred to as the installation of the Products, are made by other than the Company's own employees, any additional charge for the cost of such outside labor must be borne by the Purchaser. For installations of new or used Products or Products Coverage by CMS Imaging Service Agreements it is understood that proper electrical current and grounding for operation of the Products will be brought to the safety switches and outlets by the Purchaser and the Purchaser will supply all of the necessary conduits, wiring, strut channel steel or similar support in the ceiling, plumbing, carpentry, construction work, rigging, and maintenance for these items required for completion of the installation or the implementation of a CMS Imaging's Service Agreement, unless otherwise noted on the face hereof. It is further understood that should anything additional be required for completing the installation, implementing CMS Service Agreements, or warranties shall be supplied by the Purchaser at the Purchaser's cost. The prices quoted herein include furnishing data supplied by the Equipment manufacturer user manual equipment specification information: the radiation safety, protection surveys, shielding recommendations are there responsibility of the Purchaser's designated Radiation Safety Officer and/or a registered Radiation Physicist. The Purchaser is responsible to operate the Equipment in a safe and competent manner in strict compliance with established safety operating procedures and applicable laws and government regulations; and regularly and properly service and maintain the Equipment. In the event the Purchaser or any user of the Equipment fails to comply with any of the above-stated conditions, the Company's warranties and its obligations hereunder shall terminate without notice to Purchaser.
12. Where any part of the payment is dependent upon installation of the Products and installation is delayed for any reason for which the Company is not responsible, the 30th day from the date of delivery to the Purchaser shall be considered as the date of completion of the installation and the terms of payment, and the warranty, shall apply as of that date.
13. The Company makes the following express warranty with respect to x-ray, ultrasonic,electromedical and accessory Products sold by us:
a. New Products shall be free from defects in material or workmanship for a period defined in quotation from the date of original installation.
b. Previously owned Products or Products covered under CMS Imaging service Agreements is warranted to be in good operating condition at the date of installation or service contract execution. New x-ray tubes and valve tubes, if any, incorporated in or supplied with either new or used Products are not warranted hereunder, but are covered by the Company's standard tube and valve tube warranty applicable thereto on the date of installation. No warranties either expressed or implied shall apply to new or used glassware, batteries or used evacuated devices.
THERE ARE NO OTHER WARRANTIES PROVIDED BY THE COMPANY, EITHER EXPRESS OR IMPLIED. THE COMPANY HEREBY EXCLUDES ANY IMPLIED WARRANTY OF MERCHANNTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
c. Limited Remedy: In the event of a defect in material or workmanship in new apparatus, or if any previously owned apparatus fails to operate, within the periods of the terms of the express warranties specified above, the purchaser shall notify the Company immediately upon discovery of the defect. The remedy for breach of any such express warranty is limited to repair or replacement of the defective part, at the option of the Company. In the event any testng is needed to determine the existence of any defect, the conditions of any test shall be mutually agreed upon and the company shall be notified of, and may be represented at, all tests that may be made. The

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Company hereby disclaims any liability for incidental, consequential or special damages. The aforementioned express warranted and limited remedies shall constitute the sole and exclusive liability of the Company in connection with any product sold, and is exclusive and in lieu of all other warranties, express or implied obligations or liabilities, either in contract or in tort. CMS Imaging, Inc. neither assumes, nor authorizes any person to assume for it, any other obligation or liability in connection with any product sold. CMS Imaging, Inc. does not warrant that the described merchandise is delivered free of the rightful claim of any third party by way of infringement, or the like.

14. In the event suit shall be brought for the collection of any monies due, or the same is referred to an attorney for enforcement, Purchaser agrees to pay reasonable attorney fees for making such collection.
15. The Terms and Conditions of Sale constitute the sole agreement between the parties with regard to the subject matter hereof, and may not be altered by any prior dealings, promises, or usage of trade not incorporated herein. The terms and conditions herein may not be altered, waived, or modified except in writing signed by an authorized representative of the Company with actual authority to agree to the modification.

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