



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

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Drexdal Pratt
Division Director

July 3, 2013

William R. Shenton, Partner, and Pamela R. Scott, Partner
Poyner Spruill, LLP
301 Fayetteville Street, Suite 1900
Raleigh NC 27601

Exempt from Review - Replacement Equipment

Facility: Cancer Centers of North Carolina, P.C. and Wake Radiology Oncology Services, LLC
Project Description: Replace existing Siemens Primus linear accelerator with a new Varian iX linear accelerator at the office located at 300 Ashville Avenue in Cary
County: Wake
FID #: 960894

Dear Mr. Shenton and Ms. Scott:

In response to your letter of June 20, 2013, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(7). Therefore, you may proceed to acquire, without a certificate of need, the Varian iX linear accelerator to replace the existing Siemens Primus linear accelerator [Serial # 2896]. This determination is based on your representations that the existing unit will be removed from North Carolina and will not be used again in the State without first obtaining a certificate of need. Further please be advised that as soon as the replacement equipment is acquired, you must provide the CON Section and the Medical Facilities Planning Section with the serial number of the new equipment to update the inventory, if not already provided.

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

Sincerely,

Michael J. McKillip
Project Analyst

Craig R. Smith, Chief
Certificate of Need Section



Certificate of Need Section
www.ncdhhs.gov
Telephone: 919-855-3873 • Fax: 919-733-8139
Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603
Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704
An Equal Opportunity/ Affirmative Action Employer



Memo

Poyner Spruill^{LLP}

June 20, 2013



William R. Shenton
Partner
D: 919.783.2947
F: 919.783.1075
wshenton@poynerspruill.com

VIA HAND DELIVERY

Craig R. Smith, Chief
CON Section
809 Ruggles Drive
Raleigh, N.C. 27603

Martha Frisone, Assistant Chief
CON Section
809 Ruggles Drive
Raleigh, N.C. 27603

RE: Replacement of Linear Accelerator Located on Ashville Avenue in Cary

Dear Mr. Smith and Ms. Frisone:

We are writing on behalf of our clients, Cancer Centers of North Carolina, P.C. ("CCNC") and Wake Radiology Oncology Services, LLC ("WROS"), to inform the Certificate of Need Section of plans to replace the linear accelerator that has been operated at 300 Ashville Avenue in Cary for approximately the past 14 years. This linear accelerator was developed and installed by an affiliate of Wake Radiology and as you will recall, the declaratory ruling that is attached as Exhibit A confirmed that no certificate of need was required in order for CCNC to purchase all of the ownership interests in WROS, after WROS became the owner of the linear accelerator. This letter will present the details of the contemplated replacement arrangements and demonstrate that the replacement of this linear accelerator should be exempt from CON review under N.C. Gen. Stat. § 131E-184(a)(7), and 10A N.C.A.C. 14C .0303.

The Existing Linear Accelerator in Cary

The existing linear accelerator is a Siemens Primus with a 58-leaf collimator capable of generating electron energies of 6 to 21 MeV, and photon energies of 6 and 18 MV. It can provide IMRT and IGRT treatments, but has no radiosurgery capability. As noted, prior to the acquisition described in the declaratory ruling, it was operated at the same site in Cary for much longer than the three-year period required in 10A N.C.A.C. 14C .0303. It can be removed and moved out of state at minimal cost.

The Proposed Replacement

The replacement machine is a Varian iX Linear Accelerator with a 120-Leaf Collimator, and is capable of generating 6-20 MeV electron energies as well as 6 and 18 MV photon energies. It will be used for the same treatment purposes as the Siemens Primus machine, and like the Siemens Primus machine, it is capable of providing both IMRG and IGRT treatments and has no radiosurgery capability.. The attached Exhibit B provides a point by point comparison of the existing and replacement linear accelerators as well as the treatment charges that have been in effect with the Siemens Primus and will be in effect with the replacement Varian iX.

Craig R. Smith
Martha Frisone
June 20, 2013
Page 2

Exhibit C accounts, line by line, for all the costs that will be associated with the replacement: The most significant components of the costs are the cost of the Linear Accelerator and the construction costs. The cost of the Varian iX linear accelerator as shown on Line 4 is \$1,400,000.00, and Exhibit D contains the first page of the quote from Varian which documents that price. The construction costs are summed on Line 5, and they total \$241,870.00. These costs are documented in Exhibit E, and they include a construction cost of estimate of \$ \$197,870.14 from Timco Southwest, as well as a separate design cost of \$44,000 from the RS&H Firm (total of \$36,500 from page one and \$7,500 from page two of the letter from the RS&H Firm).

Finally, the \$7,000 cost shown on Line 11 associated with the removal and scrapping of the Siemens Primus is documented in the quotation from Radiology Oncology Systems in Exhibit F which has been included to demonstrate the intent to remove the machine from the state (see last page for actual price after discount).

Exhibit C also accounts for a number of other costs, including miscellaneous IT costs of \$10,000.00 on Line 8. Line 12 documents the costs associated with removing the base of the Siemens Primus. Lines 16-17 and 20-22 present the other remaining costs associated with making the replacement linear accelerator operational. Several activities listed – commissioning the linac, the shielding evaluation, and the radiation safety survey—have no associated costs because they are activities that will be performed by the CCNC physicist during that person's normal work schedule, which will avoid additional staffing costs.

Once all of these costs are computed and the current Wake County sales tax of 6.75% is applied to the pre-tax subtotal, as shown on Exhibit C, the total cost is \$1,838,568.00. We note that in applying the sales tax to all of the items listed on Exhibit B, we have overstated the actual cost, since several of the activities such as de-installing the Siemens Primus linac and the construction costs, as well as the training and State registration costs listed, should not entail any sales tax.

Finally, as indicated on Exhibit B, CCNC also has instructed us to confirm that the acquisition of the Varian iX linear accelerator will not result in any increase in patient charges or per-procedure operating expenses within the first 12 months after the acquisition and installation of the new linear accelerator.

Analysis of Provisions in CON Law and Rules

Based on the foregoing information, it is clear that the proposed replacement Varian iX linear accelerator meets all requirements to be exempted from further CON review. The total cost of the replacement linear accelerator, with sales tax, falls far below the \$2,000,000 threshold and thus qualifies as "Replacement Equipment" under the CON Law. The proposal also meets each of the requirements set out in 10A N.C.A.C. 14C .0303 because the replacement machine has the same technology, is functionally similar, will be used for the same treatment purposes, and will not result in an increase in patient charges or per-procedure operating costs that would disqualify it from being treated as replacement equipment.

Craig R. Smith
Martha Frisone
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Conclusion

We trust that the information provided in this letter will be comprehensive and address every requirement in order to analyze this request under the replacement equipment provisions in the CON Law and Rules but certainly if any additional information is required, we will provide it as soon as possible. Please confirm that the proposed replacement of the linear accelerator at 300 Ashville Avenue in Cary is exempt from review pursuant to N.C. Gen. Stat. § 131E-184(a)(7). We look forward to your confirmation and thank you in advance for your prompt consideration of this request.

Very truly yours,

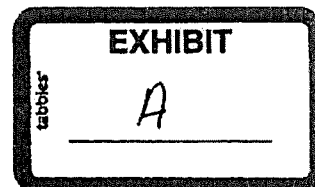


William R. Shenton
Partner



Pamela A. Scott
Partner

WRS:opr



NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION
RALEIGH, NORTH CAROLINA

IN RE: REQUEST FOR DECLARATORY)
RULING BY WAKE RADIOLOGY)
ONCOLOGY SERVICES, PLLC, CANCER) DECLARATORY RULING
CENTERS OF NORTH CAROLINA, P.C.,)
US ONCOLOGY, INC., AOR)
MANAGEMENT COMPANY OF VIRGINIA,)
LLC AND WAKEMED)

I, Drexdal Pratt, as Director of the Division of Health Service Regulation, North Carolina Department of Health and Human Services ("Department" or "Agency"), do hereby issue this Declaratory Ruling pursuant to North Carolina General Statute § 150B-4 and 10A NCAC 14A .0103 under the authority granted me by the Secretary of the Department of Health and Human Services.

Wake Radiology Oncology Services, PLLC (hereinafter "WROS"); Cancer Centers of North Carolina, P.C. ("CCNC"); US Oncology, Inc. ("USON") and its subsidiary AOR Management Company of Virginia, LLC ("AOR"); and WakeMed have requested a declaratory ruling to confirm that the acquisition of the membership interests in WROS and the continued operation of the oncology treatment center may proceed without first obtaining a certificate of need. This ruling will be binding upon the Department and the entities requesting it, as long as the material facts stated herein are accurate. This ruling pertains only to the matters referenced herein. Except as provided by N.C.G.S. § 150B-4, the Department expressly reserves the right to make a prospective change in the interpretation of the statutes and regulations at issue in this Declaratory Ruling. Attorneys for the Petitioners have requested this ruling on their behalf and have provided the material facts upon which this ruling is based.

STATEMENT OF THE FACTS

WROS is a North Carolina professional limited liability company presently owned by certain physician-members, each of whom owns a specific percentage of the total membership interests in WROS. WROS provides radiation oncology treatment services at 300 Ashville Avenue, Suite 110, Cary, North Carolina, based on a certificate of need that was issued in 1997 to own an oncology treatment center and to operate a linear accelerator and simulator and other equipment used in furnishing radiation oncology services.

CCNC is a professional corporation organized under the laws of the State of North Carolina. CCNC employs physicians licensed to practice medicine in the State of North Carolina, who provide oncology treatment services, including radiation oncology services through the use of a linear accelerator.

USON is a business corporation organized under the laws of the State of Delaware. Through its subsidiaries, US Oncology provides administrative support for, and furnishes medical equipment used by, oncology practices throughout the United States.

AOR is a limited liability company, a subsidiary of USON and was organized under the laws of the State of Delaware and authorized to do business in North Carolina. AOR provides administrative and other support services to CCNC under a Management Services Agreement with CCNC.

WakeMed is a North Carolina nonprofit corporation engaged in the provision of acute care services and other health care services in Wake County.

WROS established its oncology treatment center on or about July 17, 1998. Since the establishment of its oncology treatment center, WROS has continuously operated the oncology treatment center established pursuant to the CON it received in 1997.

When the CON Law was amended in 2005, WROS already was operating an existing oncology treatment center pursuant to the CON that it had obtained in 1997 and using a linear accelerator and simulator that had been recognized in the SMFP inventory for seven years. Since it already owned the equipment, it was not required to obtain a second CON to be able to continue to operate its linear accelerator and simulator.

Recently, WROS physician owners approved a conversion of WROS from a professional limited liability company to a limited liability company, to occur simultaneously with the sale of ownership interests to CCNC. It is likely that WROS will change its name after the sale. Subsequently, in a separate transaction, WakeMed anticipates purchasing a minority membership interest in the renamed WROS ("the LLC").

This change in the business form of WROS that has been approved by its physician owners will not constitute a change in or dissolution of WROS, the legal entity that received the CON in 1997 and has continuously operated the oncology treatment center and the linear accelerator and simulator since they became operational.

After these two transactions, the LLC will continue to exist as a legal and business entity, and will continue to own the oncology treatment center and the equipment that was authorized under the 1997 CON, including the linear accelerator and simulator. The oncology treatment center and its equipment will remain at the same location at 300 Ashville Avenue in Cary.

The LLC will not offer any medical services. Oncology treatment services will be furnished by physicians associated with CCNC.

ANALYSIS

The CON law provides that no person shall offer or develop a "new institutional health service" without first obtaining a CON. N.C. Gen. Stat. § 131E-178. The list of new

institutional health services includes “the acquisition by purchase, donation, lease, transfer or comparable arrangement” of a linear accelerator or simulator “by or on behalf of any person,” N.C. Gen. Stat. § 131E-176(16)(f1)5a, 9, and “the obligation by any person of a capital expenditure exceeding two million dollars (\$2,000,000) to develop or expand a health service or a health service facility, or which relates to the provision of a health service,” N.C. Gen. Stat. § 131E-176(16)(b).

Prior declaratory rulings show that the Department has already determined that these definitions do not require an entity to obtain a CON to acquire membership interests in an existing legal entity like WROS which owns and operates a linear accelerator or simulator. The declaratory ruling requested by Petitioners is consistent with the Department’s prior rulings that have interpreted the applicability of the CON Law to the purchase of ownership interests in health care organizations, for the following reasons:

The entity that owns the linear accelerator and simulator will not change, and the same equipment will be used to provide the same radiation oncology services, in the same location. The LLC will continue to own the linear accelerator, the simulator, and all the oncology treatment center assets that were authorized under the 1997 CON and have been used to furnish oncology treatments to patients. Its membership composition initially will change from the present physician members to a single member, CCNC, with the subsequent purchase of a minority interest by WakeMed.

The Proposed Transaction will involve expenditures by CCNC, and later by WakeMed, but these will be purchases of ownership interests in an existing limited liability company that owns the oncology treatment center. There will be no capital expenditure to develop or expand a

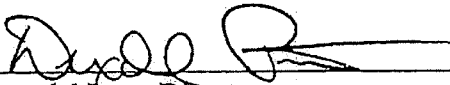
health service or health service facility because the same equipment will continue to be operated at the same location, and no expansion of services is proposed.

The Proposed Transaction does not involve the offering or expansion of any new facility, service or equipment, and the state's inventory of linear accelerators and simulators will not change. No new, or additional equipment will be acquired or placed in operation in the State.

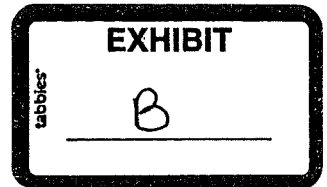
CONCLUSION

For the foregoing reasons, assuming the statements of fact in the request to be true, I conclude that the Petitioners do not require a certificate of need in order to proceed with the Proposed Transaction.

This the 27th day of September, 2010.



Drexal Pratt, Director
Division of Health Service Regulation
N.C. Department of Health and Human Services



Cary Replacement Linac Comparison

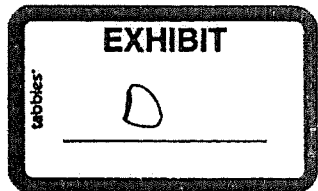
	Siemens Primus	Varian iX
Serial #	2896	TBD
Mfr Date	1998	2013
Photon Energies	6/18 MV	6/18 MV
Electron Energies	6 to 21 MeV	6 to 20 MeV
Multi-Leaf Collimator (MLC)	58 leaf	120 leaf
MLC Resolution	1 cm	0.5 cm
3DCRT Capability	yes	yes
IMRT Capability	yes	yes
IGRT Capability	yes	yes
Radiosurgery Capability (as installed)	no	no
Complex Treatment (77414) charge	\$617.00	\$617.00
IMRT Treatment (77418) charge	\$2,582.00	\$2,582.00
IGRT (77421) Charge	\$639.00	\$639.00

Category	Cost	Comments
Capex Linac Replacement		
Varian IX (New)	\$1,400,000	OBI only - no CBCT
Construction	\$241,870	Per TIMCO & RSH Proposals
Power Conditioner	\$0	inclusive of construction estimate
Laser Installation	\$0	Use existing
Misc IT	\$10,000	Budgetary Placeholder
Pre-tax Subtotal	\$1,651,870	
Expenses	Cost	Comments
De-install Existing Linac	\$7,000	Per quote from ROS; does not include baseframe removal.
ExacTrac	\$21,182	de-install exacTrac.
VMS Installation	\$0	not applicable
VMS System Performance Audit (SPA)	\$0	not applicable
Varian Training	\$0	included in quote
Lasers (Astor for walls/sagittal and Apollo for ceiling) includes installation	\$9,870	
CCTV System	\$15,000	
Commissioning Linac	\$0	CCNC physicists to do
Elekta MQ IGRT Connectivity	\$0	Part of ELA
Elekta MQ Onsite Installation	\$6,480	One person - two days
Elekta MQ Onsite Training	\$8,910	One person - four days
State registration	\$2,000	
Shielding evaluation	\$0	Local physicists to do
Rad safety survey	\$0	Local physicists to do
Pre-tax Subtotal	\$70,442	
Pre-Tax Subtotal (capital & expense)	\$1,722,312	
Total (Tax 6.75%)	\$1,838,468	



Quotation

YXB20130524-001



Page: 1

Quotation For:

Rebecca Schuster
 Cancer Centers of North Carolina-Cary Radiation
 Dept of Radiation Oncology
 300 Ashville Avenue, Suite 160
 Cary, NC 27518
 (713) 876 - 0412 FAX: (832) 601 - 6803

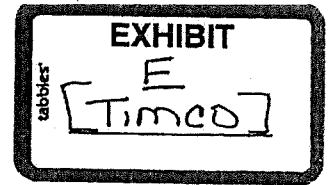
Please address inquiries and replies to:

Yoel Bakas
 Varian Medical Systems
 2250 Newmarket Parkway
 Suite 120
 Marietta, GA 30067
 (770) 955 - 1367 FAX: (678) 255 - 3850
 yoel.bakas@varian.com

<i>Your Reference:</i>	<i>Quotation Firm Until:</i> June 28, 2013
<i>FOB Point:</i>	<i>Shipping Allocation:</i> 120 DAYS ARO
<i>Payment Terms:</i> See Terms and Conditions	Varian Terms and Conditions of Sale 1652U Attached

**Clinac iX
 Millennium MLC- Extended Spares Kit
 Add'l Onsite Applications Training Days (Qty. 2)**

<p>Cancer Centers of North Carolina-Cary Radiation</p> <p>Quotation Total of: USD \$1,400,000 Accepted by:</p> <p>Signature: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>For this purchase, we designate <u>USO</u> as our Institution's Primary Group Purchasing Organization affiliation. Any change will be Indicated below:</p> <p> <input type="checkbox"/> AmeriNet <input type="checkbox"/> Aptium <input type="checkbox"/> BJC <input type="checkbox"/> Broadlane <input type="checkbox"/> CHW <input type="checkbox"/> Consorta/HPG <input type="checkbox"/> KP Select <input type="checkbox"/> Magnet <input type="checkbox"/> Matrix <input type="checkbox"/> MedAssets <input type="checkbox"/> Novation <input type="checkbox"/> Premier <input type="checkbox"/> ROI <input type="checkbox"/> USO <input type="checkbox"/> VA Gov <input type="checkbox"/> None </p>	<p>Varian Medical Systems</p> <p>Submitted by:</p> <p>_____</p> <p align="center">(Signature)</p> <p>Name: Yoel Bakas</p> <p>Title: Director, Strategic Accounts</p> <p>Date: May 24, 2013</p>
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March 29, 2013

Mr. Huy Nguyen
McKesson
10101 Woodloch Forest
The Woodlands, TX 77380

Re: US Oncology-Cary N.C.- Preliminary Budget Pricing

Dear Mr. Nguyen

Per your request, we are providing you with the preliminary costs associated with the US Oncology Cary, N.C. project. We have based this preliminary budget on a site walk through and verbal instruction on 03/12/13 and 03/15/13. The following are additional items that should be considered when reviewing the attached spreadsheet:

1. This is a preliminary proposal for budget purposes only.
2. No Structural Engineering Fees have been included in this price.
3. No Architectural Fees have been included in this price.
4. Permit fees are included in this price.
5. No intercom or cameras have been included in this price.
6. A \$25,000 contingency has been included in this price.

We would like to thank you for the opportunity to provide you with preliminary pricing on this project. Please do not hesitate to contact us with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Dusty Johnson".

Dusty Johnson
Senior Project Manager

CC: Tim McKee
Mark Dykes
Melisa Baune

General Contracting · Construction Management · Design-Build

www.Timco-Const.com · 763.694.0250



Project Name	US Oncology
Location	Cary, North Carolina
Architect	None
Drawing Date	None
Addenda	None
Estimate Date	03.29.2013

PROJECT BUDGET			
COST CODE	DESCRIPTION OF WORK	SUBCONTRACTOR	ESTIMATE
1-000	General Conditions		
	Field Supervision	Timco	\$ 15,000.00
	Travel & Subsistance	Timco	\$ 5,000.00
	Permit	Timco	\$ 4,000.00
	Dumpster	Timco	\$ 1,000.00
3-000	Base Frame Removal/Pour Back	Allowance	\$ 23,000.00
5-000	Steel Plate-1-1/2"x8'x12'	Steelwerxx	\$ 4,950.00
5-300	Steel Erection	Allowance	\$ 2,500.00
6-201	Millwork/Adjustments/Install	Allowance	\$ 5,000.00
7-510	Roofing	Allowance	\$ 4,000.00
9-650	Floor Covering	Allowance	\$ 4,000.00
9-900	Painting and Wallcovering	Allowance	\$ 2,000.00
15-500	HVAC Chiller Flow Reduction/ HVAC Control Valves	Allowance	\$ 10,000.00
15-500	Return Air/Transfer Duct	Allowance	\$ 5,000.00
15-500	Boron Sheets	Allowance	\$ 500.00
16-100	Electrical	Revels Contracting	\$ 61,916.00
		SUBTOTAL	\$ 147,866.00
		CONTRACTOR FEE	\$ 11,829.28
		SUBTOTAL	\$ 159,695.28
17-200		CONTINGENCY	\$ 25,000.00
		Sales Tax	\$ 13,174.86
		TOTAL	\$ 197,870.14

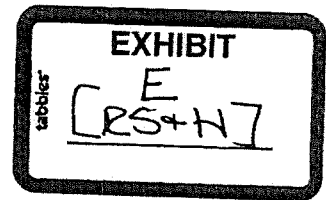
Please sign below and return to me if you would like us to proceed with this work.

If you have any questions, please feel free to contact us.

Amount Approved: _____

Approved By: _____

Date: _____



11011 Richmond Avenue, Suite 900
Houston, Texas 77042
Voice: 713-914-4455
Fax: 713-914-0155

March 20, 2013

Mr. Huy Nguyen
Project Manager
McKesson Specialty Health / The US Oncology Network
10101 Woodloch Forest
The Woodlands, Texas 77380

RE: **Design Services Proposal**
Cary Cancer Center LINAC Remodel
300 Ashville Ave, Suite 150
Cary, NC 27518

Dear Huy:

On behalf of the officers and associates at Reynolds Smith and Hills, Inc. (RS&H), we are pleased to present this proposal letter to provide design services for interior improvements for Cary Cancer Center. The scope of work, as we understand it, is to provide contract construction documents and construction contract administration support services for LINAC renovations to existing cancer center consisting of new Varian radiation therapy equipment at vault and casework modifications to control console area. Based on the above understanding, we propose the following scope of services and fees:

SCOPE OF SERVICES:

**Task 1 – Construction Documents, Permitting and Construction Administration\$36,500
(LUMP SUM)**

- Review existing as-built construction documents provided by Owner/ Building Manager (Landlord) or others, if available.
- Architect and Engineers (2) to attend one (1) site visit to review existing field conditions for development of construction documents.
- Generate base CAD files based on as-built construction documents provided by Owner/ and from field documentations.
- Conduct building code research and documentation for permit construction documents.
- Develop general notes and specification documentation based on Building Manager's (Landlord's) work letter and McKesson Specialty Health's Facilities Guidelines.
- Develop demolition documents as part of the construction documents.
- Develop construction documents (architectural, mechanical, plumbing, and electrical) for permitting and construction.
- Architect, Electrical Engineer and Mechanical Engineers have already attended (1) kick off meeting with Owner, End Users and pre-selected General Contractor. Architect will also attend one (1) Progress Review meeting with Owner/ End. Meeting date TBD.

- Fire protection engineering services (construction documents and hydraulic calculations) are not included and shall be a deferred submittal developed by Fire Protection Sub-Contractor under the direction of the General Contractor.
- Provide building permitting support to the pre-selected General Contractor.
 - Provide responses to any review comments and revisions to documents, if required.
 - Building permitting shall be led by the pre-selected General Contractor.
- Architect will submit sealed plans and specifications to Owner and End User for review and approval. Architect will respond to review comments and provide clarification, if required.
- Provide a total of eight (8) site visits to include: One (1) Owner kick-off /field verification meeting (already took place), one (1) 50% review meeting, one (1) 95% review meeting, one (1) pre-construction meeting, one (1) construction progress site meetings, and one (1) punch-list site meeting. Additional site meetings/visits may be provided upon request and as an additional service.
- Construction Administration Deliverables: pre-construction minutes, shop reviews, one (1) field observation reports and one (1) punch list.
- Anticipated construction schedule duration is approximately six (6) weeks. Construction schedule overruns beyond the anticipated schedule shall be justification for additional services
- Coordination with GC submission of documents for building permit approval process, respond to any review comments and revisions to documents, if required.
- Office consultation and support during construction (request for information, clarifications, and architectural supplemental instruction to selected contractor).
- Shop Drawing Review limited to casework, interior finishes, electrical equipment, mechanical equipment, and plumbing equipment. Provide initial review and (1) re-submittal review if required.

Reimbursable Expenses.....\$7,500
(LUMP SUM)

Reimbursable expenses are defined as travel, lodging, auto rental, subsistence, long-distance telephone, reproductions, courier, overnight delivery, parking, tolls, taxi, licenses, postage, shipping and handling, film, film development. Fees include anticipated travel costs for site visits by RS&H consultant and RS&H staff.

ASSUMPTIONS and EXCLUSIONS

1. Medical Office Building interior design and construction standards will be supplied by Building Landlord or their representative to RS&H prior to commencement of design development work.
2. RS&H assumes McKesson Specialty Health will coordinate and provide all site-specific medical equipment planning or installation documentation for architect and engineer's exclusive use in developing construction contract documents. Excluded are developing site-specific planning or installation documents, plans, and CAD/ BIM files for medical equipment such as, but not limited to LINAC, PET, PETCT, CT, HDR, MRI, and Mobile Coach.
3. Preliminary/schematic design information for "Tenant", including CAD files and Design Guidelines will be supplied by McKesson.
4. FF&E selection, specification, and/or procurement are excluded from RS&H scope of work. These services may be provided as additional services upon request.

5. Building has sufficient electrical power, water and sanitary sewer piping, and HVAC unit capacity to accommodate remodel requirements. RS&H shall utilize existing and Owner anticipates no additional utilities will be required.
6. McKesson Specialty Health will provide all medical equipment, furniture, voice/data design, and overhead cabling design and installation services.
7. RS&H assumes Owner shall provide specifications on existing chiller and new power conditioner to serve the new LINAC.
8. RS&H will only reference and indicate rough-in location for furniture/workstation based on vendor provided data within areas to be renovated for power and data. Design and installation of workstations, such as terminal whips, shall be provided by Furniture Vendor and will not be indicated on construction documents.
9. RS&H will indicate rough-in and junction box locations within work areas to be renovated with pull-strings for the following: voice and data, cable television (CATV) satellite television (SATV), security, and door access control, if required. Design and installation of termination points, overhead cabling, etc. shall be provided by Vendors and will not be indicated on construction documents.
10. RS&H will only reference proposed locations of new and relocation of existing fire alarm and strobes within work areas to be improved. General Contractor shall be responsible for contacting and supplying a set of construction contract documents to the Building Landlord's fire alarm company. The fire alarm company will be responsible for determining the final quantity and location of all required alarms, strobes, speakers, pull stations, etc., as well as all state and local jurisdictional requirements for these items.
11. RS&H will indicate new and relocated light fixtures to accommodate new room layouts. Design shall utilize existing circuits and panel boards as practical.
12. RS&H will indicate new and relocated HVAC diffusers/returns to accommodate new room layouts. Main ductwork distribution to remain with minor modifications to secondary branch ductwork. No new HVAC units are anticipated.
13. RS&H assumes a negotiated bid project delivery method with a pre-selected General Contractor. Evaluation of bids shall be conducted by McKesson Construction Project Manager.
14. Project Manual (specifications) services are excluded from RS&H scope of work. Information will be provided on Construction Documents.
15. Shop Drawing Review services are limited to submittals indicated in Scope of Services above and two reviews per submittal. Shop Drawing Review of submittals not expressly noted or beyond two (2) reviews will be the responsibility of Contractor and McKesson Construction Manager or will be provided upon request as an additional service.
16. Close-Out Documentation services are excluded from RS&H scope of work. As-built documentation and operating/maintenance manuals will be the responsibility of the Contractor.
17. Interior rendering(s) and/or model(s) are excluded from RS&H scope of work. These items may be provided upon request as an additional service.
18. BOMA area calculations, leasing, marketing and/or condominium documents or exhibits are excluded from RS&H scope of work.
19. On-Site Meetings by Architect and Engineers, Total of seven (6 max). Two (2) meetings for kick-off and planning, two (2) meetings during construction documents and two (2) meetings during construction administration. Additional meetings/visits may be provided upon request and as an additional service.
20. RS&H excludes design services for "Building Common Area". Improvements to elevator(s), security area, vending area, fire control rooms, and similar building core and service areas such as fully enclosed

mechanical or equipment rooms are excluded from Scope of Work and shall be the responsibility of the Building Manager.

21. RS&H assumes any changes to approved plan layouts resulting from Owner directed changes to the floor plan after Notice-to-Proceed (NTP) or Approvals, including any changes due to lease agreement issues or medical equipment after NTP will be considered additional services.
22. RSH assumes McKesson Specialty Health shall handle all Certificate of Need (CON) items. Additional documentation and or submittal to third parties are excluded from RS&H scope of work.
23. RS&H assumes decommissioning of LINAC equipment shall be Owner responsibility.
24. RS&H assumes one Commercial Building Permit for Interior Renovation with Jurisdiction Having Authority (JHA).
25. RS&H assumes McKesson Specialty Health shall provide by another consultant due diligence services for, LINAC Shielding, HVAC Certified Test & Balance, and Materials Testing

ANTICIPATED SCHEDULE

Notice to Proceed (NTP)	
Task 1.1 – Construction Documents	04 weeks
Task 1.2 – Building Permitting	04 weeks
Task 1.3 – CA Support	06 weeks
Total Anticipated Schedule	14 weeks

SUMMARY OF LABOR AND EXPENSE FEES

Construction Documents, Permitting and CA Support	\$36,500 Lump Sum
<u>Reimbursable Expenses</u>	<u>\$ 7,500 Lump Sum</u>
Total –Labor and Expense Fees	\$44,000 Lump Sum

Huy, if this proposal letter meets with your approval, please sign below and return one copy to us. This letter along with our Professional Services Conditions will serve as our agreement. Reynolds, Smith and Hills, Inc. truly appreciates the opportunity to propose these professional design services to you and we look forward to working with you on the development of this project.

Huy Nguyen
Design Services Proposal
Cary Cancer Center LINAC Remodel
Cary, North Carolina
March 20, 2013
Page 5 of 5

Sincerely,

REYNOLDS, SMITH AND HILLS, INC.



Nixon Exantus, AIA
Architect | Project Manager



Chung Rutter, AIA, LEED AP
Vice President

cc. Andrew Wheeler, RS&H

Accepted this _____ day of _____, 2013. Authorization is hereby given.

McKesson Specialty Health | The US Oncology Network

By: _____

Title: _____

ATTACHMENT "A"
REYNOLDS, SMITH AND HILLS, INC.
PROFESSIONAL SERVICES CONDITIONS

1. SERVICES OF REYNOLDS, SMITH AND HILLS, INC. ("RS&H")

1.1 Reynolds, Smith and Hills, Inc. (RS&H), a Florida Corporation, with offices located at 11011 Richmond Ave., Suite 900, Houston, Texas 77042, agrees to provide those certain professional services ("the Services") to McKesson Specialty Healthcare, with offices located at 10101 Woodloch Forest, The Woodlands, Texas 77380, in connection with the Project, as described in a letter proposal addressed to Mr. Huy Nguyen, Project Manager, US Oncology, dated March 20, 2013, attached hereto and made a part hereof.

1.2 RS&H shall provide the Services to the CLIENT as an independent professional consultant, and in no event shall RS&H be deemed to be an employee, agent, partner, or joint venturer of the CLIENT.

1.3 Should the CLIENT issue a purchase order or other instrument related to RS&H's Services, it is understood and agreed that such document is for the CLIENT's internal accounting purposes only and shall in no way modify, add to, or delete any of the terms and conditions of this Agreement. If the CLIENT does issue a purchase order or other similar instrument, it is understood and agreed that RS&H shall indicate the purchase order number on the invoices sent to the CLIENT.

1.4 The Services shall be performed by RS&H with reasonable care, skill and diligence in accordance with generally accepted professional practice (professional practice does not mean such Services shall be perfect or error free). OTHER THAN AS EXPRESSLY SET FORTH HEREIN, RS&H MAKES NO WARRANTIES OR GUARANTEES WHATSOEVER, WHETHER EXPRESSED OR IMPLIED, OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ANY SERVICES PERFORMED UNDER THIS AGREEMENT.

2. CLIENT'S RESPONSIBILITIES

2.1 The CLIENT shall provide full information regarding its requirements for the Services or Project.

2.2 The CLIENT shall designate a representative authorized to act in its behalf with respect to the Project. The CLIENT's authorized representative shall examine all studies, reports, sketches, estimates, drawings, specifications, proposals, and other documents submitted by RS&H or furnish information required of the CLIENT and shall render in writing decisions pertaining thereto promptly so as not to delay the progress of RS&H's Services.

2.3 The CLIENT shall obtain all permits, provide all legal, accounting and insurance counseling services in connection with the Project, and provide environmental impact reports and energy assessment unless specifically included in the Scope of Services. The CLIENT shall pay the costs of checking and inspection fees, zoning application fees, soil engineering fees, testing, fees, surveying fees, permits, bond premiums, and other charges not specifically covered by the terms of this Agreement.

2.4 The CLIENT shall provide RS&H, its agents and consultants access to its records to the extent necessary to perform RS&H's obligations hereunder. If any offsite investigations are required, CLIENT shall provide access rights as necessary. If the CLIENT is not the owner of the site in question, it is the CLIENT's responsibility to secure the required access rights from site owners.

3. TERM OF AGREEMENT

3.1 The term of this Agreement shall be for one year from the date of execution of the Scope of Services letter. The term may be extended upon agreement in writing by both parties to this Agreement.

4. COMPENSATION AND METHOD OF PAYMENT

4.1 The CLIENT agrees to pay RS&H (i.e. fee and expenses) as described in the Scope of Services letter dated March 20, 2013.

4.2 The CLIENT agrees to make an initial payment of \$ 0-, which shall be made upon execution of this Agreement and credited to the CLIENT's account.

4.3 RS&H shall invoice the CLIENT monthly for all Services rendered and Reimbursable Expenses incurred pursuant to this Agreement, and each invoice shall be due and payable upon receipt by the CLIENT. The CLIENT shall notify RS&H in writing of any disputed amount contained on an invoice within fifteen (15) calendar days from the date of invoice; otherwise, all charges shall be deemed acceptable and correct.

4.4 The CLIENT agrees to pay RS&H as stated herein for the Services rendered under this Agreement at RS&H's corporate office whose address is Reynolds, Smith and Hills, Inc., PO Box 4850, Jacksonville, Florida 32201-4850, Attn.: Accounting Department, or at such other location as may be specified by RS&H in writing.

4.5 If the CLIENT fails to make any payment due RS&H within thirty (30) days after the date of an invoice therefore, the amounts due RS&H shall accrue interest at the lesser of one and a half percent (1.5%) per month or the maximum rate allowed by law from the thirtieth (30th) day; and, in addition, RS&H may, after giving seven (7) days written notice to the CLIENT, suspend Services under this Agreement until RS&H has been paid in full all amounts due for Services and Reimbursable Expenses, including all accrued but unpaid interest, without RS&H incurring liability due to such suspension. In the event RS&H engages an attorney to collect any amounts due it hereunder, the CLIENT shall

reimburse RS&H for the costs of litigation or arbitration, including all reasonable appropriate attorneys' fees before trial, at trial, or on appeal.

4.6 Any delay or default in the performance of any obligation of RS&H under this Agreement resulting from any cause beyond RS&H's reasonable control shall not be deemed a breach of this Agreement. The occurrence of such event shall suspend the obligations of RS&H as long as performance is delayed or prevented thereby, and the compensation due RS&H hereunder shall be equitably adjusted.

4.7 During the performance of the Services hereunder, the CLIENT shall have the right, by written instrument, to make changes in, omissions from, or to require additions to the Services (hereinafter collectively referred to as "Changes"). In the event that such Changes require the preparation of additional drawings and/or specifications, or require additional services by RS&H, then, upon completion of such additional services, RS&H shall be entitled to an equitable increase in compensation for additional services rendered due to such Changes.

5. REIMBURSABLE EXPENSES DEFINED

5.1 Reimbursable Expenses are defined as actual expenditures made by RS&H, its employees, or its consultants in the interest of the Project including but not limited to:

Transportation and subsistence of Project personnel, consultants' fees, computer and computer aided drafting and design (CADD) charges, fees paid for securing approval of authorities having jurisdiction of the Project, toll telephone calls and FAX charges, reproduction and printing charges of all types for Project-specific documents, mailing and shipping charges, equipment and laboratory use fees, photography, model materials, and all other materials and expendable supplies directly used with respect to the Project.

5.2 If applicable, all Reimbursable Expenses shall include a ten percent (10%) service charge which shall be added as an administrative charge to RS&H's costs for such expenses.

6. DIRECT PERSONNEL EXPENSES DEFINED

Direct Personnel Expenses shall mean the cost of salaries of employees of RS&H engaged on the Project and of mandatory and customary benefits such as statutory employee benefits, insurance, sick leave, holidays, vacations, pensions, and similar benefits.

7. INSURANCE

7.1 RS&H shall maintain, to the extent reasonably available, the following insurance coverage during the performance of its Services under this Agreement:

Workers' Compensation	Statutory
Employers' Liability	
Each accident	\$1,000,000
Disease - Policy Limit	\$1,000,000
Disease - Each Employee	\$1,000,000
Commercial General Liability (including contractual and fire damage)	
General Aggregate	\$2,000,000
Products-Comp/OP Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Medical Expenses per person	\$10,000
Umbrella/Excess Insurance	\$9,000,000
Automobile Liability (any auto, hired autos and non-owned autos)	
Bodily Injury/Property Damage	\$1,000,000 CSL
Professional Liability (including errors and omissions & Expanded Pollution Coverage)	
Per Claim	\$5,000,000
Aggregate	\$10,000,000

RS&H shall provide the CLIENT with a Certificate of Insurance indicating that the above-described coverages are in effect, if requested.

8. TERMINATION, SUSPENSION OR ABANDONMENT

8.1 This Agreement may be terminated without cause by either party upon fifteen (15) days written notice. In the event of termination, RS&H shall be compensated, as provided herein, for Services performed prior to termination, together with Reimbursable Expenses then due and for all expenses directly attributable to termination.

8.2 If the Project is suspended by the CLIENT for more than thirty (30) consecutive days, RS&H shall be compensated for Services performed prior to notice of such suspension. When the Project is resumed, RS&H's compensation shall be equitably adjusted to provide for expenses incurred in the interruption and resumption of RS&H's Services.

8.3 This Agreement may be terminated by the CLIENT upon not less than fifteen (15) days written notice to RS&H in the event that the Project is permanently abandoned. If

the Project is abandoned by the CLIENT for more than ninety (90) consecutive days, RS&H may terminate this Agreement by giving written notice.

8.4 Failure of the CLIENT to make payments to RS&H in accordance with this Agreement shall be considered substantial nonperformance and cause for termination.

9. USE OF DOCUMENTS AND ELECTRONIC DELIVERABLES.

9.1. All Documents are instruments of Service in respect to this Project, and Consultant shall retain an ownership and property interest therein (including the right of reuse at the discretion of the Consultant) whether or not the Project is completed. Electronic files of text, data, graphics, or other types ("Electronic Deliverables") that are furnished by Consultant to Client are furnished for the convenience of Client. The Electronic Deliverables are subject to error and can be modified or corrupted without the knowledge or authorization of Consultant. Therefore, in the event of any discrepancy between the Electronic Deliverables and the signed and sealed printed copies (the "hard copies") of the documents furnished to client, the hard copies shall govern and Client's use of the Electronic Deliverables is at Client's own risk.

9.2. Client agrees that it shall perform acceptance tests or procedures on the Electronic Deliverables within sixty (60) days to ensure that the Electronic Deliverables contain the same information and specifications as the hard copies. Client shall notify Consultant of any errors detected within the sixty (60) day acceptance period and such errors shall be corrected by Consultant. In the event that Client does not inform Consultant of any errors within the sixty (60) day acceptance period, Client shall be deemed to have accepted the Electronic Deliverables and Consultant shall not be responsible to cure any errors thereafter. Consultant shall not be responsible to maintain documents stored in EODM format after Client's acceptance.

9.3. When transferring Electronic Deliverables, Consultant makes no representations as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by Consultant at the beginning of this Project.

9.4. Client may make and retain copies of Electronic Deliverables for information and reference in connection with use on the Project by Client. Such Electronic Deliverables are not intended or represented to be suitable for reuse by Client or others on extensions of the Project or on any other project. Consultant retains ownership of all Documents and Electronic Deliverables and is providing such Documents and Electronic Deliverables for Client's use only for this Project. Client is not authorized to use, reuse, or modify the Documents or Electronic Deliverables for any other use or purpose. Any such reuse or modification without written verification or adaptation by Consultant, as appropriate for the specific purpose intended, shall be at Client's sole risk and without liability or legal exposure to Consultant or Consultant's subconsultants. Client shall indemnify and hold harmless Consultant and Consultant's subconsultants from and against any and all claims, liabilities, losses, damages, or costs, including but not limited to reasonable attorney's fees, arising out of or in any way connected with the conversion, modification, misinterpretation, misuse or reuse, by Client or others, of Electronic Deliverables furnished by Consultant hereunder. Any verification or adaptation of the Documents for extensions of the Project or for any other project will entitle Consultant to further compensation at rates agreed upon by Client and Consultant.

10. CONFIDENTIAL INFORMATION

Within the limits of the normal course of business, the CLIENT and RS&H agree to maintain the confidentiality of, and shall not release or allow access to any information, documents or materials in connection with the performance of the Services which are marked "Confidential" or "Privileged" by the CLIENT and RS&H, respectively.

11. INDEMNIFICATION

11.1 CLIENT acknowledges the sufficiency of Ten Dollars (\$10.00) to be credited against the first payment coming due to RS&H under this Agreement as specific consideration for the indemnification and hold harmless provisions set forth in Sections 9 and 11 of this Agreement.

11.2 CLIENT agrees to defend, indemnify and hold RS&H harmless from and against all suits, claims and demands howsoever arising made against RS&H by third parties in connection with the Project to the extent of CLIENT's negligence, error or omission, including reasonable costs and reasonable attorneys' fees before trial, at trial or on appeal. The indemnity provided by CLIENT to RS&H in this Section 11 herein shall not apply to the extent any claim, loss, damage or liability arising from the willful misconduct or gross negligence of RS&H.

11.3 CLIENT recognizes that the Project site may involve the presence of hazardous, toxic or pollutive substances. RS&H has no responsibility for the condition of the Project site or the handling, storage or disposal of any substance or materials from any Project

site or otherwise. CLIENT hereby agrees to indemnify and hold RS&H harmless from any and all liability, claims, damages or other expenses (including, but not limited to, loss of property, injury or loss of life, environmental clean-up costs, fines or assessments and any consequential, direct or indirect damages) arising out of, resulting from, or otherwise connected with the generation, presence, discharge, release, escape, handling, transportation, storage or disposal of any toxic or hazardous materials, pollutants or contaminants of any kind. The indemnity provided by CLIENT to RS&H in Section 11 herein shall not apply to the extent any claim, loss, damage or liability arising from the willful misconduct or gross negligence of RS&H.

11.4 If, as a result of any negligent errors, omissions or acts, for any of which RS&H has legal responsibility, CLIENT incurs an accumulation of excess costs over two percent (2%) of the actual project construction cost, RS&H shall bear the burden of such accumulation of excess costs over the two percent (2%); provided said accumulation of excess costs shall not include any items considered unjust enrichment to CLIENT, any improvement costs or betterment costs and shall not exceed the difference between (a) the actual construction costs resulting from such negligent errors, omissions, or acts of RS&H and (b) an estimate of what such costs would have been at the time of the signing of the construction contract. Accordingly, it is agreed that RS&H shall have no liability for any such excess construction costs which are less than two percent (2%) of the actual project construction cost and that in no event shall the total aggregate liability of RS&H for damage due to any negligent errors, omissions or acts, for any of which RS&H has legal responsibility, exceed the total fee due RS&H for the Services rendered under this Agreement. RS&H shall not be liable for consequential damages such as loss of use, profits, and anticipated profits.

12. MISCELLANEOUS PROVISIONS

12.1 RS&H is an equal opportunity employer.

12.2 This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Florida, but excluding the choice of law rules thereof, and any disputes with respect thereto may be maintained only in a court of competent jurisdiction in the County of Duval, State of Florida.

12.3 This Agreement shall be binding upon the CLIENT and RS&H and their respective partners, successors, heirs, assigns and legal representatives. Neither party to this Agreement shall assign or transfer any rights, duties, or obligations under or interests in this Agreement without the prior written consent of the other party. Notwithstanding the foregoing, however, RS&H may subcontract any portion of the Services to be rendered hereunder without such consent.

12.4 This Agreement together with all attachments constitutes the entire agreement between the CLIENT and RS&H and supersedes all prior written or oral understandings between the parties with respect to the subject matter hereof. This Agreement and any attachment may only be amended, supplemented, modified or canceled by a written instrument signed by an authorized representative of each party.

12.5 In the event a dispute arises out of the Project, this Agreement or the Services provided hereunder, the non-prevailing party shall reimburse the prevailing party for its costs of litigation, arbitration or other legal or quasi-legal proceedings and reasonable attorneys' fees before trial, at trial or on appeal.

12.6 If any provision of this Agreement is held to be unenforceable or invalid in whole or in part, such provision shall be severed, and the validity, legality and enforceability of the remaining part of such provision, and the validity, legality and enforceability of all other provisions hereof or thereof, shall not be affected thereby.

12.7 Any and all notices required or authorized to be given pursuant to this Agreement, excluding invoices for Services rendered pursuant hereto, shall be given in writing and either hand-delivered or addressed and sent by certified or registered mail, postage prepaid, and return receipt requested as follows:

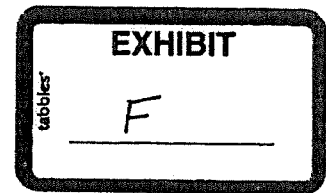
If to the CLIENT: McKesson Specialty Healthcare
10101 Woodloch Forest
The Woodlands, TX 77380
Attention: Mr. Huy Nguyen

If to RS&H: Reynolds, Smith and Hills, Inc.
11011 Richmond Avenue, Suite 900
Houston, Texas 77042
Attention: Mr. Nixon Exantus, AIA

or such other address as may hereafter be designated by either party by the giving of notice in accordance with this Section 12.7. All notices or other communications shall be deemed given when actually hand-delivered, or five (5) days after mailing in accordance with this Section 12.7.



6725 Mesa Ridge Road, Suite 100
 San Diego, CA 92121
 Ph: 858-454-8100
 Fax: 858-454-8555



Customer: US Oncology - Corporate 10101 Woodloch Forest The Woodlands, TX 77380 Contact: Name: Rebecca Schuster Phone: 281-863-4912	Sales Manager: Ed Brown Telephone: 858-454-8100 Fax: 858-454-8555 E-mail: Ed@oncologysystems.com	Date: 4/12/2013 Reference: 13REL-1563
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Removal and Disposal Quotation

This Quotation dated 4/12/2013 by and between Radiology Oncology Systems, Inc., (hereinafter known as "ROS") and US Oncology - Corporate, hereinafter known as "CUSTOMER" or "FACILITY", is to provide the equipment ("Equipment") and services described herein. When fully executed and delivered, this Quotation, including the attached terms and conditions will constitute the agreement (the "Agreement") between the parties.

Qty	Equipment Description	Std. Price	Offer Price
1	<p><u>Project Description</u></p> <p>De-installation, removal and scrapping of the following Equipment:</p> <p><i>Siemens Primus linear accelerator, s/n 2896 (Reference 13D28)</i></p> <ul style="list-style-type: none"> • Equipment currently installed at Wake Radiology Oncology Services • Includes all labor for disassembly and rigging, including overtime • Includes after-hours, evening, weekend labor (if needed) • Includes rigging and loading onto a truck. • Includes scrapping of equipment 		\$10,000.00
	<p><u>Contaminated Materials Management</u></p> <ul style="list-style-type: none"> • For high-energy linear accelerators (greater than 6&10MV photon energy systems), the collimator head may contain radioactive decay that is not accepted at many scrap yards and may present fines to those attempting to dispose of such material. The Customer's Radiation Safety officer or licensed physicist must be present to measure any radioactive decay and authorize its removal from the facility. • In the event any contaminated material is detected, ROS shall leave such material on site in marked containers. • Customer may elect to retain contaminated materials until radiation measurements dictate they are acceptable to remove/scrap; or, at Customer's request, ROS shall provide a quotation for disposal of contaminated material from an authorized radioactive disposal 		

Buyer Initials: _____

Seller Initials: _____



6725 Mesa Ridge Road, Suite 100
 San Diego, CA 92121
 Ph: 858-454-8100
 Fax: 858-454-8555

Qty.	Equipment Description	Std. Price	Offer Price
	company.		
	<p><u>Customer's Responsibilities</u></p> <ul style="list-style-type: none"> • Facility to provide a clear path of removal for the system • <u>Does not include any extraordinary expenses related with complex removals, including construction, vault door removals, elevator-involved rigging, crane rentals, radioactive materials or floor shoring. Any such costs are the responsibility of the facility.</u> • For removals for systems or equipment located above the ground or bottom floor, the facility will be responsible for ensuring that the floor can support the weight of the machine and/or the parts during the de-installation. Any damage to flooring or building structure as a result of failure to support the weight of the machine will the responsibility of the facility. • Removal dates to be agreed upon in advance of scheduling. This quotation is subject to an acceptable removal date. • Customer is responsible for granting access to the de-installation crew during after-hours operations. • Customer is responsible to ensure the Equipment is still in operational condition with power on to the system, unless otherwise agreed to with ROS. • Facility personnel should be present at the commencement of the project to disconnect power and electricity, as may be required, and to walk the path for the appropriate removal with the service personnel. • Quote assumes that a truck will have access to an area within reasonable distance of exit door at the end of removal path. • Quote assumes no union labor will be required for performance of work. Any union labor necessary to be hired will be the responsibility of the Customer/Facility at the Customer/Facility's expense. • All work to be initiated no later than 90 days after the execution of this agreement. There is no warranty on the equipment, and no guarantees are made with respect to the functionality of the equipment when re-installed. 		

Buyer Initials: _____

Seller Initials: _____



6725 Mesa Ridge Road, Suite 100
 San Diego, CA 92121
 Ph: 858-454-8100
 Fax: 858-454-8555

Quotation Page 3 of 4

Reference: 13REL-1563

Qty.	Equipment Description	Std. Price	Offer Price
Payment Terms <ul style="list-style-type: none"> • Terms: 50% deposit required one week prior to the commencement of the project. • The balance is due upon the completion of the removal of the Equipment. <p><i>Note: Quote Excludes State or Local Taxes and subject to the terms and conditions of the Equipment Sales Agreement. This quote is valid for 30 days.</i></p>			
Subtotal for Equipment Removal Project:			\$10,000.00
Discount for Parts Value*/ Preferred Customer:			(\$3,000.00)
Total for Equipment Removal Project:			\$7,000.00

*Parts value discount applies only if Equipment is complete, in operational condition, with power on to the system at the time of removal.

Buyer's Signature	Buyer's Print Name / Title	Date
Seller's Signature	Seller's Print Name / Title	Date

[This space is left intentionally blank]

Buyer Initials: _____

Seller Initials: _____



6725 Mesa Ridge Road, Suite 100
 San Diego, CA 92121
 Ph: 858-454-8100
 Fax: 858-454-8555

Quotation **Page 4 of 4**

Reference: 13REL-1563

Qty.	Equipment Description	Std. Price	Offer Price
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Customer Instructions:

Please remit all payments to Radiology Oncology Systems, Inc., 6725 Mesa Ridge Road, Suite 100, San Diego, CA 92121

Please initial ALL PAGES and return signed copy to fax 858-454-8555.

Or e-mail a pdf signed copy to info@oncologysystems.com

Or mail to:

Radiology Oncology Systems, Inc.
 6725 Mesa Ridge Road, Suite 100
 San Diego, CA 92121

PO NUMBER: _____

BILL TO ADDRESS:	SHIP TO ADDRESS:

Buyer Initials: _____

Seller Initials: _____