



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

November 6, 2014

Ms. Elizabeth Kirkman
Assistant Vice President
CHS Management Company
2709 Water Ridge Parkway, Suite 200
Charlotte, North Carolina 28217

Exempt from Review - Replacement Equipment

Facility: Carolinas Medical Center-NorthEast
Project Description: Replace linear accelerator
County: Cabarrus
FID #: 943049

Dear Ms. Kirkman:

In response to your letter of October 14, 2014, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(f). Therefore, you may proceed to acquire, without a certificate of need, the Varian TrueBeam linear accelerator to replace the existing Varian Clinac 2300 EX linear accelerator, serial #281, at the Batte Cancer Center of Carolinas Medical Center-NorthEast. This determination is based on your representation that the existing unit will be removed from North Carolina and will not be used again in the State without first obtaining a certificate of need.

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

It should be noted that 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.



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



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

Sincerely,



Gloria C. Hale
Project Analyst



Martha J. Frisone, Interim Chief
Certificate of Need Section

cc: Construction Section, DHSR
Radiation Protection Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Medical Facilities Planning Branch, DHSR



Carolinan HealthCare System

Edward J. Brown III
Chairman

Michael C. Tarwater, FACHE
Chief Executive Officer

Joseph G. Piemont
President & COO



October 14, 2014

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

RE: Carolinas Medical Center-NorthEast – Exemption Notice for Acquisition of Replacement Linear Accelerator Equipment, Cabarrus County

Dear Ms. Frisone:

The Charlotte-Mecklenburg Hospital Authority d/b/a Carolinas Medical Center-NorthEast (“CMC-NorthEast”), seeks to acquire a Varian TrueBeam linear accelerator (“TrueBeam”) (“Replacement Equipment”). Please see Attachment A for a copy of CMC-NorthEast’s current hospital license. The Replacement Equipment will replace CMC-NorthEast’s current Varian Clinac 2300 EX linear accelerator (“Existing Equipment”). The Existing Equipment is currently housed and in use in the Batte Cancer Center on CMC-NorthEast’s main campus located at 920 Church Street North in Concord, NC 28025 (see Attachment B). The Replacement Equipment will be located in the same space.

The purpose of this letter is to provide the Agency with notice and to request a determination that CMC-NorthEast’s purchase of the Replacement Equipment is exempt from Certificate of Need (“CON”) review under the replacement equipment exemption provisions contained in Session Law 2013-360, Section 12G.3(b) and Session Law 2013-363, Section 4.6 (which are codified at N.C. Gen. Stat. 131E-184(f)(1)-(3)).

The General Assembly has chosen to exempt certain, otherwise reviewable events from CON review. Among those exemptions is the acquisition of "replacement equipment," defined as follows in the CON law:

"Replacement equipment" means 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.

See N.C. Gen. Stat. 131E-176(22a). Under the new provisions found at N.C. Gen. Stat. 131E-184(f)(1)-(3), the CON law provides:

- (f) The Department shall exempt from certificate of need review the purchase of any replacement equipment that exceeds the two million dollar (\$2,000,000) threshold set forth in G.S. 131E-176(22) if all of the following conditions are met:
 - (1) The equipment being replaced is located on the main campus.
 - (2) The Department has previously issued a certificate of need for the equipment being replaced. This subdivision does not apply if a certificate of need was not required at the time the equipment being replaced was initially purchased by the licensed health service facility.
 - (3) The licensed health service facility proposing to purchase the replacement equipment shall provide prior written notice to the Department, along with supporting documentation to demonstrate that it meets the exemption criteria of this subsection.

See Session Law 2013-360, Section 12G.3(b) and Session Law 2013-363, Section 4.6. The term "main campus" was defined in Session Law 2013-360, Section 13G.3(a) (codified N.C. Gen. Stat. 131E-176(14n)) as follows:

- (14n) "Main campus" means all of the following for the purposes of G.S. 131E-184(f) and (g) only:
 - a. The site of the main building from which a licensed health service facility provides clinical patient services and exercises financial and administrative control over the entire facility, including the buildings and grounds adjacent to that main building.
 - b. Other areas and structures that are not strictly contiguous to the main building but are located within 250 yards of the main building.

The Existing Equipment is currently located in the Bette Cancer Center on CMC-NorthEast's main campus and the Replacement Equipment will be located within the same space (see Attachment B). The main hospital building from which CMC-NorthEast exercises financial and administrative control over CMC-NorthEast services is located at 920 Church Street North in Concord, NC 28025

(see Attachment B). CMC-NorthEast's President's office is located on the first floor of the main hospital building.

In addition to the foregoing, to qualify for this exemption, the replacement equipment must be "comparable" to the equipment it replaces and the equipment being replaced must be "sold or otherwise disposed of when replaced." CMC-NorthEast's proposal qualifies for this exemption.

A. Cost of the Replacement Equipment

The purchase price of the Replacement Equipment is \$4,290,451 (\$3,954,333 Linear Accelerator + \$336,118 Tax). A quote for the linear accelerator from Varian and a letter from Varian verifying that the expired quote price still stands are provided in Attachment C. The projected total capital cost of the project is \$5,231,932 and includes the removal of the existing equipment, renovation of the space, shipping and installation of the Replacement Equipment. The total capital cost schedule and the certified cost estimate of the renovation required to install the new equipment are provided in Attachment D.

B. Equipment Being Replaced is Located on the Main Campus

The Existing Equipment is currently located in the Batte Cancer Center on CMC-NorthEast's main campus (see Attachment B). The Replacement Equipment will be located in the same space in the Batte Cancer Center on CMC-NorthEast's main campus (see Attachment B).

C. Certificate of Need Issued for Equipment Being Replaced

This proposal also fits within the new exemption criterion in Section 131E-184(f)(2) because the Department issued a Certificate of Need for the Existing Equipment (see Attachment E). The original Certificate, issued in 2000, was a cost-overrun to acquire a second linear accelerator for CMC-NorthEast.

D. Comparable Equipment

The CON rule codified as 10A N.C.A.C. 14C.0303 (the "Regulation") defines "comparable medical equipment" in subsection (c) as follows:

"Comparable medical equipment" means equipment which is functionally similar and which is used for the same diagnostic or treatment purposes.

CMC-NorthEast intends to use the Replacement Equipment for substantially the same linear accelerator procedures for which it currently uses the Existing Equipment. The

Existing Equipment is a Varian Clinac 23EX linear accelerator. This Existing Equipment has been used for radiation oncology services since installation.

The Replacement Equipment will perform all procedures currently performed on the Existing Equipment. Although it possesses some expanded capabilities due to technological improvements, the Replacement Equipment will perform substantially the same radiation oncology services (see Attachment F for the Equipment Brochure). The Replacement Equipment is therefore “comparable medical equipment” as defined in Subsection (c).

Furthermore, CMC-NorthEast does not intend to increase patient charges or per procedure operating expenses within the first 12 months after equipment acquisition. For further equipment comparison, please refer to Attachment G, the Equipment Comparison Chart.

Subsection (d) of the regulation further provides:

- (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 10.0 percent increase in patient charges or per procedure operating expenses within the first twelve months after the replacement equipment is acquired.

The Replacement Equipment will meet all three of tests set out in Subsection (d). The Replacement Equipment satisfies the technology and functionality tests in Subsection (1) and (2) as discussed above and identified in the Comparison Chart (Attachment G). Moreover, CMC-NorthEast represents the use of the Replacement Equipment will not result in the types of expense or charge increases described in Subsection (d)(3).

The Existing Equipment is currently in use and documentation provided in Attachment H indicates that 6,977 procedures were performed over the past year.

E. Disposition of Equipment

Please see Attachment I for a letter documenting the Existing Equipment will be taken out of service and sent to the Varian Disposition Center in Illinois for disposal.

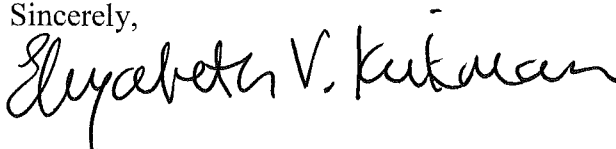
CONCLUSION:

Based on the foregoing information, CMC-NorthEast hereby requests that the Agency provide a written response confirming that the acquisition of the Replacement Equipment described herein is exempt from

CON review. If the Agency needs additional information to assist in its consideration of this request, please let us know.

Thank you for your consideration of this notice.

Sincerely,

A handwritten signature in black ink that reads "Elizabeth V. Kirkman". The signature is written in a cursive, flowing style.

Elizabeth V. Kirkman
Assistant Vice President
CHS Management Company

Attachments

cc: F. Del Murphy, Jr., CHS Management Company
Phyllis Wingate, President Carolinas Medical Center-NorthEast
Vicki Reich, Assistant Vice President Levine Cancer Institute

Attachment A

State of North Carolina

Department of Health and Human Services Division of Health Service Regulation

Effective January 01, 2014, this license is issued to

The Charlotte-Mecklenburg Hospital Authority

to operate a hospital known as

Carolinas Medical Center-NorthEast

located in Concord, North Carolina, Cabarrus County.

*This license is issued subject to the statutes of the
State of North Carolina, is not transferable and shall remain
in effect until amended by the issuing agency.*

Facility ID: 943049

License Number: H0031

Bed Capacity: 457

General Acute 447, Psych 10.

Dedicated Inpatient Surgical Operating Rooms: 4

Dedicated Ambulatory Surgical Operating Rooms: 0

Shared Surgical Operating Rooms: 17

Dedicated Endoscopy Rooms: 6

Authorized by:

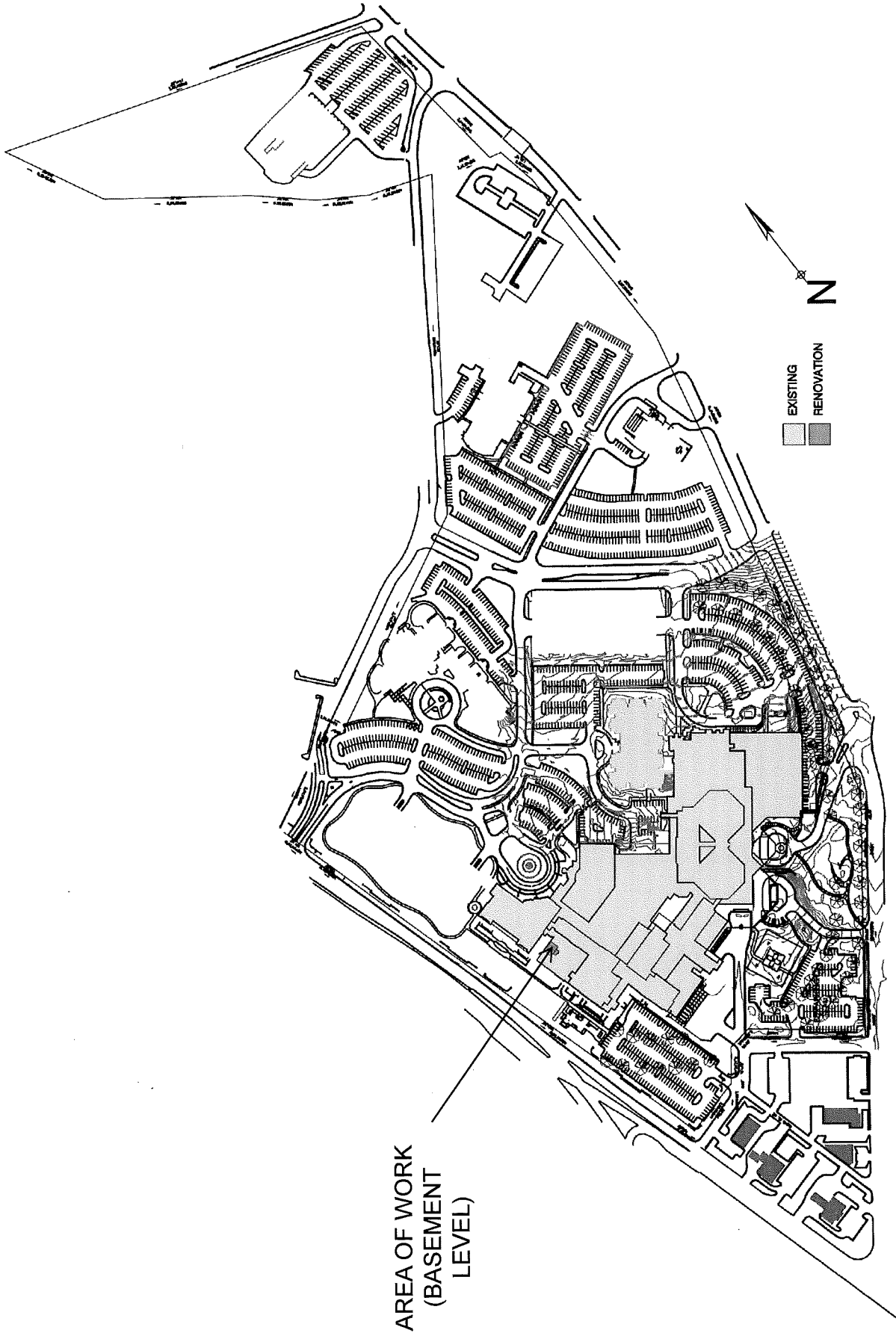


**Secretary, N.C. Department of Health and
Human Services**



Director, Division of Health Service Regulation

Attachment B



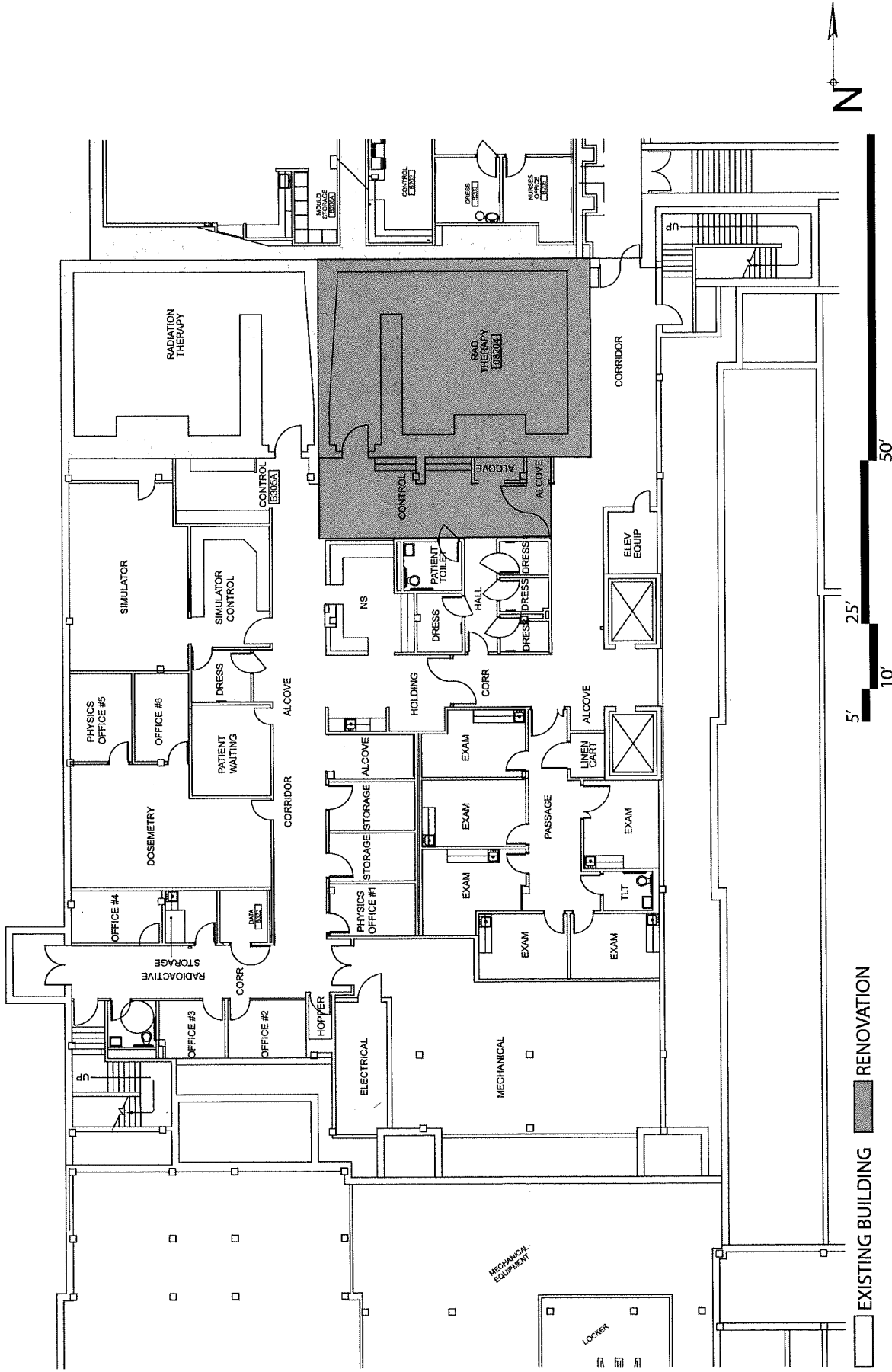
Existing and Proposed Site Plan

CMC - NorthEast

Carolinas HealthCare System September 17, 2014

Linear Accelerator CON





CMC - NorthEast
Basement Level

Existing and Proposed Floor Plan

Carolinas HealthCare System September 17, 2014

Linear Accelerator CON



Attachment C

Quotation For:

Vicki Reich
 Carolinas Medical Center- NorthEast
 Radiation Oncology Service
 920 Church Street, North
 Concord, NC 28025
 (803) 336 - 5186 [228] FAX: (803) 336 - 5186

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

Your Reference:	Quotation Firm Until: September 27, 2013
FOB Point: US2 FOB: Destination	Shipping Allocation: 180 DAYS ARO
Payment Terms: See Terms and Conditions	Varian Terms and Conditions of Sale 1652U Attached

**Carolinas Medical Center
 NorthEast**

TrueBeam #2

**TrueBeam System
 TrueBeam Accessories and Upgrades
 Travel and Lodging and NC Inspection**

<p>Carolinas Medical Center- NorthEast</p> <p>Quotation Total of: USD \$3,954,333 Accepted by:</p> <p>Signature: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>For this purchase, we designate <u>CAROLINAS</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>(Signature)</p> <p>Name: Yoel Bakas</p> <p>Title: Director, Strategic Accounts</p> <p>Date: September 11, 2013</p>
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Item	Qty	Product Description	Offer Price
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Section 1 TrueBeam System

1.01 1 TrueBeam Package

1.02 1 TrueBeam System
 TrueBeam system

Premium performance image-guided radiotherapy system

FEATURES:

- Performance per RAD 10094
- High speed, real time network control
- Synchronous, high precision motion, imaging, and dose trajectory management
- Patented variable beam energy generation
- Dual independent jaw collimator system, supporting dynamic jaw tracking and dynamic collimator rotation
- Enhanced dynamic wedge
- Electronic Accessory Detection and Verification system
- LaserGuard II system, a laser protection zone-based proximity sensor that is used to alert the user of system proximity to the patient, associated immobilization devices, and to other parts of the system and limit motion if necessary
- Treatment couch base with sub-millimetric positioning accuracy to isocenter
- Full remote motion control with software-selectable motion axis disable
- Autofield sequencing and full treatment delivery automation
- Radiation-hardened digital CCTV camera system for patient and motion monitoring
- Laser backpointer
- 3D system motion monitoring and touch detector systems
- Integrated controls with visual action prompts
- Two 27 inch monitors for treatment room viewing of system and patient information
- Two 21 inch high performance treatment console monitors
- Integrated audio system, including intercom, optional respiration coaching, input for music
- Low profile console packaging with optional stacking
- Software-selectable IEC601 and IEC 1217 scale convention
- Basic quality assurance and performance test kit, including front pointer set and collimator crosshair
- Standard spare parts
- Smart Connect remote access ready
- One (1) full warranty
- Shipping (Shipment is pending regulatory clearance of this product in the ship-to country. Lead times after receipt of order may vary greatly by country.)

NOTE: The TrueBeam only supports IEC 601 or IEC 1217 scales. Conical collimator accessories (sometimes called "cones") must not be used for treating patients on this device without also using the Barcode Conical Collimator Verification (BCCV) product. Failure to use BCCV with conical collimators may result in serious injury or death due to a lack of verification that the correct conical collimator and field size for that collimator are in place for that patient's treatment plan.

Item	Qty	Product Description	Offer Price
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PREREQUISITES:

- ARIA Practice Management, Version 8.8.15, or compatible third party oncology information system.
- ARIA Rad Onc, including Eclipse, Version 8.9.09.1, or compatible third party oncology information / treatment planning system

1.03 1 Base System Treatment License
 Includes static and arc X-ray treatment delivery license, supports maximum dose per field of 2500 MU for static fields and 7200 MU for intensity modulated fields

1.04 1 TrueBeam Online Marketing Program
 Access to the TrueBeam™ Online Marketing Program which provides a broad range of advertising, educational, promotional, and public relations materials targeted to referring physicians, patients, and the media.

1.05 1 New Baseframe

1.06 1 INCL ED: TB201 TrueBeam for Physicists
 The following Education Course is included with the purchase of a TrueBeam.

- Includes Tuition and Materials for ONE person
- Customer is responsible for all travel expenses (airfare, hotel, rental car, meals and travel incidentals)
- Training is non-refundable and non-transferable
- Offer is valid for 18 months after installation of product

TrueBeam Physics and Administration
 TrueBeam Physics and Administration course is designed for those personnel responsible for the acceptance, commissioning and QA program development of the TrueBeam in the clinical environment. It is directed primarily towards Medical Physicists. It is recommended that the student attend the TrueBeam Physics and Administration course shortly before the installation of the TrueBeam.

The course provides instruction of the basic delivery components, basic imaging components and a general overview of the motion management system components. Machine commissioning, calibration, QA and the responsibilities of Customer Acceptance Procedure (CAP) of the machine are included. The course subject matter is presented from a clinical use perspective. The primary emphasis is on the overall commissioning, calibration, and QA of the TrueBeam and its components. Extensive hands-on laboratory exercises are included.

PREREQUISITES: None

Length:
 4 days

Item	Qty	Product Description	Offer Price
1.07	1	<p>STD TRNG: TrueBeam On-Site Support</p> <ul style="list-style-type: none"> - Includes support for TrueBeam - Support is non-refundable and non-transferable - Offer is valid for 18 months after purchase <p>On site follow-up review of the TrueBeam components to include imaging and motion management for support of patient treatment. The emphasis of this support is to ensure that the therapists that attended the TrueBeam Operations (on-site) training are able to operate the TrueBeam in a safe and effective manner in the clinical environment.</p> <p>PREREQUISITES: TrueBeam Operations (on-site) training</p>	
1.08	2	<p>INCL ED: TB101 TrueBeam Operations</p> <p>The following Education Course is included with the purchase of a TrueBeam:</p> <ul style="list-style-type: none"> - Includes Tuition and Materials for ONE person - Customer is responsible for all travel expenses (airfare, hotel, rental car, meals and travel incidentals) - Training is non-refundable and non-transferable - Offer is valid for 18 months after installation of product <p>TrueBeam Operations is a course designed for those personnel responsible for the routine operation and clinical use of the TrueBeam. It is directed primarily towards Radiation Therapists. It is recommended that both students attend the TrueBeam Operations course shortly before clinical use and the commencement of patient treatments.</p> <p>The course provides instruction of the basic delivery components, basic imaging components and a general overview of the motion management system components. The course subject matter is presented from a clinical use perspective. The primary emphasis is on the overall understanding of the TrueBeam function and operation to include imaging and respiratory gating. Extensive hands-on laboratory exercises are included. The attendees of this class will be provided tools to allow them to instruct other clinical staff upon their return.</p> <p>PREREQUISITES: None</p> <p>Length: 4 days</p>	
1.09	1	<p>6/6 MV Energy (per BJR 11/17)</p> <p>40 cm x 40 cm maximum field size, dose rate range 0-600 MU/Min</p>	
1.10	1	<p>10/10 MV Energy (per BJR 11/17)</p> <p>40 cm x 40 cm maximum field size, dose rate range 0-600 MU/Min</p>	

Item	Qty	Product Description	Offer Price
1.11	1	15/16 MV Energy (per BJR 11/17) 40 cm x 40 cm maximum field size, dose rate range 0-600 MU/Min	
1.12	1	6X High Intensity Mode 40cm x 40cm maximum field size, dose rate range 400-1400 MU/Min Note: Portal Dosimetry (purchasable option) does not support High Intensity Mode	
1.13	1	10X High Intensity Mode 40cm x 40cm maximum field size, dose rate range 400-2400 MU/Min Note: Portal Dosimetry (purchasable option) does not support High Intensity Mode	
1.14	1	Electron Applicator Set 6cm x6cm, 6cmx10cm, 10cmx10cm, 15cmx15cm, 20cmx20cm, 25cmx25cm Includes electron arc applicator and final defining aperture mold frame set	
1.15	1	6 MeV 25 cm x 25 cm maximum field size, dose range range 0-1000 MU/Min	
1.16	1	9 MeV 25cm x 25 cm maximum field size, dose rate range 0-1000 MU/Min	
1.17	1	12 MeV 25cm x 25cm maximum field size, dose rate range 0-1000 MU/Min	
1.18	1	16 MeV 25cm x 25cm maximum field size, dose rate range 0-1000 MU/Min	
1.19	1	20 MeV 25cm x 25cm maximum field size, dose rate range 0-1000 MU/Min	
1.20	1	120 Multileaf Collimator - Performance per RAD 10094 - High resolution leaf width of 5 mm (projected at isocenter) for central 20 cm - Leaf width of 10 mm (projected at isocenter) for outer 20 cm	
1.21	1	IMRT Treatment Delivery License Capability to simultaneously modulate aperture shape with dose delivery for a static gantry beam FEATURES: - Simultaneous modulation of MLC aperture shape and dose delivery for a static gantry beam - Supports dynamic jaw tracking and collimator rotation with supporting treatment planning system - Includes large field IMRT	

Item	Qty	Product Description	Offer Price
1.22	1	<p>SRS/SBRT High Total Dose License Required for delivery of hypofractionated or radiosurgical X-ray treatments FEATURES: - Provides the capability to deliver high dose fields for any X-ray treatment - Supports delivery of up to 6000 MU for a static aperture beam - Supports delivery of up to 10800 MU for an intensity or volumetric modulated beam</p> <p>NOTE: For total body irradiation treatments, the Total Body Treatment Delivery License is required</p>	
1.23	1	<p>RapidArc Treatment Delivery License Capability to simultaneously modulate aperture shape, dose rate, and gantry angle and speed continuously for up to 360 degrees of gantry rotation, with delivery as an arc beam. When coupled with RapidArc Planning and a RapidArc-compatible information system, provides the capability to generate IMRT-quality dose distributions in a single, optimized arc around the patient. When coupled with the Optical Imager, provides the capability for Gated RapidArc.</p> <p>FEATURES: - Simultaneous modulation of MLC aperture shape, beam dose rate, and gantry angle and rotation speed during beam delivery - Supports dynamic jaw tracking and collimator rotation with supporting treatment planning system - Provides IMRT-quality dose distributions in a single arc delivery in less than 2 minutes</p>	
1.24	1	<p>MV Imager MV image acquisition and data analysis for target localization, patient positioning and motion management</p> <p>FEATURES: - Performance per RAD 10094 - High precision, isocenter-aligned positioning system - aS1000 detector system for low dose, high resolution imaging - 2D image acquisition before, after, and during treatment delivery - Online image review and analysis</p>	

Item	Qty	Product Description	Offer Price
1.25	1	<p>Basic MV Imaging License Provides capability for radiographic and cine imaging and basic imaging matching for treatment verification</p>	
1.26	1	<p>Advanced MV Radiographic Provides capability for 2D radiographic imaging, image analysis, and marker match</p>	
1.27	1	<p>Portal Dose Image Acquisition License Provides capability for portal dose image acquisition</p>	
1.28	1	<p>Port Film Graticule Set of upper and lower port film graticules</p>	
1.29	1	<p>kV Imager kV Image acquisition and data analysis, analysis for target localization, patient positioning and motion management.</p> <p>FEATURES:</p> <ul style="list-style-type: none"> - Performance per RAD 10094 - High precision, isocenter-aligned positioning system - X-Ray source and detector - 2D image acquisition before, after, or during treatment delivery - Online image review and analysis 	
1.30	1	<p>Basic 2D kV Imaging License Provides capability for 2D kV radiographic image acquisition and analysis, pretreatment fluoroscopic verification imaging and analysis, 2D marker matching, 2D MV/kV imaging and analysis, fluoroscopic image acquisition during treatment delivery</p>	
1.31	1	<p>kV CBCT Imaging License Provides capability to acquire, process, and analyze in 3D a cone-beam volumetric CT dataset</p>	
1.32	1	<p>Optical Imager Stereoscopic optical imaging system for monitoring patient respiratory motion and 3D patient position</p> <p>Performance per RAD 10094</p>	
1.33	1	<p>Respiratory Gating License Respiratory Gating License</p> <p>FEATURES:</p> <ul style="list-style-type: none"> - Provides the capability to synchronize image acquisition and treatment delivery with respiration - 3D patient position monitoring - Capability for gated arc therapy 	

Item	Qty	Product Description	Offer Price
1.34	1	<p>INCL ED: CL222 Respiratory Gating</p> <ul style="list-style-type: none"> - Includes Tuition and materials for ONE person. - Attendees will be responsible for their own, airfare, hotel, rental car, meals and other travel incidentals. - Training is non-refundable and non-transferable. - Offer is valid for 18 months after installation of product. <p>The RPM course provides training for physicists, or therapists, to obtain knowledge of the principles and practice of respiratory gating in radiation oncology for clinical implementation.</p> <p>Duration: 1 1/2 days</p>	
1.35	1	<p>Dynamic MV Imaging License</p> <p>Provides capability for respiration-synchronized MV radiographic image acquisition</p> <p>PRE-REQUISITE: Optical Imager and accompanying Respiratory Gating Licence</p>	
1.36	1	<p>Dynamic kV Imaging License</p> <p>Provides capability for respiratory gating-triggered kV radiographic image acquisition, during, after, and before treatment delivery.</p> <p>PRE-REQUISITE: Optical Imager and accompanying Respiratory Gating License</p>	
1.37	1	<p>Standard Stand Configuration</p>	
1.38	1	<p>Upper Wedge Set</p> <p>4-Way Wedge Set, including 15°, 30°, 45°, 60° wedges</p>	
1.39	1	<p>Motion View</p> <p>CCTV Camera Kit</p> <p>FEATURES:</p> <ul style="list-style-type: none"> - Two pan, tilt, zoom CCTV cameras - Two desktop, 8 1/4 inch LCD displays with built in camera controls - Adjustable viewing angle for patient privacy - Push button pan, tilt, zoom, and home position control 	
1.40	1	<p>LAP Apollo Green Room Laser Kit</p> <p>LAP Apollo Green Room Laser Kit</p> <p>FEATURES:</p> <ul style="list-style-type: none"> - 1 Apollo Green Remote Controlled Ceiling Crosshair Laser - 2 Apollo Green Remote Controlled Lateral Crosshair Lasers - 1 Apollo Green Remote Controlled Sagittal Line Laser 	

Item	Qty	Product Description	Offer Price
1.41	1	<p>Additional CCTV Camera System Additional CCTV Camera Kit</p> <p>FEATURES:</p> <ul style="list-style-type: none"> - Two pan, tilt, zoom CCTV cameras - Two desktop, 8 1/4 inch LCD displays with built in camera controls - Adjustable viewing angle for patient privacy - Push button pan, tilt, zoom, and home position control <p>Prerequisites: Motion View must be selected or installed</p>	
1.42	1	<p>Power Cond., 3phase 50KVA, TrueBeam Transtector 50KVA, 3-phase power conditioning unit, providing transient protection, line power regulation, and Input and Output circuit breakers for over-current protection. UL and IEC/CE certified.</p>	
1.43	1	<p>Main Circuit Breaker Panel General Electric Co. main circuit breaker panel, interfacing to a single power input feed from the facility Mains. Circuit breakers provide independent over-current protection for equipment at the console and in the treatment room. UL and IEC/CE certified.</p>	
1.44	1	<p>AlignRT 3 Cam for TrueBeam AlignRT® 3 camera configuration (standalone) for TrueBeam customers with no MMI.</p> <p>Components included (for installation in the Linac room):</p> <ul style="list-style-type: none"> - AlignRT® camera unit x 3 - Workstation including keyboard, mouse and remote terminal (in control room) - AlignRT® patient tracking software - AlignRT® calibration plate - Full installation: Standard or Supplier-modified product mounting brackets are provided by Supplier as part of the normal installation of the Supplier Product. Any additional mounting or fixing mechanism or construction cost required to use the Supplier Product in treatment room(s) shall be the responsibility of the Customer. <p>Customer Training: As specified in Terms and Conditions.</p> <p>Pre-requisites: Truebeam release 1.0</p>	

Section 2 TrueBeam Accessories and Upgrades

Item	Qty	Product Description	Offer Price
2.01	1	<p>PerfectPitch™ 6-Degree of Freedom Couch</p> <p>The PerfectPitch™ 6-Degree of Freedom couch represents an industry leading solution to providing complete flexibility and accuracy in patient positioning. With a patient load capacity of 440lbs and sub-millimeter accuracy, a wide range of patients can be accurately and repeatably positioned for treatment. Fully integrated into the TrueBeam System 2.0, the PerfectPitch couch allows remote positioning and repositioning of the patient based on input from the imaging system</p> <p>Feature(s)</p> <ul style="list-style-type: none"> - Fully robotic positioning of the patient using 6-degrees of freedom - Sub-millimeter positioning accuracy in both translations and rotations - Patient load capacity: 440lbs with the Varian IGRT couctop - Compatible with Pivotal Prone Breast solution and Calypso (requires optional items to be purchased) - Fully integrated into system software for remote patient repositioning facilitating delivery of robotic treatments <p>Pre-Requisites (not included in this quote)</p> <ul style="list-style-type: none"> - TrueBeam system software version 2.0 - ARIA version 11 <p>Note:</p> <p>TrueBeam 2.0, the PerfectPitch™ 6-Degree of Freedom Couch and Edge components not been tested in conjunction with Mosaik and may not operate without an upgrade to your Mosaik System. These upgrades are not included in this quotation. Please contact Elekta for details of the necessary upgrades</p> <p>Delivery</p> <ul style="list-style-type: none"> - Not deliverable before October 2013 	
2.02	1	<p>Motion Mgmt Interface (MMI) for TrueBeam</p> <p>The Motion Management Interface (MMI) on TrueBeam provides third party systems ability to provide target location information to the system.. When fully enabled, the third party system may be able to provide beam gating and couch repositioning input to the TrueBeam system .* On the TrueBeam, the MMI allows the simultaneous connection of up to 4 external devices, 2 of which may be used for beam gating.</p> <p>Feature(s)</p> <ul style="list-style-type: none"> - Bi-directional interface for 3rd parties to connect to the TrueBeam system - Ability to connect up to 4 external devices simultaneously with 2 of the 4 usable for gating <p>Pre-Requisites (not included in this quote)</p> <ul style="list-style-type: none"> - TrueBeam System 2.0 <p>Delivery</p> <ul style="list-style-type: none"> - Not deliverable before October 2013 <p>*For Varian 6DoF couch configuration, 6DoF patient repositioning will only work</p>	

Item	Qty	Product Description	Offer Price
		with TrueBeam image guidance.	
2.03	1	<p>Advanced IGRT & Motion Package</p> <p>The Advanced IGRT & Motion Package from Varian Medical Systems provides a comprehensive set of tools that can allow users to customize imaging and treatment protocols based on the unique needs of every patient. Using features included in the package, the user can have industry leading flexibility to image and deliver treatment based on target location, target motion or delivered dose considerations.</p> <p>Feature(s)</p> <ul style="list-style-type: none"> - Imaging based on triggers determined by <ul style="list-style-type: none"> Delivered dose (MU) Elapsed time Angular motion of the gantry - Instant imaging & 2D/3D Matching - Advanced Reconstructor including <ul style="list-style-type: none"> 4D CBCT (offline feature) Extended length CBCT (offline feature) - Planning structures on pre-treatment fluoroscopic trace - On-line Image Approval - Auto Beam-hold <ul style="list-style-type: none"> (Auto beam-hold validated to work with Gold Seed (cylindrical markers) for prostate and liver; Calypso RFID for prostate and lung; Embolization Coils for Lung) <p>Pre-Requisites (not included in this quote)</p> <ul style="list-style-type: none"> - TrueBeam System 2.0 - ARIA Version 11 <p>Delivery</p> <ul style="list-style-type: none"> - Not deliverable before October 2013 	
2.04	1	<p>Pivotal™ treatment solution-prone breast</p> <p>NC Electrical Inspection</p> <p>The Pivotal™ treatment solution for prone breast care combines the prone breast technique with the innovative Qfix™ kVue™ Access 360™ prone breast insert, offering the potential to significantly reduce dose to heart and lung, obtain good dose homogeneity, minimize respiratory motion, and decrease skin toxicity.</p> <p>A Pivotal treatment solution marketing program is included to help build awareness of your facility and promote the Pivotal treatment solution to patients, physicians, and your community. The marketing program is available on-line and includes a broad range of marketing materials including public relations, advertising, and educational content.</p> <p>Qfix™ kVue™ Access 360™ components include:</p> <ul style="list-style-type: none"> Right and left prone breast couptop inserts with foam cushions Two headrests: Prone head cushion & contour pillow cushion Dual hand grip and ipsilateral hand grip Adjustable CT Risers (superior & inferior) for CT simulation Storage Cart <p>Weight Limit: 200 kg (440 lb) uniformly distributed load</p>	

Item	Qty	Product Description	Offer Price
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Available for small and large bore CT scanners

Pre-requisites:

If ordered with C-Series:

- Qfix™ kVue™ Couch Top or Calypso kVue™ Couch Top
- Minimum Clinac Console Software v9.0
- Minimum 4DITC v11

If ordered with TrueBeam:

- Qfix™ kVue™ Couch Top or Calypso kVue™ Couch Top
- Laserguard II

2.05 1 VARIAN Extracranial SABR Pkg - TrueBeam

NC Electrical Inspection

The Varian Extracranial SABR package extends the real time tracking benefits of the Calypso platform to the TrueBeam platform.

Feature(s)

- Calypso system for real-time direct tumor tracking, including
 - > Calypso compatible couchttop
 - > Target position update rate of 25Hz, optimized for tracking the motion of fast moving targets
 - > Automatic couch repositioning and treatment beam gating for precision radiation delivery
- Starter kit for prostate Beacon Transponders and implant training
- Body immobilization for extracranial SABR treatments

Pre-Requisites (not included in this quote)

- TrueBeam System at version 2.0 or higher
- Motion Management Interface for TrueBeam

Delivery

- Not deliverable before January 2014

Section 3 Travel and Lodging and NC Inspection

3.01 5 Travel and Lodging

Allowance is applied only to the travel and lodging expenses, including airfare, hotel accommodations and rental car.

The customer is responsible for any expenses outside of the allowance. Travel and lodging charges will be direct billed and are not reimbursable if travel is booked outside of Balboa Travel. The hotel must be Varian preferred. Any remaining balance is non-refundable.

Please contact Balboa Travel Agency at 877-593-7220 in order to make the necessary travel arrangements once you complete the online registration at

Item	Qty	Product Description	Offer Price
		www.variantraining.com and receive an email confirmation for the course. Be sure to provide Balboa your Varian sales order number.	
		This Travel and Lodging allowance expires 18 months from the acceptance date of your equipment.	
3.02	1	Outside Vendor Item NC Electrical Inspection	

Section 4 Crane Rigging

4.01	1	Non Standard Installation Crane Utilization for removal of existing system and delivery of TrueBeam	
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Quotation Total \$ 3,954,333.00

There may be radiological regulatory requirements applicable to possessing and/or operating radiation generating machines. Varian takes no responsibility regarding local radiation safety requirements. These requirements are the customer's responsibility.

End of Support: Varian may terminate the Agreement at the end of support of the Product that is the object of the Support Services by giving **twenty-four (24) months** written notice to the Customer. However, Varian may shorten this notice period in its sole discretion if termination is required due to key component obsolescence issues or material product quality concerns.

Terms & Conditions of Sale

This offer is subject to credit approval and is exclusive of any applicable sales taxes or duties.

If Customer chooses to pay by credit card, a four percent (4%) service fee will be added.

0% Down Payment
85% on Shipment
15% on Acceptance

This order is contingent on Board Approval. Board Approval is expected on or before October 31st, 2013.

FINANCING AVAILABLE: For lease and finance plans, call Tony Susen, Director - Varian Customer Finance, at (508) 668-4609.

August 14, 2014

Michael Rush
Director, Materials Resource Management
Carolinas Healthcare System
801 South McDowell
Charlotte, NC 28204

Dear Michael,

This letter is to confirm the validity of Varian quote YXB20130911-001B for the purchase of the TrueBeam package. The price of \$ 3,954,333 is firm and will remain so through December 31, 2014.

Sincerely,



Joel Bakas
Senior Director, Strategic Accounts
Varian Medical Systems

Attachment D

PROPOSED TOTAL CAPITAL COST OF PROJECT

Project name: CERP2014 – CE CMC NE 2nd Line Replacement

Provider/Company: Carolinas Healthcare System / Varian

A. Site Costs

(1) Full purchase price of land	_____
Acres	_____
Price per Acre	\$ _____
(2) Closing costs	_____
(3) Site Inspection and Survey	_____
(4) Legal fees and subsoil investigation	_____
(5) Site Preparation Costs	
Soil Borings	_____
Clearing-Earthwork	_____
Fine Grade for Slab	_____
Roads-Paving	_____
Concrete Sidewalks	_____
Water and Sewer	_____
Footing Excavation	_____
Footing Backfill	_____
Termite Treatment	_____
Other (Specify)	_____
Sub-Total Site Preparation Costs	_____
(6) Other (Specify)	_____
(7) Sub-Total Site Costs	_____

B. Construction Contract

(8) Cost of Materials	
General Requirements	_____
Concrete/Masonry	_____
Woods/Doors & Windows/Finishes	_____
Thermal & Moisture Protection	_____
Equipment/Specialty Items	_____
Mechanical/Electrical	_____
Other (Specify)	_____
Sub-total Cost of Materials	_____
(9) Cost of Labor	_____
(10) Other (Specify)	_____
(11) Sub-Total Construction Contract	<u>475,000</u>

C. Miscellaneous Project Costs

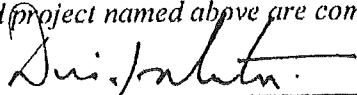
(12) Building Purchase	_____
(13) Fixed Equipment Purchase/Lease	<u>4,290,451</u>
(14) Movable Equipment Purchase/Lease	<u>147,193</u>
(15) Furniture	<u>7,500</u>
(16) Landscaping	<u>10,000</u>
(17) Consultant Fees	
Architect and Engineering Fees	<u>54,000</u>
Legal Fees	_____
Market Analysis	_____
Other (DHSR)	<u>3,500</u>
Other (Abatement)	_____
Sub-Total Consultant Fees	<u>57,500</u>
(18) Financing Costs (e.g., Bond, Loan, etc.)	_____
(19) Interest During Construction	_____
(20) Other (Contingency)	<u>244,288</u>
(21) Sub-Total Miscellaneous	<u>4,756,932</u>
(22) Total Capital Cost of Project (Sum A-C above)	<u><u>5,231,932</u></u>

PROPOSED TOTAL CAPITAL COST OF PROJECT

Project Name: CERP2014 – CE CMC NE 2nd Linac Replacement

Provider/Company: Carolinas Healthcare System / Varian

I certify that, to the best of my knowledge, the above construction related costs of the proposed project named above are complete and correct.



(Signature of Licensed Architect or Engineer)



Attachment E

STATE OF NORTH CAROLINA

Department of Health and Human Services

Division of Facility Services

CERTIFICATE OF NEED

for

Project Identification Number F-6302-00

FID# 943049

ISSUED TO: Cabarrus Memorial Hospital
d/b/a NorthEast Medical Center
920 North Church Street
Concord, North Carolina 28025

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Cost overrun for Project I.D.#F-5761-97. Acquisition of a second linear accelerator. The total capital expenditure of both projects is \$2,016,359/Cabarrus County

CONDITIONS: See Reverse Side

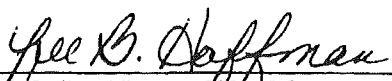
PHYSICAL LOCATION: NorthEast Medical Center
920 North Church Street, Concord, North Carolina 28025

MAXIMUM CAPITAL EXPENDITURE: \$1,189,097

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: March 1, 2001

This certificate is effective as of the 27th day of December, 2000.



Chief, Certificate of Need Section
Division of Facility Services

CONDITIONS:

1. NorthEast Medical Center shall materially comply with all representations made in Project I.D. #F-5761-97 for the provision of hospital services, except as amended by Project I.D. # F-6302-00.
2. NorthEast Medical Center shall acknowledge acceptance and compliance with all conditions stated herein to the Certificate of Need Section in writing prior to issuance of the certificate of need.

A letter acknowledging acceptance and compliance with all conditions stated in the conditional approval letter was received by the CON Section on December 27, 2000.

TIMETABLE:

Obtaining funds necessary to undertake project _____	March 1, 2001
Occupancy/offering of service(s) _____	January 1, 2002
Ordering equipment _____	March 1, 2001
Arrival of equipment _____	November 1, 2001
Operation of equipment _____	December 31, 2001

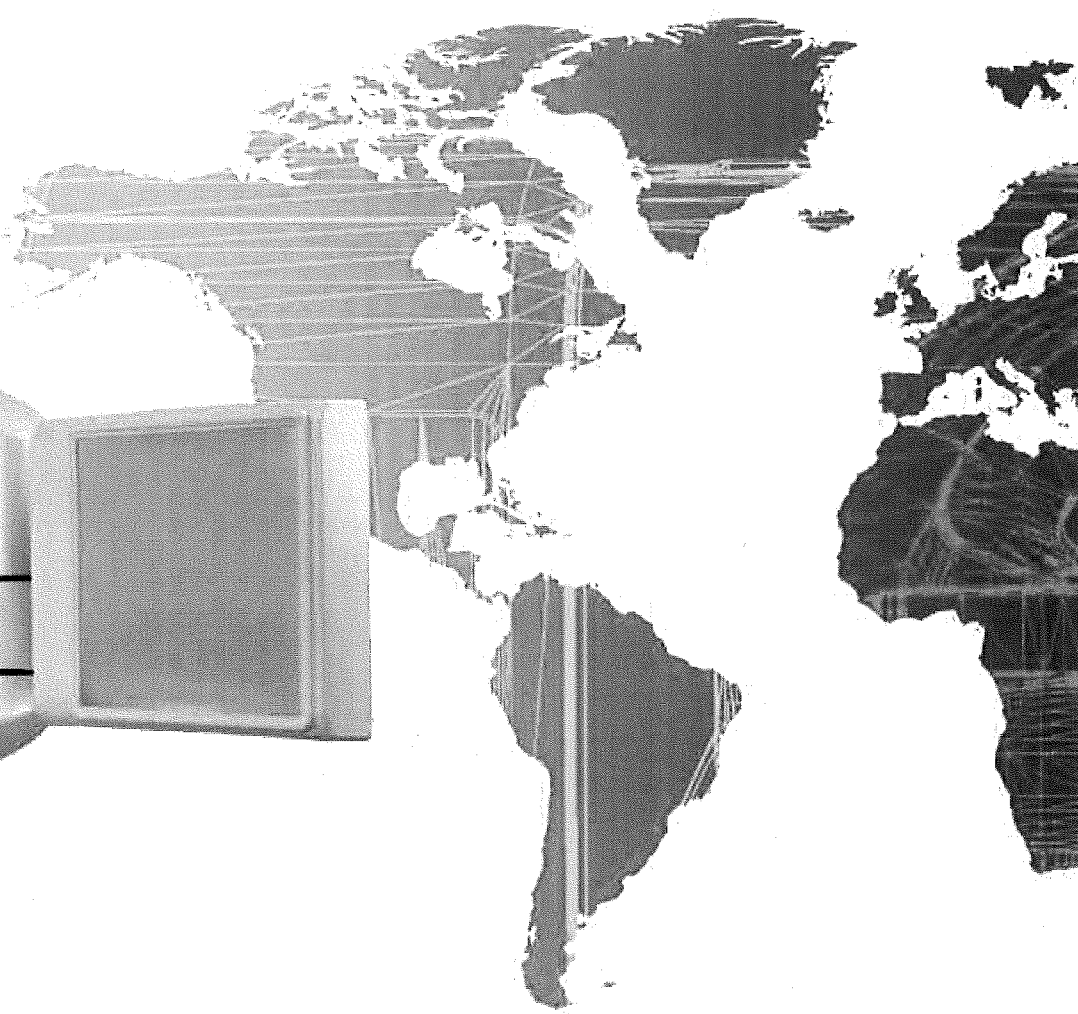
Attachment F

TRUEBEAM

VARIAN
medical systems

THE TRUEBEAM SYSTEM







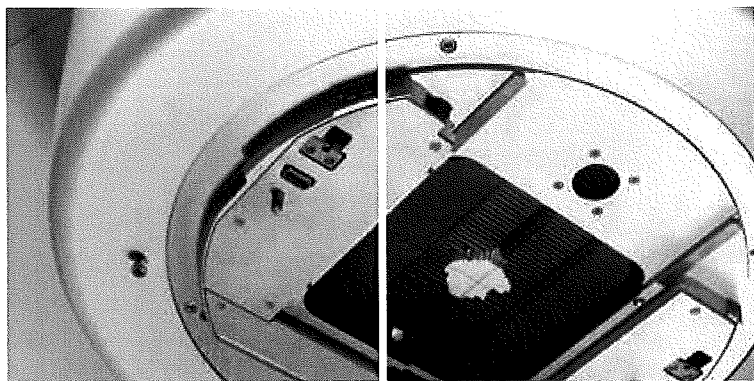
THE TRUEBEAM SYSTEM.
BUILT BY VARIAN,
INSPIRED BY OUR
CUSTOMERS.

The TrueBeam™ system brings some of the most revolutionary thinking in cancer care into your clinic. This advanced technology offers a range of capabilities that turn leading research into integrated care. With these advances, you have more options for patients and more opportunities for your clinic.

Such versatility is why the TrueBeam system has been adopted by top clinics around the world. With this rapid growth, TrueBeam and Varian Medical Systems can help position your clinic at the forefront of the global fight against cancer. We know where we're headed. Join us on the journey.

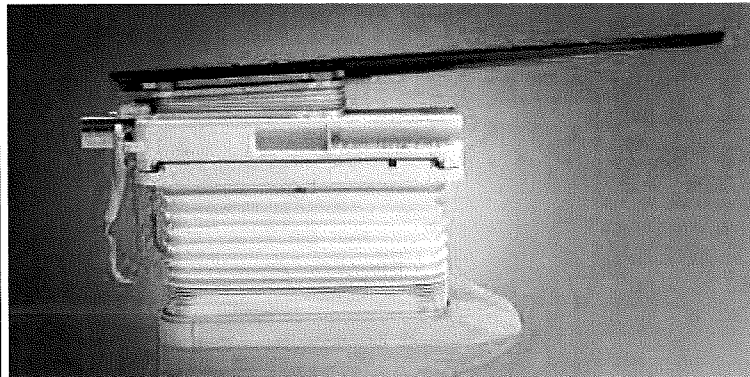
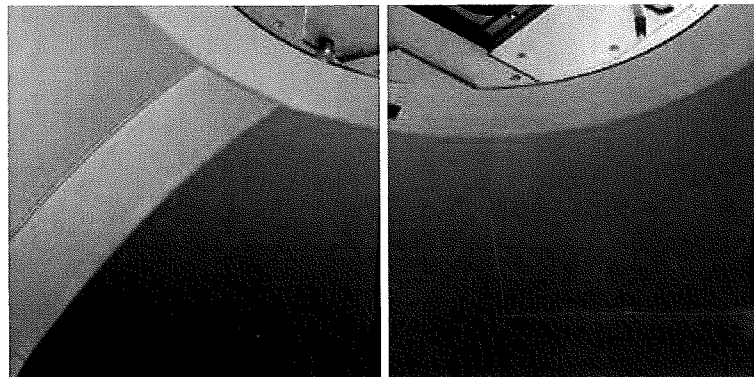
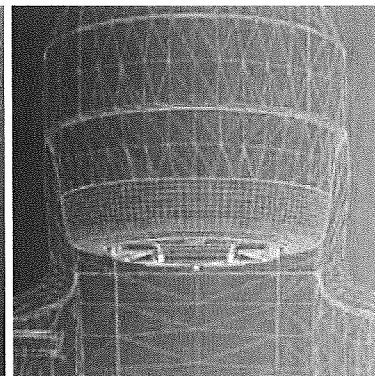
For Healthcare Professionals Only

PROVEN AS A TECHNOLOGY.
POSSIBILITIES AS A RESULT.



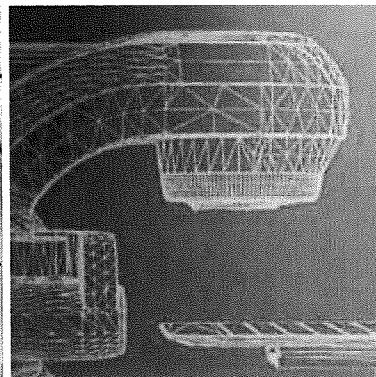
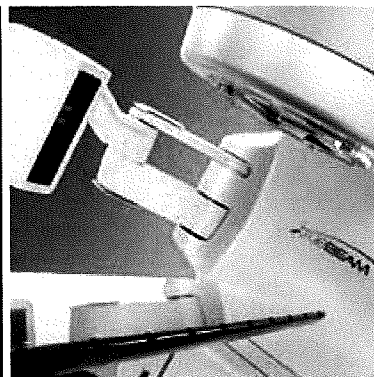
< **MULTILEAF
COLLIMATOR**

High definition
120 MLC option for
radiosurgery applications



**IMAGING >
SYSTEM**

Quality images at
reduced dose



^ **PERFECTPITCH™
6 DEGREES OF
FREEDOM COUCH***

Patient positioning
in 6-degrees for
enhanced precision

*510(k) pending;
Not available for sale in all markets.

Expand your offerings with the system built to help you grow.

The TrueBeam system is designed to address complex clinical cases such as those in the lung, liver, head and neck, and more. TrueBeam integrates respiratory gating, real-time tracking, imaging and treatment delivery to create a streamlined system. With this integration, you can take advantage of the latest treatment techniques, including SBRT, SRS, RapidArc® and Gated RapidArc®.

Interface with multiple technologies for imaging and disease-specific solutions on the TrueBeam system's flexible open architecture. Integrate with the ARIA® oncology information system and the Eclipse™ treatment planning system to simplify planning and manage treatment workflows. Save time and condense tasks with automated, customizable sequences for treating complex cases. With this full spectrum of innovative tools, the TrueBeam system puts current advances in your hands.

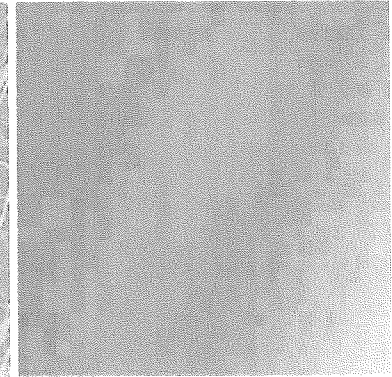
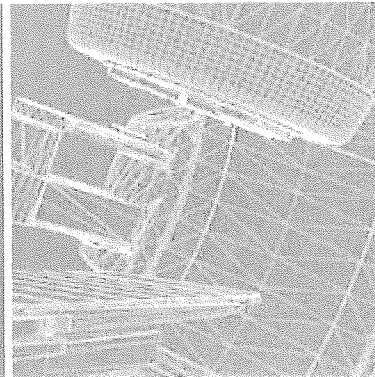
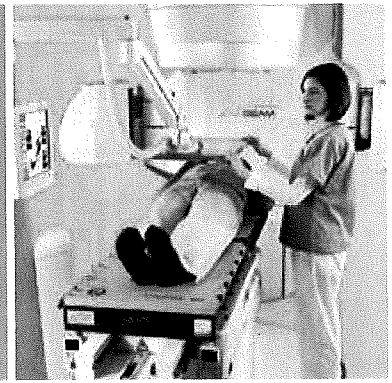
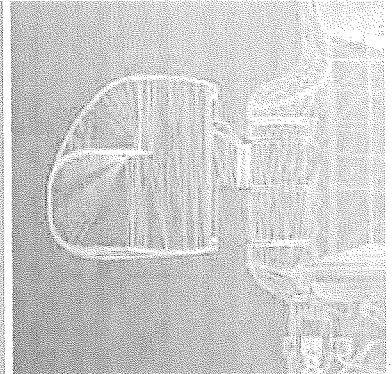
**REMOTE >
OPERATION**

Advanced capabilities with a simple interface



**VARIAN CALYPSO® >
SYSTEM FOR
PROSTATE**

Real-time tracking to enhance tumor targeting during radiation treatment

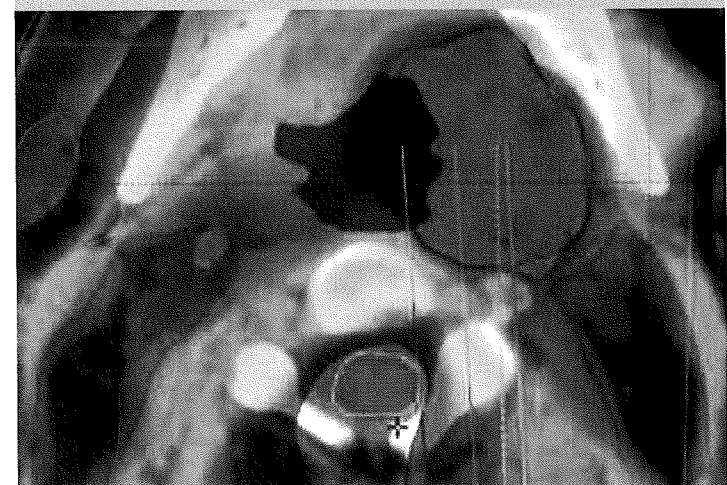
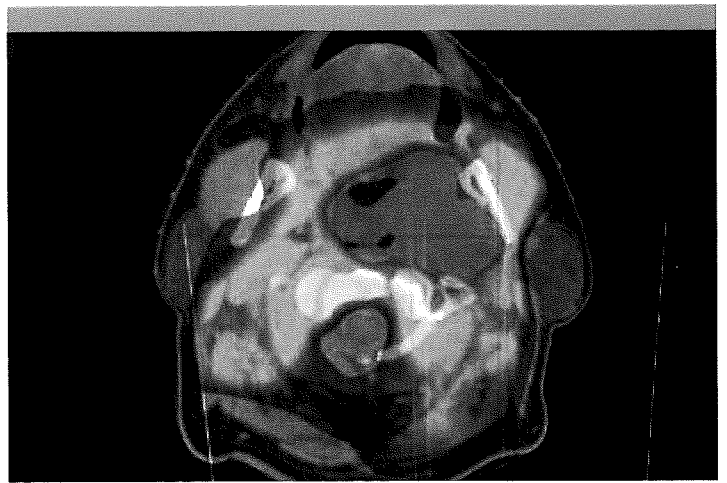


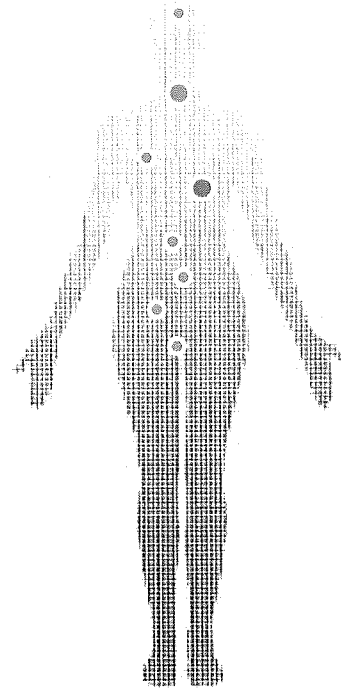
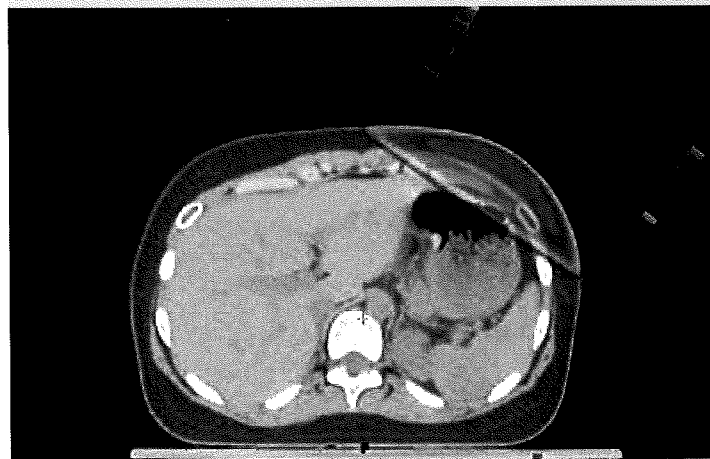
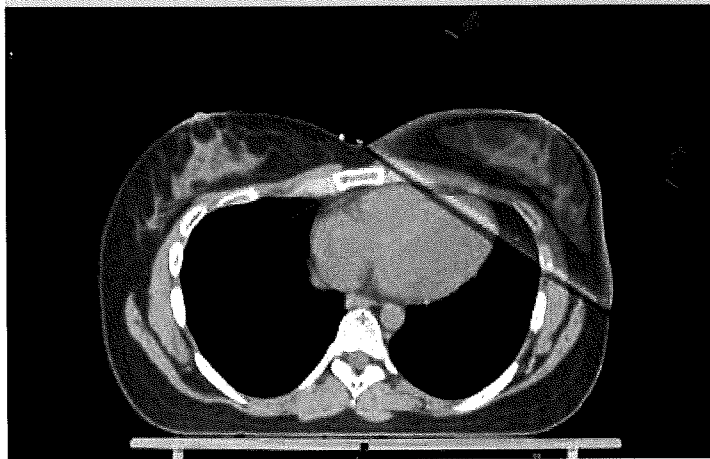
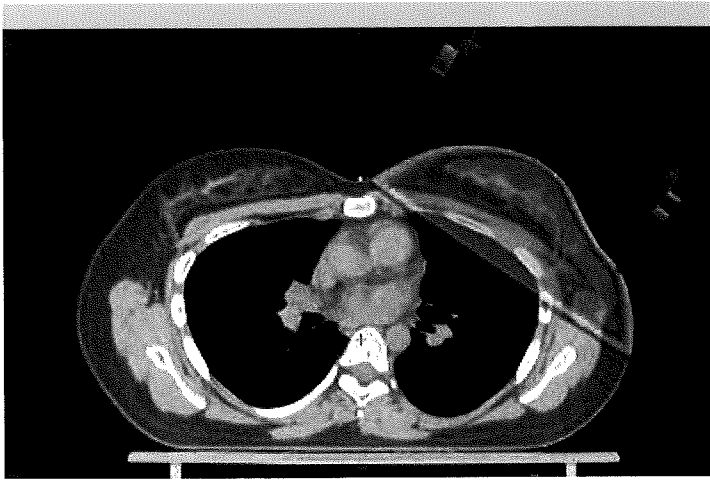
MORE OPTIONS FOR DIFFICULT CASES MEAN MORE OPTIONS FOR YOUR PATIENT.

Address a wide variety of cancer cases, even challenging ones, with the TrueBeam system. Areas located in close proximity to critical structures or significant changes in anatomy during the course of treatment can make difficult targets for clinicians. See how the TrueBeam system addresses the technical challenges of these four common cancer types.

HEAD AND NECK

- Multiple arcs, partial arcs or a combination can be planned and seamlessly delivered using RapidArc radiotherapy technology
- A range of diagnostic imaging studies can be introduced in treatment planning to assist in accurate contouring of the target
- The real-time control system synchronizes and choreographs all elements of delivery 10 times per second
- Imaging hardware and software allow capture of high-quality cone-beam CT images with lower concomitant dose
- Integration of SmartAdapt™ deformable registration algorithms provide a convenient means for clinicians to account for anatomical changes during the course of treatment





BREAST

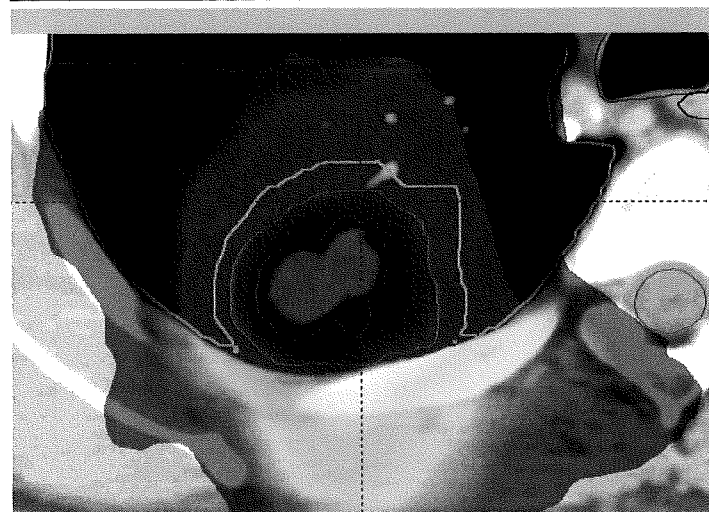
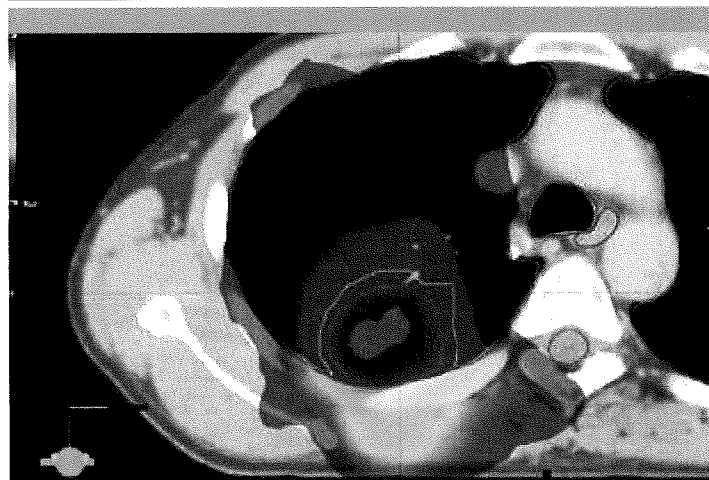
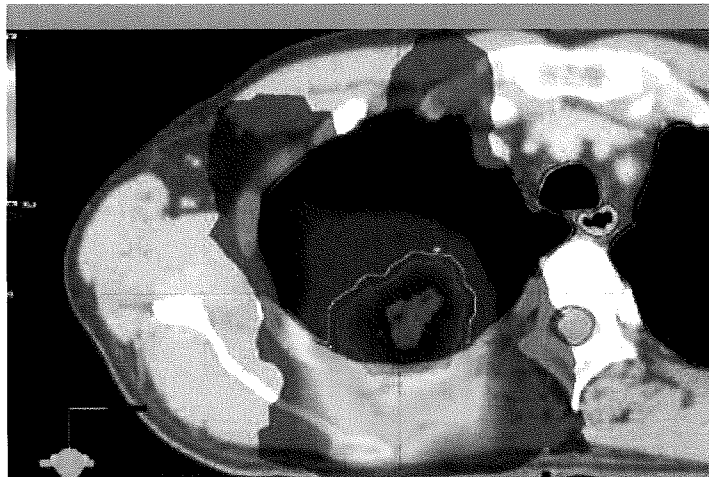
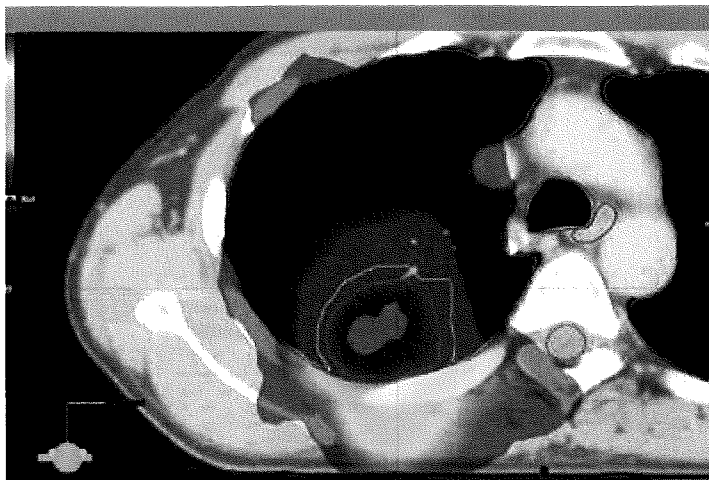
- IMRT tools such as field-in-field help create treatment plans designed to minimize radiation exposure of the heart and healthy lung tissue
- Treat patients in the prone position using the Pivotal™ treatment solution for prone breast care to help minimize dose to critical structures such as the heart and lung
- Use Varian Calypso® technology and the Surface Beacon® Transponder for real-time deep inspiration breath hold to help ensure accuracy
- Integration of technologies such as real-time beam gating on a respiratory trigger can allow the reduction of treatment margins when compared to a full ITV-based treatment

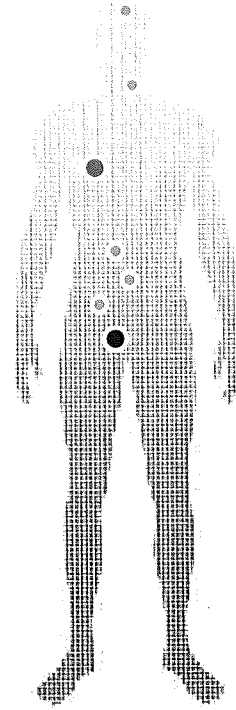
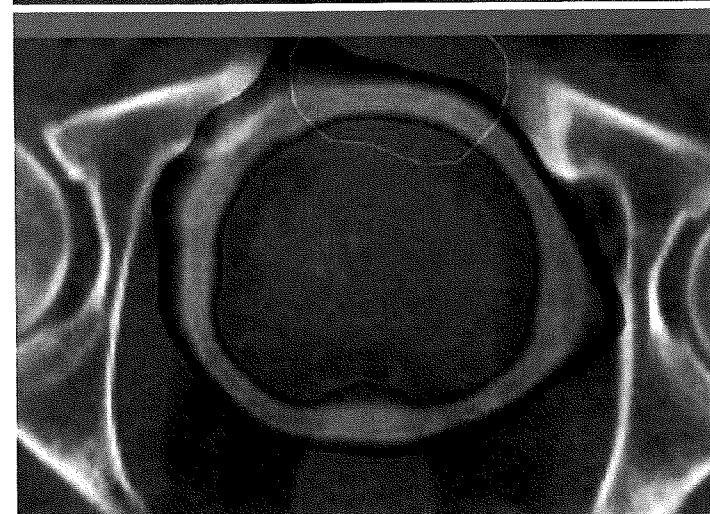
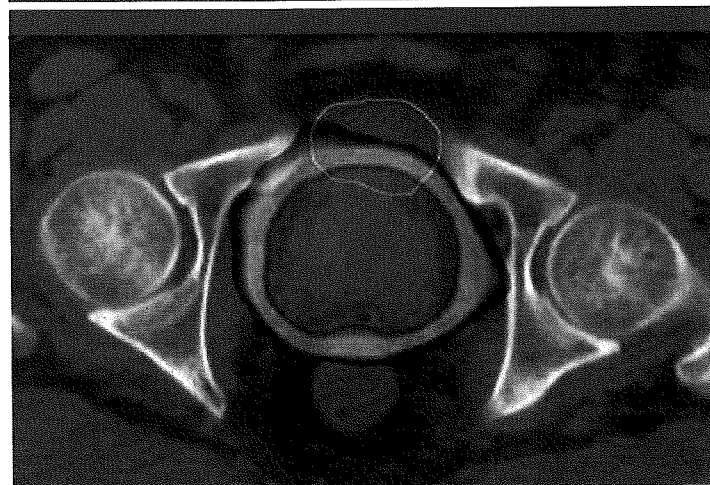
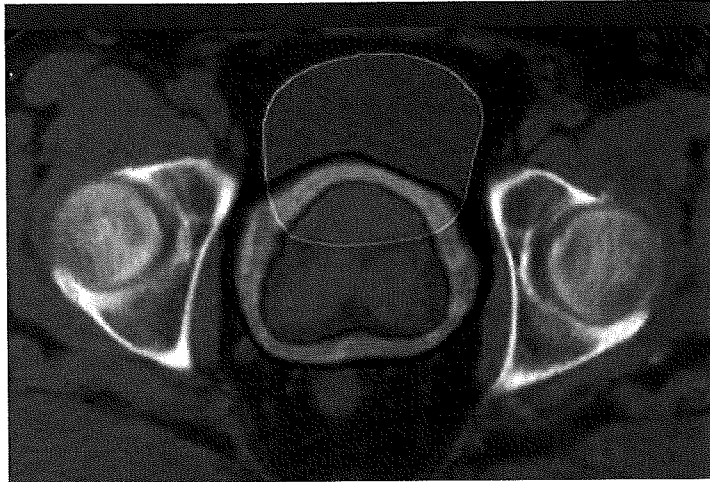
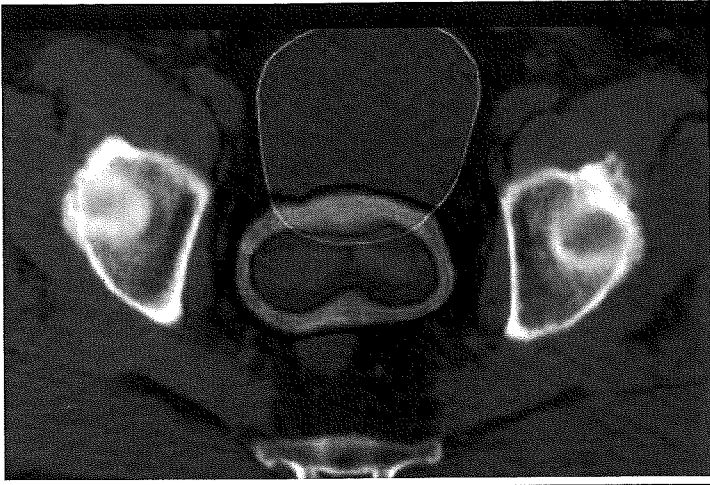
VERSATILE TECHNOLOGIES FOR VERSATILE TREATMENTS.

A breadth of technology provides versatility for treatments throughout the body.

LUNG

- To reduce discrepancies between planned dose and delivered dose, Varian's Acuros® XB algorithm provides Monte Carlo equivalent dose calculations
- Contour propagation, intermediate dose calculation and a fine calculation grid all contribute to create an efficient and desired treatment plan
- Respiratory gating allows the reduction of irradiated volumes when compared with large ITV-based approaches
- Fluoroscopic, KV, MV and CBCT, along with the capability to mix and match from the menu of imaging possibilities, allow clinicians to tailor treatment delivery
- 2400 MU/minute, the highest dose rate in the industry, allows rapid delivery of large fractions





PROSTATE

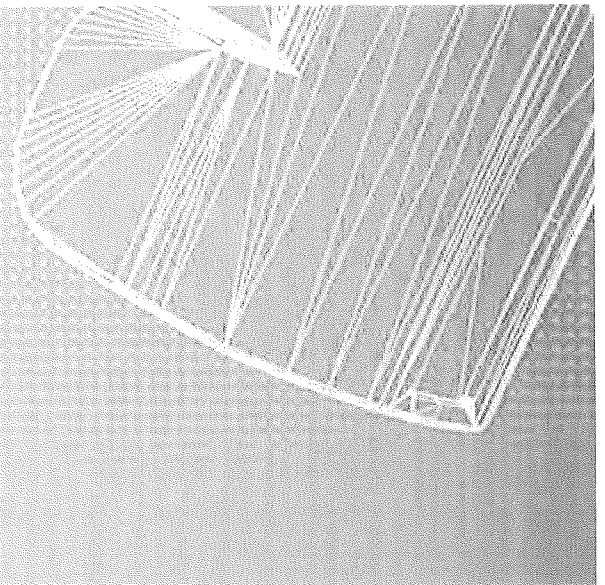
→ Using SmartSegmentation™ knowledge-based contouring, physicians can take advantage of built-in expert cases, or create their own expert cases to standardize treatment across the institution

→ Deliver treatment with speed and accuracy using RapidArc® radiotherapy technology and Eclipse™ treatment planning system

→ Deliver fast hypofractionated prostate SBRT treatments using High Intensity Mode at 1400 MU/minute or 2400 MU/minute

→ Track and correct, in real time, prostate drift and sporadic motion with Varian Calypso® technology for prostate

FIND MORE PATHS
TO TREATMENT
AND MORE PATHS
TO GROWTH.



INNOVATIVE. INTELLIGENT. INTUITIVE.

Medicine does not advance on its own. We pursued revolutionary thinking, innovative technology and the insights of our customers to arrive at this impressively intelligent solution. With the TrueBeam system, your clinic now has the tools to initiate a wide spectrum of advanced treatment options for specific disease sites.

ARCHITECTURE & MAESTRO

Dynamic performance for speed and efficiency

Behind the scenes of the TrueBeam system's advanced performance lies Maestro—a groundbreaking control system. Maestro conducts the TrueBeam system by directing, synchronizing and monitoring all of the system's fully integrated, functional components or "nodes." Maestro's sophisticated orchestration of dose, motion and imaging reflects each of the system's moving parts, making treatment fast and efficient. Open up new possibilities for image-guided and motion-managed treatment techniques with this innovative architecture. The TrueBeam system's design also supports SmartConnect® technology, an on-demand remote support feature that allows your Varian service or helpdesk representative to provide immediate, real-time desktop sharing.

BEAM GENERATION

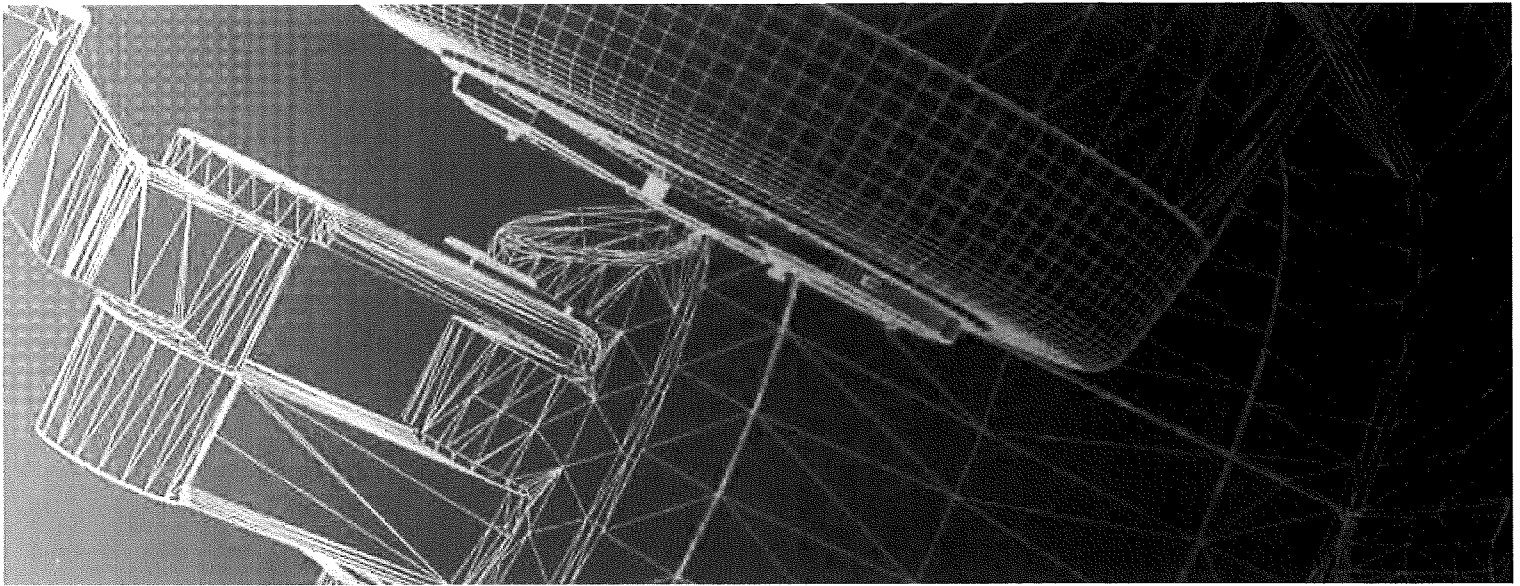
Exceptional performance and technology without compromise

At the heart of the TrueBeam system is a beam generation technology that's patented and unique. This beam generation system can be configured with zero to eight electron energies and up to seven photon energies, including two High-Intensity Modes for stereotactic radiosurgery and hypofractionated stereotactic body radiotherapy treatments. You can now better tailor radiation treatment programs with the advanced versatility found in the TrueBeam system.

IMAGING

A treatment range so generous, it includes space to breathe

The TrueBeam system opens the door to leading edge treatment with advanced positioning and real-time tracking solutions—including a full range of innovative and powerful imaging tools. Generate quality images without compromise through lower dose imaging. Create customized imaging protocols to enable faster, easier imaging with intelligent automation. Gated RapidArc® technology allows you to monitor patient breathing and compensate for tumor motion while quickly delivering dosage. The powerful imaging technologies in the TrueBeam system are an ideal complement to its integrated gating and motion-management system. With such a supportive system, you can image and treat with confidence.



DEVELOPER MODE

Turn possibilities into action

The Developer Mode option allows a broad range of experimentation in a non-clinical environment. This expanded access is designed to give clinicians and physicists an efficient and effective means to innovate with new treatment and imaging techniques in a research mode. Advanced manipulation of mechanical and dose axes puts the dynamic beam, imaging and gating features of the TrueBeam system at your fingertips.*

* Developer Mode is not for use on humans. Treatment decisions should not be made based on data derived from Developer Mode.

SAFETY AND SPEED

Simple automated operation

Visual cues built into the TrueBeam system provide an intuitive operating environment and can help to enhance safety and reduce operation times. For instance, buttons on the controls light up in the correct order to guide the operator through each step. Built-in layers of safety have been added throughout the system, including a Collision Avoidance function to help avoid problems. As an added safeguard, the system automatically performs accuracy checks every ten milliseconds, throughout the entire treatment. And at the control console, you can visually monitor your patient using Safewatch, the CCT camera system. With these design improvements, the therapist can focus even more on the patient.

PROSTATE AND LUNG SOLUTION

Real-time motion tracking for real-life results

The Varian Calypso® system for prostate provides accurate and precise real-time tracking to keep the radiation focused on the tumor, minimizing exposure to healthy tissue. It utilizes internal transponders that can detect even a slight movement of the target, so you can keep the tumor in the path of the radiation beam. With the Calypso system, you can confidently treat with tighter margins. This can help reduce some potential side effects, escalate dose to improve disease control or accelerate treatments with SABR.

For lung cancer treatment, the Varian Calypso® system for lung* is designed to help address the ongoing challenge of precisely targeting the tumor as it moves due to respiration. Using the Calypso system, it may provide continuous internal target monitoring by utilizing internal transponders to signal the beam to shut off until the tumor is back in the target area, thereby minimizing exposure to surrounding healthy tissue.

* 510(k) pending — not available for sale in all markets.

6 DEGREES OF FREEDOM COUCH

Experience more freedom in patient setups

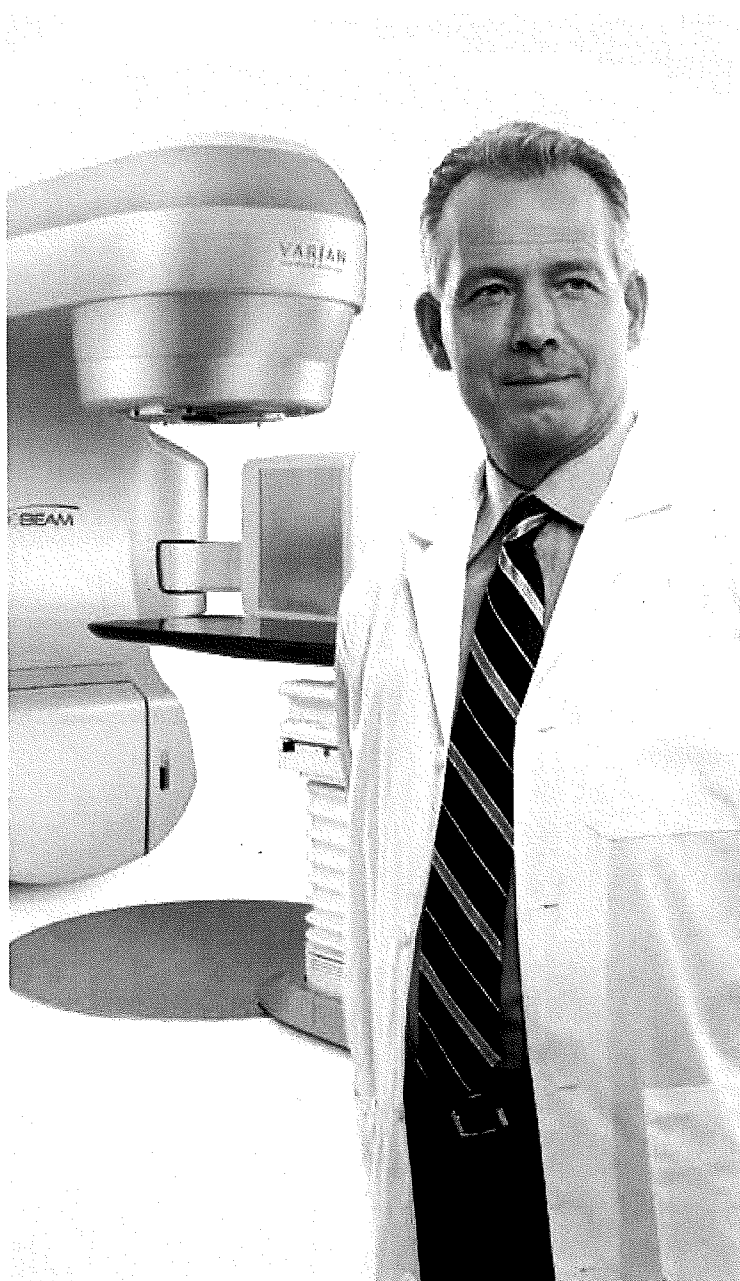
The new PerfectPitch™ 6 Degrees of Freedom Couch* is designed to advance patient positioning during radiotherapy and radiosurgery procedures by providing two additional rotational motion axes: pitch and roll. This patient positioning option may enable enhanced accurate target positioning and precise beam delivery and may reduce treatment margins in select clinical cases.

* 510(k) pending — not available for sale in all markets.

BROADEN YOUR FUTURE IN CANCER CARE.

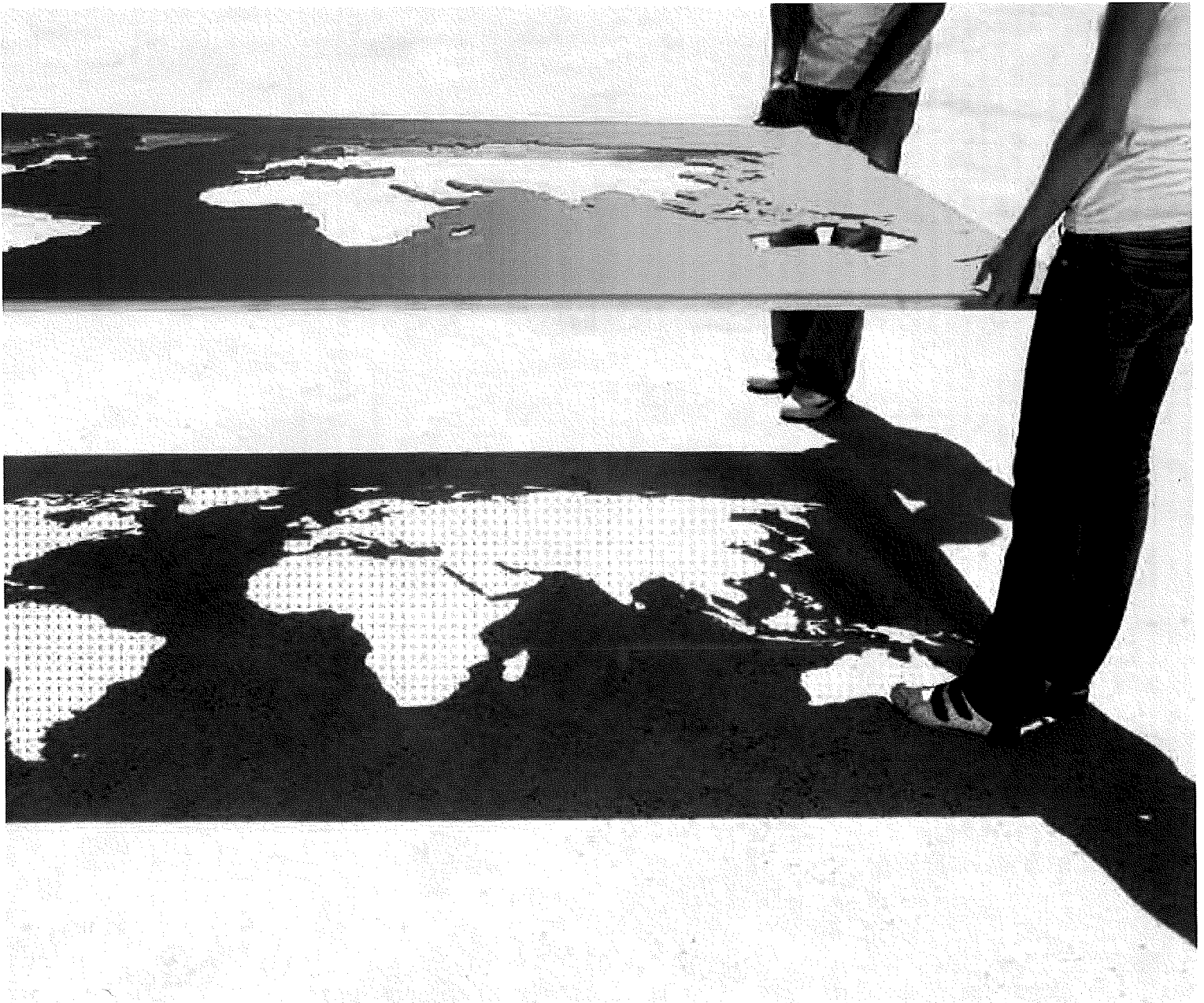
You can have improved workflow and clinical processes, plus the technology to enable precise treatments that take only minutes. Take a revolutionary step in cancer care, one that moves you forward in your commitment to the future.

With TrueBeam, your clinic is ready tomorrow and beyond.



IMAGINE A WORLD WITHOUT THE FEAR OF CANCER.

Varian Medical Systems has been a pioneer in the field of oncology for over 60 years. During this time, we introduced innovative treatment techniques, equipment and software that have been used to treat tens of thousands of cancer patients worldwide. Today we offer products and services to advance the entire treatment process. Our work creates a community for those affected by cancer, so we can unite around our common goal to fight this disease.



SELECTED SPECIFICATIONS

OUTPUT ENERGIES

X-ray (MV)	4, 6, 8, 10, 15, 18, 20
High intensity mode	6X, 10X
Maximum output dose rates	4 MV at 250 MU/min; all others at 600 MU/min 6X HI at 1400 MU/min; 10X HI at 2400 MU/min
Electron (MeV)	6, 9, 12, 15, 16, 18, 20, 22
HDTSE	6 HDTSE, 9 HDTSE
Maximum output dose rates	1000 MU/min HDTSE Energies at 2500 MU/min

MECHANICAL PERFORMANCE

Gantry and collimator isocenter accuracy	≤ 0.5 mm radius
Gantry, collimator and couch isocenter accuracy	≤ 0.75 mm radius
Gantry rotational accuracy	≤ 0.3 degrees

IMAGING OPTIONS

kV range	40 - 140 kV
mAs range	0.1 - 1000 mAs
Modes	kV planar, kV CBCT, fluoroscopic imaging
Pixel matrix	2048 x 1536 1024 x 768

CBCT

Field of view	0 - 25 cm (head scans); 0 - 46 cm (body scans)
Slice thickness	1 mm - 5 mm in 0.5 mm increments; 10 mm

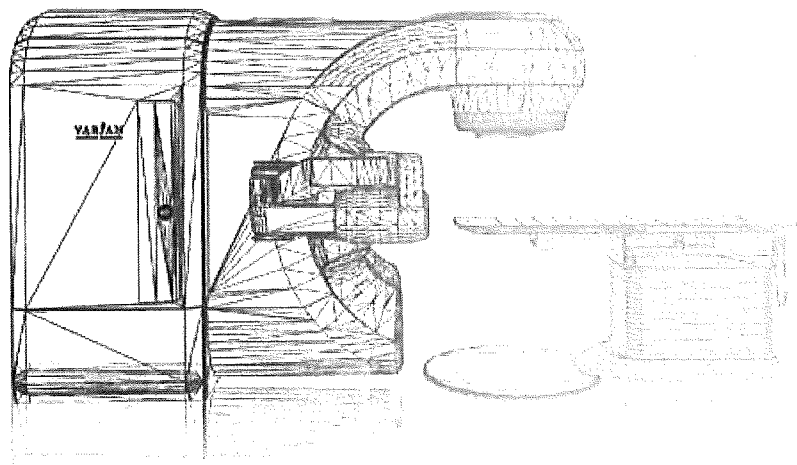
MULTILEAF COLLIMATOR

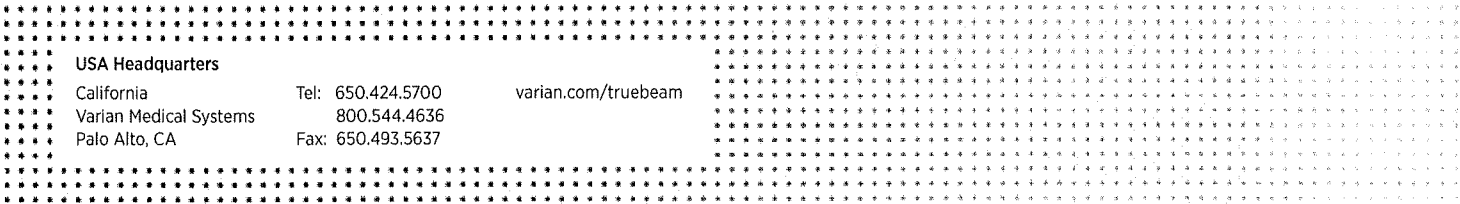
Millennium™ 120 Leaf MLC

Center	5 mm width x 40 pairs
Peripheral	10 mm width x 20 pairs
Maximum static field size	40 cm x 40 cm

High Definition 120 Leaf MLC

Center	2.5 mm width x 32 pairs
Peripheral	5 mm width x 28 pairs
Maximum static field size	40 cm x 22 cm





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Attachment G

EQUIPMENT COMPARISON

	Existing Equipment	Replacement Equipment
Type of Equipment (List each component)	Linear Accelerator	Linear Accelerator
Manufacturer of Equipment	Varian	Varian
Tesla Rating for MRIs	Not Applicable	Not Applicable
Model Number	Clinac 2300 EX	TrueBeam
Serial Number	281	Serial number assigned upon installation
Provider's Method of Identifying Equipment	Serial Number	Serial Number
Specify if Mobile or Fixed	Fixed	Fixed
Mobile Trailer Serial Number/VIN #	Not Applicable	Not Applicable
Mobile Tractor Serial Number/VIN #	Not Applicable	Not Applicable
Date of Acquisition of Each Component	2001	Estimated June 2015
Does Provider Hold Title to Equipment or Have a Capital Lease?	Title	Title
Specify if Equipment Was/Is New or Used When Acquired	New	New
Total Capital Cost of Project (Including Construction, etc.)	\$2,016,359	\$5,231,932
Total Cost of Equipment	\$1,732,247	\$4,290,451
Fair Market Value of Equipment	\$0	\$4,290,451
Net Purchase Price of Equipment	\$1,732,247	\$4,290,451
Locations Where Operated	Carolinas Medical Center-NorthEast (Concord, NC)	Carolinas Medical Center-NorthEast (Concord, NC)
Number Days in Use/To Be Used in N.C. per Year	246 days	246 days
Percent of Change in Patient Charges (by procedure)	0	0
Percent of Change in Per Procedure Operating Expenses (by procedure)	0	0
Type of Procedures Currently Performed on Existing Equipment	External Beam Radiotherapy	Not Applicable
Type of Procedures New Equipment is Capable of Performing	Not Applicable	External Beam Radiotherapy

Attachment H

CMC-NorthEast Linac #2 Historic Volumes

Date	Volume
Oct-13	472
Nov-13	477
Dec-13	564
Jan-14	445
Feb-14	306
Mar-14	549
Apr-14	836
May-14	762
Jun-14	1,009
Jul-14	716
Aug-14	422
Sep-14	419
Total	6,977

Attachment I

September 24, 2014

**Carolinas Healthcare System
Attn: Mike Rush
Materials Resource Management
920 Church St. North
Concord, NC 28025**

Dear Mr. Rush:

Varian Medical Systems will remove and dispose of the existing Varian Linear Accelerator from Carolinas Medical Center - Northeast, with the purchase of the new TrueBeam accelerator, quote # YXB20130911-001B.

Once the old Varian Linear Accelerator is removed it will be sent to the Varian Disposition Center in Illinois for disposal.

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

Sincerely,



**Yoel Bakas
Senior Director, Strategic Accounts
Varian Medical Systems**