



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**  
Division of Health Service Regulation

**ROY COOPER** • Governor  
**MANDY COHEN, MD, MPH** • Secretary  
**MARK PAYNE** • Director

June 20, 2018

Frank Kirschbaum  
PO Drawer 17803  
Raleigh, NC 27619

**No Review**

**Record #:** 2621  
Facility Name: Eastern Radiologists  
Business Name: Eastern Radiologists, Inc.  
Business #: 689  
Project Description: Relocate diagnostic center within Greenville  
County: Pitt

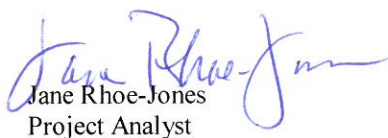
Dear Mr. Kirschbaum:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your June 15, 2018 regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective. However, you need to contact the Agency's Radiation Protection Section and Construction Section to determine if they have any requirements for development of the proposed project.

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

Please contact this office if you have any questions. Also, in all future correspondence you should reference the Facility ID # (FID) if the facility is licensed.

Sincerely,

  
Jane Rhoe-Jones  
Project Analyst

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

cc: Construction Section, DHSR  
Radiation Protection Section, DHSR  
Amy Craddock, Assistant Chief, Healthcare Planning, DHSR

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603  
MAILING ADDRESS: 2704 Mail Service Center, Raleigh, NC 27699-2704  
www.ncdhhs.gov/dhsr/ • TEL: 919-855-3873



Wyrick Robbins Yates & Ponton LLP  
ATTORNEYS AT LAW

4101 Lake Boone Trail, Suite 300, Raleigh, NC 27607  
PO Drawer 17803, Raleigh, NC 27619  
P: 919.781.4000 F: 919.781.4865 www.wyrick.com

FRANK KIRSCHBAUM  
fkirschbaum@wyrick.com

June 15, 2018



**Via Hand Delivery**

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

**Re: Eastern Radiologists, Inc. / No Review Letter to Relocate Diagnostic Center**

Dear Ms. Frisone:

Our client, Eastern Radiologists, Inc. ("Eastern Radiologists"), owns and operates a diagnostic center located at 9 Doctor's Park in Greenville, North Carolina. See Exhibit 1. The purpose of this letter is to request that you confirm that the relocation of the existing diagnostic center, including the associated medical diagnostic equipment, is not a new institutional health service within the meaning of the Certificate of Need ("CON") law.

The existing diagnostic center will be relocated from its current location at 9 Doctor's Park in Greenville, North Carolina, to 2101 West Arlington Boulevard, Greenville, North Carolina. The relocated diagnostic center will be located in the same city and county (Greenville, Pitt County) as the existing diagnostic center. The new location is only about 0.8 miles driving distance from the current location.

No new diagnostic equipment is being acquired and none of the existing diagnostic equipment is being replaced as part of this relocation. Furthermore, the relocation does not entail the acquisition of any major medical equipment or any *per se* reviewable equipment as defined in N.C. Gen. Stat. §§ 131E-176(14o) and (16)(f1). Likewise, the relocation does not include the offering of any *per se* reviewable services. See N.C. Gen. Stat. § 131E-176(16)(f).

The only issue presented herein is whether the capital costs associated with the relocation of the existing diagnostic center will cost in excess of two million dollars (\$2,000,000). According to N.C. Gen. Stat. § 131E-176(16)b., included among new institutional health services is:

Martha Frisone, Chief

June 15, 2018

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Except as otherwise provided in G.S. 131E-184(e), 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. The cost of any studies, surveys, designs, plans, working drawings, specifications, and other activities, including staff effort and consulting and other services, essential to the acquisition, improvement, expansion, or replacement of any plant or equipment with respect to which an expenditure is made shall be included in determining if the expenditure exceeds two million (\$2,000,000).

Attached as Exhibit 2 is a chart and listing of the capital costs associated with relocating the diagnostic equipment, as well as upfitting space and installing that equipment. Attached as Exhibit 3 is the supporting documentation for the moving quotes, architectural costs, HVAC costs and electrical costs associated with the relocation.

Based on the information above and in the attached Exhibits, the estimated total capital costs related to the relocation of the existing diagnostic center will be well below the \$2,000,000 threshold. Therefore, the relocation of the diagnostic center is not a new institutional health service within the meaning of the CON law.

Based on the foregoing and the attached Exhibits, we respectfully request that you confirm that the relocation of the existing diagnostic center is not a new institutional health service and is not subject to CON review.

Please let me know if you have any questions.

Sincerely,

WYRICK ROBBINS YATES & PONTON



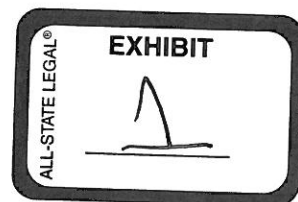
Frank Kirschbaum

Enclosures



RECEIVED MAR 17 2008

North Carolina Department of Health and Human Services  
Division of Health Service Regulation  
Certificate of Need Section  
2704 Mail Service Center ■ Raleigh, North Carolina 27699-2704



Michael F. Easley, Governor  
Dempsey Benton, Secretary

[www.ncdhhs.gov/dhsr](http://www.ncdhhs.gov/dhsr)

Lee Hoffman, Section Chief  
Phone: 919-855-3873  
Fax: 919-733-8139

March 13, 2008

S. Todd Hemphill, Esq.  
Bode, Call & Stroupe, L.L.P.  
3105 Glenwood Avenue, Suite 300  
Raleigh, NC 27612

RE: Inquiry / Eastern Radiologists, Inc. / Confirmation of status of diagnostic center/  
Pitt County

Dear Mr. Hemphill:

In response to your letter of August 21, 2007, the Certificate of Need Section hereby confirms that Eastern Radiologists, Inc., which is located at 9 Doctor's Park in Greenville had established a diagnostic center at this site prior to March 18, 1993. This determination is based upon your representations of the following information:

1. In 1991, Eastern Radiologists, Inc. leased a Phillips LXC CT Scanner from SIGNET Leasing and Financial Corporation, which was operated at 9 Doctor's Park, Greenville. The fair market value of the Phillips LXC CT Scanner was \$712,600.
2. In June, 1989, Eastern Radiologists, Inc. leased a Phillips XL Total Body Scanner with a fair market value of \$845,000, which was operated at 9 Doctor's Park, Greenville.
3. N.C.G.S. §131E-176 (7a) states

*"Diagnostic center" means a freestanding facility, program, or provider, including, but not limited to, physicians' offices, clinical laboratories, radiology centers, and mobile diagnostic programs, in which the total cost of all the medical diagnostic equipment utilized by the facility which cost ten thousand dollar (\$10,000) or more exceeds five hundred thousand dollars (\$500,000). In determining whether the medical diagnostic equipment in a diagnostic center costs more than five hundred thousand dollars (\$500,000), the costs of the equipment, studies, surveys, designs, plans, working drawings, specifications, construction, installation, and other activities essential to acquiring and making operational the equipment shall be included. The capital expenditure for the*



S. Todd Hemphill  
Page Two  
March 13, 2008

4. Based on the above definition, Eastern Radiologists, Inc. adequately demonstrated that prior to March 18, 1993, Eastern Radiologists, Inc. located at 9 Doctor's Park in Greenville was a diagnostic center because the medical diagnostic equipment utilized at that site had a fair market value in excess of \$500,000.

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,



Helen E. Alexander, Team Leader



Lee B. Hoffman, Chief  
Certificate of Need Section

cc: Medical Facilities Planning Section, DHSR

<u>Equipment</u>	<u>Vendor</u>	<u>System Type</u>	<u>Serial #</u>	<u>New Bldg Room #</u>	<u>Room Move Quote</u>
C-Arm	Philips	Veradius 1.2	255	129	0.00
CT	GE	Lightspeed VCT		153	<b>26,896.00</b>
Digital X-Ray	Philips	BuckyDiagnostic TH	400332	169	<b>25,632.00</b>
Nuclear	GE	Infinia GP3		159	<b>15,000.00</b>
R&F	Philips	EasyDiagnostic Eleva	316253	124	<b>58,329.00</b>
R&F	Philips	EasyDiagnostic Eleva	313647	126	<b>58,329.00</b>
Thyroid Probe	Capintec	Captus 4000e	940324	159	0.00
Ultrasound	Siemens	Sequoia 512 ASOV*9	54989	(115, 116, 118)	0.00
Ultrasound	Siemens	S2000	206087	(115, 116, 118)	0.00
Ultrasound	Acuson	Sequoia ASCV512*9	55053	(115, 116, 118)	0.00

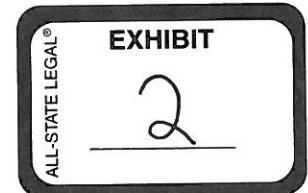
**TOTAL ESTIMATE      184,186.00**

**FROM FARRIOR & SONS, INC)**

**The Architectural numbers are accurate. The HVAC and Electrical are estimates.**

**Architectural \$140,190**

1. Lead shielding required for total of (7) rooms \$74,580
2. Ceiling support framing at R&F rooms and X-ray for overhead equipment \$5,000
3. Special floor construction for equipment support and anchoring \$2,000
4. Lead lined doors and window frames. \$27,150
5. Lead lined glass. \$31,460



**HVAC \$50,000**

1. The CT's require 3.5 tons of cooling each.
2. The Nuclear room requires 1.5 tons of cooling.
3. The ultrasound rooms 0.5 tons of cooling.
4. The Xray is 0.5 ton add and Rooms 124/126
5. Digital XRay are 1.25 tons of additional load

**Electrical \$25,000**

1. Circuitry to disconnects/hardwired connections & empty conduit for controls to the equip in two R&F rooms.
2. Circuitry to disconnects/hardwired connections & empty conduit for controls to the equip in two CT rooms.
3. Circuitry to disconnects/hardwired connections & empty conduit for controls to the equip in Nuclear room.
4. Circuitry to disconnects/hardwired connections & empty conduit for controls to the equip in Digital X-ray room.
5. 3 Dedicated receptacles for ultrasound.
6. 2 Dedicated receptacles for equipment in procedure room.



June 12, 2018

Jenny Myers  
Special Projects Manager  
Eastern Radiologists, Inc.

**RE: Eastern Radiology Addition, 2101 W. Arlington Blvd. Greenville, NC**

Jenny: The following costs are directly associated with improvements made as a result of the CON requirements for the proposed new addition.

**Architectural \$156,444**

1. Lead shielding required for total of (10) rooms \$87,234
2. Ceiling support framing at R&F rooms and X-ray for overhead equipment \$5,000
3. Special floor construction for equipment support and anchoring \$2,000
4. Lead lined doors and window frames. \$30,750
5. Lead lined glass. \$31,460

**HVAC \$50,000**

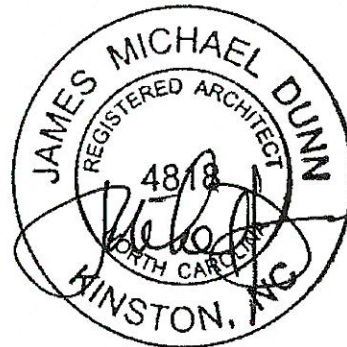
- 1-The CT's require 3.5 tons of cooling each.
- 2-The Nuclear room requires 1.5 tons of cooling.
- 3-The ultrasound rooms 0.5 tons of cooling.
- 4-The Xray is 0.5 ton add and Rooms 124/126
- 5-Digital XRay are 1.25 tons of additional load

**Electrical \$25,000**

1. Circuitry to disconnects/hardwired connections and empty conduit for controls to the equipment in two R&F rooms.
2. Circuitry to disconnects/hardwired connections and empty conduit for controls to the equipment in two CT rooms.
3. Circuitry to disconnects/hardwired connections and empty conduit for controls to the equipment in Nuclear room.
4. Circuitry to disconnects/hardwired connections and empty conduit for controls to the equipment in Digital X-ray room.
5. 3 Dedicated receptacles for ultrasound.
6. 2 Dedicated receptacles for equipment in procedure room.

Respectfully Submitted,

J. Michael Dunn, AIA  
Partner & Architect of Record







By signing below, each party certifies that it has not made any handwritten modifications. Manual changes or mark-ups on this agreement (except signatures in the signature blocks and any indication in the various open fields on this Support Summary) will be void.

TERMS OF DELIVERY: F.O.B. Destination

Priority Transportation: [ ] Yes [ ] No

For Parts Purchases Only---Exchange Part: [ ] Yes [ ] No

TERMS OF PAYMENT: Payment in full is due upon receipt of our invoice.

**GE Healthcare**  
**9900 Innovation Drive**  
**Wauwatosa, WI 53226**

\_\_\_\_\_  
GE Representative  
SUMERLIN, WAYLAND  
TEAM LEADER, SERVICES

AGREED TO AND ACCEPTED BY:

Your Name (PRINT):

\_\_\_\_\_

\_\_\_\_\_  
Authorized Signature

Title:

\_\_\_\_\_

Date:

\_\_\_\_\_

### GE Healthcare General Terms and Conditions

References herein to "Products" and "Services" mean the Products (including equipment and software) and Services identified on the applicable GE Healthcare Quotation ("Quotation").

#### 1. General Terms

1.1. Confidentiality. Each party will treat the terms of this Agreement and the other party's written, proprietary business information as confidential if marked as confidential or proprietary. Customer will treat GE Healthcare (and GE Healthcare's third party vendors') software and technical information as confidential information whether or not marked as confidential and shall not use or disclose to any third parties any such confidential information except as specifically permitted in this Agreement or as required by law (with reasonable prior notice to GE Healthcare). The receiving party shall have no obligations with respect to any information which (i) is or becomes within the public domain through no act of the receiving party in breach of this Agreement, (ii) was in the possession of the receiving party prior to its disclosure or transfer and the receiving party can so prove, (iii) is independently developed by the receiving party and the receiving party can so prove, or (iv) is received from another source without any restriction on use or disclosure.

1.2. Governing Law. The law of the state where the Product is installed or the Service is provided will govern this Agreement.

1.3. Force Majeure. Neither party is liable for delays or failures in performance (other than payment obligations) under this Agreement due to a cause beyond its reasonable control. In the event of such delay, the time for performance shall be extended as reasonably necessary to enable performance.

1.4. Assignment; Use of Subcontractors. Neither party may assign any of its rights or obligations under this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld; provided, however, that either party may transfer and assign this Agreement without the other party's consent to any person or entity (except to a GE Healthcare competitor) that is an affiliate of such party or that acquires substantially all of the stock or assets of such party's applicable business if any such assignees agree, in writing, to be bound by the terms of this Agreement. Subject to such limitation, this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. GE Healthcare may hire subcontractors to perform work under this Agreement, provided that GE Healthcare will at all times remain responsible for the performance of its obligations and duties under this Agreement.

1.5. Amendment; Waiver; Survival. This Agreement may be amended only in writing signed by both parties. Any failure to enforce any provision of this Agreement is not a waiver of that provision or of either party's right to later enforce each and every provision. The terms of this Agreement that by their nature are intended to survive its expiration (such as the confidentiality provisions included herein) will continue in full force and effect after its expiration.

1.6. Termination. If either party materially breaches this Agreement and the other party seeks to terminate this Agreement for such breach, such other party shall notify the breaching party in writing, setting out the breach, and the breaching party will have sixty (60) days following receipt of such notice to remedy the breach. If the breaching party fails to remedy the breach during that period, the other party may terminate this Agreement by written notice to the breaching party. For the avoidance of doubt, this Agreement is not terminable for convenience and may only be terminated in accordance with this Agreement. If GE Healthcare determines in good faith at any time that there are legal or regulatory compliance and/or material credit issues with this Agreement, if any, GE Healthcare may terminate this Agreement (including warranty services hereunder) immediately upon written notice to Customer.

#### 2. Compliance

2.1. Generally. This Agreement is subject to (i) GE Healthcare's on-going credit review and approval and (ii) GE Healthcare's on-going determination that Customer and this Agreement comply with all applicable laws and regulations, including those relating to workplace safety, FDA matters, Federal Healthcare Program Anti-kickback compliance, export/import control and money laundering prevention. CUSTOMER ACKNOWLEDGES THAT THE PRODUCTS ARE OR MAY BE SUBJECT TO REGULATION BY THE FDA AND OTHER FEDERAL OR STATE AGENCIES. CUSTOMER SHALL NOT USE OR PERMIT THE PRODUCTS TO BE USED IN ANY MANNER THAT DOES NOT COMPLY WITH APPLICABLE FDA OR OTHER REGULATIONS OR FOR ANY NON-

MEDICAL, ENTERTAINMENT, OR AMUSEMENT PURPOSES. Further, Customer represents that it is purchasing the Products for its own use consistent with the terms of this Agreement and that it does not intend to re-sell the Products to any other party or to export the Products outside the country to which GE Healthcare delivers the Products.

2.2. **Cost Reporting.** Customer represents and warrants that it shall comply with (a) the applicable requirements of the Discount Statutory Exception, 42 U.S.C. 1320a-7b(b)(3)(A), and the Discount Safe Harbor, 42 C.F.R. § 1001.952(h), with respect to any discounts Customer may receive under this Agreement and (b) the Warranties Safe Harbor, 42 C.F.R. § 1001.952(g), with respect to any price reductions of an item (including a free item) which were obtained as part of a warranty under this Agreement. Customer agrees that, if Customer is required to report its costs on a cost report, then (i) the discount must be based on purchases of the same good bought within a fiscal year; (ii) Customer must claim the benefit in the fiscal year in which the discount is earned or in the following year; (iii) Customer must fully and accurately report the discount in the applicable cost report; and (iv) Customer must provide, upon request, certain information required to be provided to the Customer by GE Healthcare as a seller or offeror, as appropriate. If Customer is an individual or entity in whose name a claim or request for payment is submitted for the discounted items, the discount must be made at the time of the sale of the good; and the Customer must provide, upon request, certain information required to be provided to the Customer by GE Healthcare as a seller or offeror, as appropriate. GE Healthcare agrees to comply with the applicable requirements for sellers or offerors under the Discount Safe Harbor, as appropriate.

2.3. **Site Access Control and Network Security.** Customer shall be solely responsible for establishing and maintaining security, virus protection, backup and disaster recovery plans for any data, images, software or equipment. GE Healthcare's Services do not include recovery of lost data or images. Customer shall comply with all applicable laws and regulations related to site access control.

2.4. **Environmental Health and Safety.** Customer shall provide and maintain a suitable, safe and hazard-free location and environment for the GE Healthcare Products and Services in material compliance with any written requirements provided by GE Healthcare, perform GE Healthcare recommended routine maintenance and operator adjustments, and ensure that any non-GE Healthcare provided Service is performed by, and GE Healthcare Products are used by, qualified personnel in accordance with applicable user documentation. GE Healthcare shall have no obligation to perform Services until Customer has complied with its obligations under this Section.

2.5. **GE Healthcare-Supplied Parts.** GE Healthcare can make no assurances that Product performance will not be affected by the use of non-GE Healthcare-supplied parts. In some instances, use of non-GE Healthcare-supplied parts may affect Product performance or functionality.

2.6. **Training.** Any Product training identified in the Quotation shall be in accordance with GE Healthcare's then-current training program offerings and terms. Unless otherwise stated in the catalog description, training must be completed within twelve (12) months after (i) the date of Product delivery for training purchased with Products and (ii) the start date for Services for training purchased with Services. If training is not completed within the applicable time period, GE Healthcare's obligation to provide the training will expire without refund.

2.7. **Medical Diagnosis and Treatment.** All clinical and medical treatment and diagnostic decisions are the responsibility of Customer and its professional healthcare providers.

### 3. Disputes; Liability; and Indemnity

3.1. **Waiver of Jury Trial.** EACH PARTY EXPRESSLY WAIVES ALL RIGHTS TO A JURY TRIAL IN CONNECTION WITH ANY DISPUTE ARISING UNDER THIS AGREEMENT.

3.2. **Limitation of Liability.** GE HEALTHCARE'S (AND ITS REPRESENTATIVES') LIABILITY UNDER THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION, SHALL NOT EXCEED: (A) FOR PRODUCTS OR SERVICES OTHER THAN SERVICES UNDER AN ANNUAL SERVICE CONTRACT, THE PRICE FOR THE PRODUCT OR SERVICE THAT IS THE BASIS FOR THE CLAIM; OR (B) FOR ANNUAL SERVICE CONTRACTS, THE ANNUAL CONTRACT PRICE FOR THE SERVICE THAT IS THE BASIS FOR THE CLAIM. NEITHER CUSTOMER NOR GE HEALTHCARE (NOR THEIR RESPECTIVE REPRESENTATIVES) SHALL BE LIABLE TO THE OTHER PARTY UNDER THIS AGREEMENT (OR OTHERWISE IN CONNECTION WITH THE PRODUCTS AND SERVICES) FOR ANY INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR LOSS OF PROFITS, REVENUE, TIME, OPPORTUNITY OR DATA, WHETHER IN AN ACTION IN CONTRACT, TORT, PRODUCT LIABILITY, STATUTE, EQUITY OR OTHERWISE. THE LIMITATION OF LIABILITY AND EXCLUSION OF DAMAGES SHALL APPLY EVEN IF THE LIMITED REMEDIES FAIL OF THEIR ESSENTIAL PURPOSE.

3.3. **IP Indemnification.** GE Healthcare will defend, indemnify and hold harmless Customer from any third party claims for infringement of intellectual property rights arising from Customer's use of GE Healthcare manufactured equipment and/or GE Healthcare proprietary software listed in the Quotation in accordance with their specifications and within the license scope granted in this Agreement. If any such claim materially interferes with Customer's use of such equipment and/or software, GE Healthcare shall, at its option: (i) substitute functionally equivalent non-infringing products; (ii) modify the infringing Product so that it no longer infringes but remains functionally equivalent; (iii) obtain for Customer at GE Healthcare's expense the right to continue to use the infringing Product; or (iv) if the foregoing are not commercially reasonable, refund to Customer the purchase price, as depreciated (based on five (5) year straight-line depreciation), for the infringing Product. Any such claims arising from Customer's use of such infringing Product after GE Healthcare has notified Customer to discontinue use of such infringing Product and offered one of the remedies set forth in clauses (i) through (iv) above are the sole responsibility of Customer. This Section represents Customer's sole and exclusive remedy (and GE Healthcare's sole and exclusive liability) regarding any infringement claim associated with such infringing Product. The above indemnification obligation is conditional upon Customer providing GE Healthcare prompt written notice of the infringement claim after receiving notice of such claim, allowing GE Healthcare to control the defense of such claim, and reasonably cooperating with GE Healthcare in such defense. Notwithstanding any other provision in this Agreement, GE Healthcare shall not have any obligation to Customer hereunder for infringement claims based on or resulting from: (a) use of such infringing Product in combination with any computer software, tools, hardware, equipment, materials, or services, not furnished or authorized in writing for use by GE Healthcare; (b) use of such infringing Product in a manner or environment or for any purpose for which GE Healthcare did not design or license it, or in violation of GE Healthcare's use instructions; or (c) any modification of such infringing Product by Customer or any third party. GE Healthcare shall not be responsible for any compromise or settlement or claim made by Customer without GE Healthcare's written consent. This indemnification obligation is expressly limited to the GE Healthcare manufactured equipment and/or GE Healthcare proprietary software listed in the Quotation.

### 4. Payment and Finance

4.1. **Generally.** The payment and billing terms for the Product(s) and/or Service(s) are stated in the Quotation.

- 4.2. **Affiliate Billing.** If Customer's order includes Products manufactured by more than one GE Healthcare affiliated company, each affiliated company may invoice Customer separately for the portion of the total price under the Quotation attributable to its Products, under the same payment terms specified in the Quotation. There shall be no additional fees or charges to Customer for such separate invoicing.
- 4.3. **Late Payment.** Failure to make timely payment is a material breach of this Agreement, for which (in addition to other available remedies) GE Healthcare may suspend performance under any or all GE Healthcare agreements until all past due amounts are brought current. If GE Healthcare so suspends, GE Healthcare will not be responsible for the completion of planned maintenance due to be performed during the suspension period and any product downtime will not be included in the calculation of any uptime commitment. Interest shall accrue on past-due amounts at a rate equal to the lesser of one-and-one-half percent (1.5%) per month or the maximum rate permitted by applicable law. Customer will reimburse GE Healthcare for reasonable costs (including attorneys' fees) relating to collection of past due amounts. Any credits that may be due to Customer under an agreement may be applied first to any outstanding balance. If Customer has a good faith dispute regarding payment for a particular Product (or subsystem thereof) or Service, such dispute shall not entitle Customer to withhold payment for any other Product (or subsystem thereof) or Service provided by GE Healthcare. GE Healthcare may revoke credit extended to Customer because of Customer's failure to pay for any Products or Services when due, and in such event all subsequent shipments and Services shall be paid for on receipt.
- 4.4. **Taxes.** Prices do not include sales, use, gross receipts, excise, valued-added, services, or any similar transaction or consumption taxes ("Taxes"). Customer shall be responsible for the payment of any such Taxes to GE Healthcare unless it otherwise timely provides GE Healthcare with a valid exemption certificate or direct pay permit. In the event GE Healthcare is assessed Taxes, interest or penalty by any taxing authority, Customer shall reimburse GE Healthcare for any such Taxes, including any interest or penalty assessed thereon. Each party is responsible for any personal property or real estate taxes on property that the party owns or leases, for franchise and privilege taxes on its business, and for taxes based on its net income or gross receipts.

## 5. Service

- 5.1 **Service Warranties.** GE Healthcare warrants that its services will be performed by trained individuals in a professional, workman-like manner. GE Healthcare will promptly re-perform any non-conforming services for no charge as long as Customer provides reasonably prompt written notice to GE Healthcare. The foregoing service remedies are Customer's sole and exclusive remedies (and GE Healthcare's sole and exclusive liabilities) for service warranty claims. These exclusive remedies shall not have failed of their essential purpose (as that term is used in the Uniform Commercial Code) as long as GE Healthcare remains willing to re-perform any non-conforming services for no charge, as applicable, within a commercially reasonable time after being notified of Customer's claim. NO OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE WILL APPLY. GE Healthcare may use refurbished parts during service as long as it uses the same quality control procedures as for new parts. Any part for which GE Healthcare has supplied a replacement shall become GE Healthcare property.
- 5.2. **Software License.** GE Healthcare grants to Customer a non-exclusive, non-transferable license to use for internal business only the GE Healthcare software, third-party software and associated documentation provided hereunder by GE Healthcare to Customer, subject to the license scope and other restrictions set forth in this Service Agreement. Customer may permit its employees, agents and independent contractors to use the software and associated documentation consistent with this Service Agreement; provided, however, that Customer shall be responsible for any acts of its employees, agents and/or independent contractors which are inconsistent with this Service Agreement. Customer may only use any third-party software provided by GE Healthcare together with the GE Healthcare software and will comply with all third-party software license terms included in any click or shrink wrap license or of which GE Healthcare otherwise makes Customer aware. Without GE Healthcare's prior written consent, Customer may not: (i) copy, sublicense, distribute, rent, lease, loan, resell, modify or translate the software or create derivative works based thereon; (ii) directly or indirectly decompile, disassemble, reverse engineer or otherwise attempt to learn the source code, structure, algorithms or ideas underlying the software; (iii) provide service bureau, time share or subscription services based on the software; or (iv) remove, obscure or modify any markings, labels or any notice of the proprietary rights, including copyright, patent and trademark notices of GE Healthcare or its licensors. Customer may make one copy of the software solely for backup purposes. GE Healthcare and its licensors, as applicable, retain all ownership and intellectual property rights to the software and documentation. No license rights are granted (whether by implied license or otherwise), to Customer, except as specifically provided in this section.
- 5.3. **Independent Contractor.** GE Healthcare and Customer are independent contractors and nothing contained in this agreement is intended nor shall it be construed as creating a fiduciary relationship, partnership or joint venture between the parties, except as otherwise agreed in writing by the parties.

## 6. Parts/Accessories (if applicable)

- 6.1 **Transportation, Title and Risk of Loss.** Shipping terms are FOB Destination. Title and risk of loss to equipment passes to Customer upon delivery to Customer's designated delivery location. Software is licensed to Customer; no title to or other ownership interest in such software passes to Customer.
- 6.2 **Delivery.** When feasible, GE Healthcare reserves the right to make delivery in installments. All such installments shall be separately invoiced and paid for when due, without regard to subsequent deliveries. At the time of such delivery, Customer will pay GE Healthcare for any amounts due upon delivery. Delivery dates are approximate. For GE Healthcare software or documentation, delivery means the first to occur of: (i) communication to Customer through electronic means, that allows Customer to take possession of the first copy or product master, or (ii) delivery to Customer's designated delivery location.
- 6.3 **Product Returns.** Except as otherwise provided in any applicable Product return policy, and except for products shipped in error that are different from the Products listed in the Quotation, Customer shall not have any right to return Products for a refund after delivery.
- 6.4 **Acceptance.** Customer shall be deemed to have accepted a Product delivered by GE Healthcare under this Agreement upon delivery.
- 6.5 **Hardware/Software Warranties.** Warranties for hardware and software, including but not limited to parts and accessories, are set forth in GE Healthcare's applicable standard warranty forms. Parts warranties are as set forth by the OEM in the applicable parts package as provided by the OEM. These warranty statements/forms are the complete and exclusive statement of the warranty terms herein. No warranty is furnished for anything excluded from the warranty forms or for operating documentation, operating tools parts, or room moves. These items are provided AS IS. NO OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, AND FITNESS FOR A PARTICULAR

PURPOSE WILL APPLY. Parts may be new or refurbished, and refurbished parts will have the same quality control procedures as for new parts. Any part for which GE Healthcare has supplied a replacement shall become GE Healthcare property.

6.6 Parts are intended only for use in servicing the Equipment at the facility in which it was intended as included herein, and are not for resale or other distribution. Parts are not intended for servicing any other equipment or for manufacturing or refurbishing any equipment. We reserve the right to reject without liability any order and to revoke without liability any acceptance if we reasonably determine that a Part is not intended for use in servicing Equipment.

7. Room Moves/Product Relocation services (if applicable)

7.1 GE Healthcare's relocation or room move services for equipment identified in the Quotation ("System") will be performed in accordance with applicable GE Healthcare installation guides and project plans and are otherwise subject to the following additional provisions. The Customer agrees to review the applicable installation guides and project plans and perform its obligations set forth in those materials.

7.2 The Customer will prepare the location for the re-installation of the System consistent with GE Healthcare's written specification including the installation of necessary system cable and assembly of any necessary equipment or hardware not provided by GE Healthcare, unless agreed otherwise in writing by the parties. The System's location in the new room may necessitate the use of new cabling. This quote does not include the price of new cables. The Customer is responsible for the cost of new cabling, if applicable. The Customer will provide an electrician to disconnect and re-connect power to the system in both locations.

7.3 For Systems that will be operated or in connection with Customer supplied hardware or software, the Customer is responsible for ensuring that its hardware or software conform with GE Healthcare's minimum hardware and software requirements as made available.

7.4 The Customer will assume responsibility for added costs due to delays and work slowdowns caused by inadequate site preparation, facility requests, or other circumstances beyond the control of GE Healthcare.

7.5 The Quotation assumes adequate doorway and hall sizes to allow passage of the System to be moved. GE Healthcare is not responsible for dismantling of rooms or doorways if needed for removal or re-installation.

7.6 Any repair and associated labor needed to bring the System up to a fully operational system during initial functional check or during re-installation will be the responsibility of the Customer, and will be invoiced separately unless otherwise covered by an existing GE service agreement.

7.7 Equipment site drawings for the new location will be provided at the Customer's request for no additional charge. If subsequent to preparing site drawings, Customer decides to terminate this agreement, Customer will be responsible for GE healthcare's cost in preparing the site drawings and will be invoiced separately.

7.8 Prior to de-installation and removal of mobile and fixed asset equipment, Customer will ensure that the site where the System is located and the System itself are clean and free of bodily fluids and other materials that may have the potential to carry diseases. Customer is also responsible for remediating all bio-hazards that may be discovered during the de-installation process (i.e. under equipment covers/below access flooring/cable ducts, etc).

7.9 Customer is also responsible for the proper management and disposal of the following material that may be located at Customer's site: radioactive sources, PET radioactive pins; biohazard filled bags; pharmaceuticals; and all other materials considered hazardous under U.S. Department of Transportation shipping regulations. These materials will be left in Customer's possession for management, transportation, and disposal by Customer or its contractors in accordance with applicable legal requirements.

7.10 Until it is de-installed and removed by GE Healthcare or its contractor, Customer is responsible for risk and loss of the System, the proper operation of the System and compliance with any laws relating to the operation of the System. It is the responsibility of the Customer to ensure that any Protected Health Information (as defined by the Health Insurance Portability and Accountability Account Privacy Rule) is removed from the System before the System is removed. Customer represents and warrants that it has removed all Protected Health Information from the System. Customer further agrees to indemnify GE for any loss whatsoever resulting from any Protected Health Information that is not removed from the System. The parties agree that GE Healthcare shall have no obligations whatsoever in connection with any Protected Health Information that is not properly removed from the System by the Customer.

7.11 De-Install & Relocation (unless otherwise expressly quoted):

- Pre-move site assessment and coordination of room preparation with facility contractor.
- GE Healthcare will mechanically de-install the System and prepare it for transport.
- De-installation will include a functional check of the system and any appropriate software back-ups prior to removal and all preparation necessary to ready the System for transport by an equipment mover. GE equipment dollies will be used where applicable.
- GE Healthcare or its designate will transport the System to its new location.

7.12 Re-Installation / Calibration (unless otherwise expressly quoted):

- GE will mechanically install the System and perform electrical checkout & calibrations.
- With the exception of cabling, GE will cover the cost of repair parts & labor under the existing GE service contract.
- Reinstallation will include the physical installation of the System, calibration to system specifications, and testing as necessary to meet applicable requirements.

7.13 Exclusions (unless otherwise expressly quoted):

- Does not include cables that are not adequate length for the new location or room preparations, electrical, or structural details or modifications.
- No warranty is included for room move.
- Does not include parts or labor for pre-existing damage of non-functionality documented in system assessment.
- New cabling, rails or other hardware resulting from changes in size and orientation for the new location or changes in cable lengths
- Any repair parts and associated labor needed to bring the System up to a fully operational condition
- Loss, repair or replacement of System or components, including x-ray tubes, due to transportation or storage of equipment.
- Replacement of cryogens due to excessive boil-off prior to relocation or resulting from transportation of MR magnets

- Modifications or corrections to the work scope dictated by concealed conditions encountered in the performance of the work not indicated by the drawings or specifications.
  - Lasers & alignment are Customer's responsibility
  - Does not include removal of any equipment in current rooms at the new location.
  - Cost of modifying the existing facility in order to allow for the removal, movement, and reinstallation of the System is the sole responsibility of the Customer
  - Cost of any architectural/engineering services, and construction-related work.
  - Cost of union labor, if such labor is required.
- 7.14 GE Healthcare will perform all labor Monday through Friday from 8:00 a.m. until 9:00 p.m. excluding GE holidays. If the Customer authorizes GE to work outside of the hours listed above, additional charges will apply.

**PHILIPS Healthcare**

Tavare Sanchez, RSM  
 One Deerfield Center, 13560 Morris Rd, Ste 2100  
 Alpharetta, GA 30004  
 Phone: 678-350-4242  
 Fax:  
 [e-mail] tavare.sanchez@philips.com

QUOTE NO. 505909\_43242  
 DATE 5/22/2018  
 CUSTOMER ID Eastern Radiologist Inc  
 SITE ID 505909  
 EXPIRATION DATE 5/22/2019

TO:

Eastern Radiologist Inc  
 9 Doctors Park  
 GREENVILLE, NC, 27834-2801

QUOTATION PREPARED BY: Tavare Sanchez, RSM

MODALITY	EQUIPMENT DESCRIPTION	UNIT PRICE
704030	GXR-Bucky DIAGNOST TH	
<b>DESCRIPTION</b> <b>ROOM MOVE QUOTE</b>		
PHILIPS SITE PLANNING	Deinstall / Reinstall / Calibration	\$24,920.00
LIFE SOLUTIONS	Deinstall/ Scrap	
POWER SOLUTIONS	Site Plans	
INSTALLATIONS-PARTS	Life Solutions	
CLINICAL EDUCATION	Power Solutions	
	Installation Parts	\$3,560.00
	<b>No Clinical ED</b>	
	<b>SUBTOTAL</b>	<b>\$28,480.00</b>
	<b>DISCOUNT</b>	<b>\$2,848.00</b>
	<b>TOTAL</b>	<b>\$25,632.00</b>

**Scope of work:**

Scope of Work includes: 1.5 days de-installation of system; 2 days of reinstallation; 1.5 days calibration and testing.

This is a quotation on the goods named, subject to the conditions noted below:

To accept this quotation, please sign and return with a purchase order.

\_\_\_\_\_  
 Authorized Purchaser's Signature

Date :  
 Title:

**THANK YOU FOR YOUR BUSINESS!**

### PHILIPS Healthcare

Tavare Sanchez, RSM  
One Deerfield Center, 13560 Morris Rd, Ste 2100  
Alpharetta, GA 30004

Phone: 678-350-4242  
Fax:

QUOTE NO. 505909\_43242  
DATE 5/22/2018  
CUSTOMER ID Eastern Radiologist Inc  
SITE ID 505909

Philips Medical Systems North America Company, a Division of Philips Electronics North America Corporation ("Philips") will provide maintenance, calibration, repair, upgrades, and other quoted

service ("Services") on the medical imaging, monitoring and related equipment owned or operated by Customer ("Equipment"), along with replacement of certain parts, assemblies and

accessories, all as requested by Customer, solely upon the terms and conditions stated herein. Customer's acceptance of the Services constitutes its agreement to these terms and conditions.

#### 1. SERVICE

The Service provided is for diagnostic imaging equipment unless otherwise agreed in writing. The Services will be performed during Service Coverage hours at Philips' standard prices in effect

as of the date of service. At Philips' discretion, replacement parts may be provided on an exchange (refurbished) or new part basis. Replaced parts become Philips' property.

#### 2. EXCLUSIONS

a. The Services do not include:

- i. servicing or replacing components of the Equipment other than those parts listed in this agreement;
- ii. servicing the Equipment if the Equipment Site or Equipment is contaminated with blood or other potentially infectious substances;
- iii. the failure of anyone other than Philips' subcontractor or Philips to comply with Philips' written instructions or recommendations;
- iv. )any combining of the Equipment with a product or software of other manufacturers other than those recommended by Philips;
- v. any alteration or improper storage, handling, use or maintenance of the Equipment by anyone other than Philips' subcontractor or Philips;
- vi. damage caused by an external source, regardless of nature;
- vii. neglect or misuse of the Equipment.

b. The Services do not include, unless specifically quoted by Philips:

- i. providing or paying the cost of any rigging, facility, structural alteration, or accessory incident to the Services or Equipment;
- ii. any cost of materials, supplies, parts or labor supplied by any party other than Philips or Philips' subcontractors;
- iii. the cost of consumable materials, including but not limited to cushions, knee supports, pads, magnetic media, cryogenes, PET calibration sources, film or other supply items, unless specifically included in this Agreement;
- iv. the cost of factory reconditioning;
- v. providing software updates, back-up copies of software, or the programming of custom code.

#### 3. COVERAGE

Philips will provide Customer the Services Mondays through Fridays, 8:00 AM to 5:00 PM Customer local time, excluding Philips observed holidays. Subject to the availability of personnel and repair parts, Philips will provide, at Customer request and additional expense, service relating to certain excluded items (invoiced at Philips' then-current standard rates for material and labor) or service outside the Service Coverage hours (invoiced at Philips applicable rates for out-of-hours service of this type in effect for hourly service customers with similar Equipment, including round trip travel time). Customer will be charged a minimum of two hours on-site time plus applicable travel charges per service visit. Other travel expenses and overnight living expenses will be charged at actual cost in accordance with Philips' standards for business expense reimbursement of Philips' employees.

#### 4. CUSTOMER RESPONSIBILITIES

As a condition to Philips undertaking to provide Services, Customer will: assure that the Equipment Site is in a clean and sanitary condition and that the Equipment has been cleaned and decontaminated after contact with blood or other potentially infectious material; dispose of any hazardous or biological waste generated as a result of Philips servicing the Equipment; maintain the Equipment Site and environment (including temperature and humidity control, incoming power quality, and fire protection system) in a condition suitable for operation of the Equipment; operate the Equipment in accordance with the published manufacturer's operating instructions; make normal operator adjustments to the Equipment as specified in the published manufacturer's operating instructions; and provide Philips service personnel full and free access to the Equipment at the scheduled service time. Customer agrees to pay Philips at the prevailing demand service rates for all time spent by Philips service personnel waiting for access to the Equipment.

#### 5. PAYMENT

The total charge, plus applicable tax, will be due immediately upon Customer's receipt of Philips' invoice. The total charge will be the sum of all parts, assemblies, accessories, consumables, transportation, special handling, on-site labor, travel time, travel expense, and other chargeable Services. Customer will pay interest on any amount not paid when due at the maximum rate permitted by applicable law.

**PHILIPS Healthcare**

Tavare Sanchez, RSM  
One Deerfield Center, 13560 Morris Rd, Ste 2100  
Alpharetta, GA 30004  
Phone: 678-350-4242  
Fax:

QUOTE NO. 505909\_43242  
DATE 5/22/2018  
CUSTOMER ID Eastern Radiologist Inc  
SITE ID 505909

**6. EXCUSABLE DELAYS**

Philips is excused from performing the Services when Philips' delay or failure to perform is caused by events beyond Philips' reasonable control including, but not limited to, acts of God, acts of third parties, acts of the other party, acts of any civil or military authority, fire, floods, war, terrorism, embargoes, labor disputes, acts of sabotage, riots, accidents, delays of carriers, subcontractors or suppliers, voluntary or mandatory compliance with any government act, regulation or request, shortage of labor, materials or manufacturing facilities, or Equipment being contaminated with blood or other potentially infectious material.

**7. PAYMENT DEFAULT**

In the event of Customer's failure to pay any amount due within 10 days of when payment is due, Philips may, at its option, (i) withhold performance hereunder or under any other agreements with Customer until a reasonable time after all defaults have been cured, (ii) declare all sums due and to become due, to be immediately due and payable hereunder and under such other agreements, (iii) commence collection activities for all sums due or to become due hereunder, all at Customer's expense, including but not limited to costs and expenses of collection, collection agency fees, and reasonable attorneys' fees, and (iv) pursue any other remedies permitted by law.

**8. WARRANTY**

Philips warrants that parts installed and labor performed by Philips will be free from defects in material and workman-ship respectively for a period of 60 days from the date of installation or performance. Replacement parts may contain refurbished components. If such components are used, they will be warranted as new. Glassware is covered under separate Warranties.

The warranty for parts purchased directly by the end-user from Philips and not installed by Philips is 30 days. Adjustment of claims under a parts warranty will result only in replacement of that part. Parts cannot be returned for credit only. Parts failures that result from improper installation or service procedures or any other external factors will not be covered under this warranty.

Philips' obligations are limited, at Philips' option, to the repair or the replacement of the product or a portion thereof, or to a refund of a portion of the price paid by Customer. If Philips determines that any parts or labor fail to meet the foregoing warranties, Philips shall correct any such failure, at its sole option either (a) by repairing any defective or damaged part and furnishing the necessary labor to resolve any problems directly associated with the service work per-formed by Philips, or (b) for parts not installed by Philips, by making available at the place of installation any necessary repaired, exchange or replacement parts or assemblies.

This warranty will not apply to defects resulting from improper or inadequate maintenance or calibration by Customer or its agents; Customer or third party supplied software, interfaces, or supplies; use or operation of the product other than in accordance with Philips' applicable product specifications and written instructions; abuse, negligence, accident, loss, or damage in transit; improper site preparation; unauthorized maintenance or modifications to the product; or, to viruses or similar software interference resulting from the connection of the product to a network. Philips does not provide a warranty for third party products furnished to Customer by Philips; however, Philips shall use reasonable efforts to extend to Customer the third party warranty for the product.

The obligations of Philips described above are Philips' only obligations and Customer's sole and exclusive remedy for breach of this warranty.

**9. WARRANTY DISCLAIMER**

Any warranties applicable to labor or replacement parts provided in connection with the Services are described herein. EXCEPT AS EXPRESSLY SET FORTH HEREIN, PHILIPS MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AND No warranty of Merchantability or fitness for a particular purpose applies to anything provided by PHILIPS' SUBCONTRACTOR OR PHILIPS.

**10. LIMITATIONS OF REMEDIES AND DAMAGES**

Philips' total liability, if any, and Customer's exclusive remedy with respect to the Services and Philips' performance here-under is limited to an amount not to exceed the price paid for the part or service that is the basis for the claim. IN NO EVENT WILL PHILIPS BE LIABLE FOR ANY INDIRECT, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUES OR PROFITS, OR THE COST OF SUBSTITUTE PARTS OR SERVICES, WHETHER ARISING FROM BREACH OF THE TERMS IN THIS AGREEMENT, BREACH OF WARRANTY, NEGLIGENCE, I NDEMNITY, STRICT LIABILITY OR OTHER TORT. PHILIPS WILL HAVE NO LIABILITY FOR ANY ASSISTANCE PHILIPS PROVIDES THAT IS NOT REQUIRED HEREUNDER.



### PHILIPS Healthcare

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One Deerfield Center, 13560 Morris Rd, Ste 2100  
Alpharetta, GA 30004

Phone: 678-350-4242  
Fax:

QUOTE NO. 505909\_43242  
DATE 5/22/2018  
CUSTOMER ID Eastern Radiologist Inc  
SITE ID 505909

#### 11. PROPRIETARY SERVICE MATERIALS

In connection with the installation, configuration, maintenance, repair and de-installation of the Equipment, Philips might deliver to the Equipment site and use certain proprietary service materials (including software, diagnostic tools and written or electronic documentation) that have not been purchased by or licensed to Customer. The presence of this property within the Equipment site will not give Customer any right or title to this property or any license or other right to access, use or decompile this property. Any access to or use of this property by anyone other than Philips' personnel is prohibited. Customer consents to Philips' removal of all or any part of this property at any time.

#### 12. THIRD PARTY MANAGEMENT

If Customer has contracted with a third party service management organization, asset management company, maintenance management company, technology management company, maintenance insurance organization or the like ("Third Party Organization") for purposes of centralized billing and management of services provided to Customer, at Customer's written request, Philips will route invoices for payment of services rendered by Philips to such Third Party Organization and accept payment from them on Customer's behalf. Notwithstanding the above, Customer agrees that the services provided by Philips are subject solely to the terms and conditions set forth herein, and that Customer guarantees the payment of all monies due or that may become due in spite of any collateral arrangements Customer may have with such Third Party Organization or any payments Customer have made to the Third Party Organization. Philips has no contractual relationship for the Services rendered to Customer except as set forth herein. To the extent that the parts and services Philips provides are not covered by Customer's arrangement with such Third Party Organization, Customer agrees to promptly pay for such parts and services on demand.

#### 13. TAXES

Customer will not be obligated to pay any federal, state or local tax imposed upon or measured by Philips' net income. Any other applicable tax will be invoiced to and payable by Customer, along with the total charge in accordance with the payment terms set forth herein, unless Philips receives a tax exemption certificate from Customer which is acceptable to the taxing authorities.

#### 14. INDEPENDENT CONTRACTOR

Philips is Customer's independent contractor. Philips' employees are under Philips' exclusive direction and control. Philips' subcontractor's employees are under Philips' subcontractor's exclusive direction and control. Nothing in this Agreement will be construed to designate Philips or any of Philips' employees or Philips' subcontractors or any of their employees as Customer employees, agents, joint ventures or partners.

#### 15. RECORD RETENTION AND ACCESS

If Section 1861 (v) (1) (I) of the Social Security Act applies to the Services, Subsections (i) and (ii) of that Section are made a part of these terms. In such an event, Philips agrees to retain and make available, and to insert the requisite clause in each applicable subcontract requiring Philips subcontractor to retain and make available, the contract(s), book(s), document(s), and record(s) to the person(s), upon the request(s) for the period(s) of time required by these Subsections.

#### 16. SUBCONTRACTS AND ASSIGNMENTS

Philips may subcontract to service contractors of Philips' choice any of Philips' service obligations to Customer. No such subcontract will release Philips from those obligations to Customer. Customer may not assign its rights hereunder or the responsibility for payments due without Philips' prior express written consent.

#### 17. SURVIVAL, WAIVER, SEVERABILITY, CHOICE OF LAW

Customer's obligation to pay any money due to Philips in connection with the Services shall continue until Philips has received all such amounts. All of Philips' rights, privileges and remedies with respect to the Services will continue in full force and effect. Philips' failure to enforce any provision of these terms is not a waiver of that provision or of Philips' right to later enforce each and every provision. If any part of these terms is found to be invalid, the remaining part will be effective. The law of the state of New York will govern any interpretation of these terms and any dispute between Philips and Customer without regard to the principles of choice of law.

#### 18. ENTIRE AGREEMENT

These terms constitute the entire understanding of the parties and supersede all other agreements, written or oral, regarding its subject matter. No additional terms, conditions, consent, waiver, alteration, or modification will be binding unless in writing and signed by Philips' authorized representative and Customer. Additional or different terms and conditions, whether stated in a purchase order or other document issued by Customer, are specifically rejected and will not apply to the transactions contemplated herein. No prior proposals, statements, course of dealing, course of performance, usage of trade or industry standard will apply to the Services or modify these terms.

**PHILIPS Healthcare**

Tavare Sanchez, RSM  
One Deerfield Center, 13560 Morris Rd, Ste 2100  
Alpharetta, GA 30004

Phone: 678-350-4242  
Fax:

QUOTE NO. 505909\_43242  
DATE 5/22/2018  
CUSTOMER ID Eastern Radiologist Inc  
SITE ID 505909

**Clinical Education:**

No Clinical ED



# Quote

Date	Quote #
5/25/2018	

<b>Name / Address</b>
ER Imaging 2101 West Arlington Blvd. Suite 210 Greenville, NC 27834

<b>Shipping Address</b>
ER Imaging 9 Doctors Park, W Arlington Blvd Greenville, NC 27834

Description	Qty	Price Each	Total
Relocation of one (1) GE Infinia gamma camera including:	1	\$15,000.00	\$15,000.00
- Rigging	1	\$0.00	\$0.00
- Transportation	1	\$0.00	\$0.00
- Installation	1	\$0.00	\$0.00
- Labor	1	\$0.00	\$0.00
- Travel	1	\$0.00	\$0.00
Sales Tax is not included	1	\$0.00	\$0.00
<b>Subtotal</b>			\$15,000.00
<b>Sales Tax (0.00%)</b>			\$0.00
<b>Total</b>			\$15,000.00

Customer Acceptance: \_\_\_\_\_

Customer Notes:

**PHILIPS Healthcare**

Tavare Sanchez, RSM  
One Deerfield Center, 13560 Morris Rd, Ste 2100  
Alpharetta, GA 30004  
Phone: 678-350-4242  
Fax:  
[e-mail] tavare.sanchez@philips.com

QUOTE NO. 542716\_43242  
DATE 5/22/2018  
CUSTOMER ID Eastern Radiologist Inc  
SITE ID 542716  
EXPIRATION DATE 5/22/2019

TO:  
Eastern Radiologist Inc  
9 Doctors Park  
GREENVILLE, NC, 27834-2801

QUOTATION PREPARED BY: Tavare Sanchez, RSM

MODALITY	EQUIPMENT DESCRIPTION	UNIT PRICE
706032	GXR-EasyDIAGNOST Eleva	
DESCRIPTION		
<b>ROOM MOVE QUOTE</b>		
Deinstall / Reinstall / Calibration		\$61,340.00
Deinstall/ Scrap		
Site Plans		
Life Solutions		
Power Solutions		
Installation Parts		\$3,470.00
<b>No Clinical ED</b>		
<b>SUBTOTAL</b>		<b>\$64,810.00</b>
<b>DISCOUNT</b>		<b>\$6,481.00</b>
<b>TOTAL</b>		<b>\$58,329.00</b>

**Scope of work:**

Scope of Work includes: 3.5 days de-installation of system; 3.5 days of reinstallation; 3 days calibration and testing.

This is a quotation on the goods named, subject to the conditions noted below:

To accept this quotation, please sign and return with a purchase order.

\_\_\_\_\_  
Authorized Purchaser's Signature

Date :  
Title:

**THANK YOU FOR YOUR BUSINESS!**

### PHILIPS Healthcare

Tavare Sanchez, RSM  
One Deerfield Center, 13560 Morris Rd, Ste 2100  
Alpharetta, GA 30004

Phone: 678-350-4242  
Fax:

QUOTE NO. 542716\_43242  
DATE 5/22/2018  
CUSTOMER ID Eastern Radiologist Inc  
SITE ID 542716

Philips Medical Systems North America Company, a Division of Philips Electronics North America Corporation ("Philips") will provide maintenance, calibration, repair, upgrades, and other quoted

service ("Services") on the medical imaging, monitoring and related equipment owned or operated by Customer ("Equipment"), along with replacement of certain parts, assemblies and

accessories, all as requested by Customer, solely upon the terms and conditions stated herein. Customer's acceptance of the Services constitutes its agreement to these terms and conditions.

#### 1. SERVICE

The Service provided is for diagnostic imaging equipment unless otherwise agreed in writing. The Services will be performed during Service Coverage hours at Philips' standard prices in effect

as of the date of service. At Philips' discretion, replacement parts may be provided on an exchange (refurbished) or new part basis. Replaced parts become Philips' property.

#### 2. EXCLUSIONS

a. The Services do not include:

- i. servicing or replacing components of the Equipment other than those parts listed in this agreement;
- ii. servicing the Equipment if the Equipment Site or Equipment is contaminated with blood or other potentially infectious substances;
- iii. the failure of anyone other than Philips' subcontractor or Philips to comply with Philips' written instructions or recommendations;
- iv. any combining of the Equipment with a product or software of other manufacturers other than those recommended by Philips;
- v. any alteration or improper storage, handling, use or maintenance of the Equipment by anyone other than Philips' subcontractor or Philips;
- vi. damage caused by an external source, regardless of nature;
- vii. neglect or misuse of the Equipment.

b. The Services do not include, unless specifically quoted by Philips:

- i. providing or paying the cost of any rigging, facility, structural alteration, or accessory incident to the Services or Equipment;
- ii. any cost of materials, supplies, parts or labor supplied by any party other than Philips or Philips' subcontractors;
- iii. the cost of consumable materials, including but not limited to cushions, knee supports, pads, magnetic media, cryogenes, PET calibration sources, film or other supply items, unless specifically included in this Agreement;
- iv. the cost of factory reconditioning;
- v. providing software updates, back-up copies of software, or the programming of custom code.

#### 3. COVERAGE

Philips will provide Customer the Services Mondays through Fridays, 8:00 AM to 5:00 PM Customer local time, excluding Philips observed holidays. Subject to the availability of personnel and repair parts, Philips will provide, at Customer request and additional expense, service relating to certain excluded items (invoiced at Philips' then-current standard rates for material and labor) or service outside the Service Coverage hours (invoiced at Philips applicable rates for out-of-hours service of this type in effect for hourly service customers with similar Equipment, including round trip travel time). Customer will be charged a minimum of two hours on-site time plus applicable travel charges per service visit. Other travel expenses and overnight living expenses will be charged at actual cost in accordance with Philips' standards for business expense reimbursement of Philips' employees.

#### 4. CUSTOMER RESPONSIBILITIES

As a condition to Philips undertaking to provide Services, Customer will: assure that the Equipment Site is in a clean and sanitary condition and that the Equipment has been cleaned and decontaminated after contact with blood or other potentially infectious material; dispose of any hazardous or biological waste generated as a result of Philips servicing the Equipment; maintain the Equipment Site and environment (including temperature and humidity control, incoming power quality, and fire protection system) in a condition suitable for operation of the Equipment; operate the Equipment in accordance with the published manufacturer's operating instructions; make normal operator adjustments to the Equipment as specified in the published manufacturer's operating instructions; and provide Philips service personnel full and free access to the Equipment at the scheduled service time. Customer agrees to pay Philips at the prevailing demand service rates for all time spent by Philips service personnel waiting for access to the Equipment.

#### 5. PAYMENT

The total charge, plus applicable tax, will be due immediately upon Customer's receipt of Philips' invoice. The total charge will be the sum of all parts, assemblies, accessories, consumables, transportation, special handling, on-site labor, travel time, travel expense, and other chargeable Services. Customer will pay interest on any amount not paid when due at the maximum rate permitted by applicable law.

**PHILIPS Healthcare**

Tavare Sanchez, RSM  
One Deerfield Center, 13560 Morris Rd, Ste 2100  
Alpharetta, GA 30004

Phone: 678-350-4242  
Fax:

QUOTE NO. 542716\_43242  
DATE 5/22/2018  
CUSTOMER ID Eastern Radiologist Inc  
SITE ID 542716

**6. EXCUSABLE DELAYS**

Philips is excused from performing the Services when Philips' delay or failure to perform is caused by events beyond Philips' reasonable control including, but not limited to, acts of God, acts of third parties, acts of the other party, acts of any civil or military authority, fire, floods, war, terrorism, embargoes, labor disputes, acts of sabotage, riots, accidents, delays of carriers, subcontractors or suppliers, voluntary or mandatory compliance with any government act, regulation or request, shortage of labor, materials or manufacturing facilities, or Equipment being contaminated with blood or other potentially infectious material.

**7. PAYMENT DEFAULT**

In the event of Customer's failure to pay any amount due within 10 days of when payment is due, Philips may, at its option, (i) withhold performance hereunder or under any other agreements with Customer until a reasonable time after all defaults have been cured (ii) declare all sums due and to become due, to be immediately due and payable hereunder and under such other agreements, (iii) commence collection activities for all sums due or to become due hereunder, all at Customer's expense, including but not limited to costs and expenses of collection, collection agency fees, and reasonable attorneys' fees, and (iv) pursue any other remedies permitted by law.

**8. WARRANTY**

Philips warrants that parts installed and labor performed by Philips will be free from defects in material and workman-ship respectively for a period of 60 days from the date of installation or performance. Replacement parts may contain refurbished components. If such components are used, they will be warranted as new. Glassware is covered under separate Warranties.

The warranty for parts purchased directly by the end-user from Philips and not installed by Philips is 30 days. Adjustment of claims under a parts warranty will result only in replacement of that part. Parts cannot be returned for credit only. Parts failures that result from improper installation or service procedures or any other external factors will not be covered under this warranty.

Philips' obligations are limited, at Philips' option, to the repair or the replacement of the product or a portion thereof, or to a refund of a portion of the price paid by Customer. If Philips determines that any parts or labor fail to meet the foregoing warranties, Philips shall correct any such failure, at its sole option either (a) by repairing any defective or damaged part and furnishing the necessary labor to resolve any problems directly associated with the service work per-formed by Philips, or (b) for parts not installed by Philips, by making available at the place of installation any necessary repaired, exchange or replacement parts or assemblies.

This warranty will not apply to defects resulting from improper or inadequate maintenance or calibration by Customer or its agents; Customer or third party supplied software, interfaces, or supplies; use or operation of the product other than in accordance with Philips' applicable product specifications and written instructions; abuse, negligence, accident, loss, or damage in transit; improper site preparation; unauthorized maintenance or modifications to the product; or, to viruses or similar software interference resulting from the connection of the product to a network. Philips does not provide a warranty for third party products furnished to Customer by Philips; however, Philips shall use reasonable efforts to extend to Customer the third party warranty for the product.

The obligations of Philips described above are Philips' only obligations and Customer's sole and exclusive remedy for breach of this warranty.

**9. WARRANTY DISCLAIMER**

Any warranties applicable to labor or replacement parts provided in connection with the Services are described herein. EXCEPT AS EXPRESSLY SET FORTH HEREIN, PHILIPS MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AND No warranty of Merchantability or fitness for a particular purpose applies to anything provided by PHILIPS' SUBCONTRACTOR OR PHILIPS.

**10. LIMITATIONS OF REMEDIES AND DAMAGES**

Philips' total liability, if any, and Customer's exclusive remedy with respect to the Services and Philips' performance here-under is limited to an amount not to exceed the price paid for the part or service that is the basis for the claim. IN NO EVENT WILL PHILIPS BE LIABLE FOR ANY INDIRECT, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUES OR PROFITS, OR THE COST OF SUBSTITUTE PARTS OR SERVICES, WHETHER ARISING FROM BREACH OF THE TERMS IN THIS AGREEMENT, BREACH OF WARRANTY, NEGLIGENCE, I NDEMNITY, STRICT LIABILITY OR OTHER TORT. PHILIPS WILL HAVE NO LIABILITY FOR ANY ASSISTANCE PHILIPS PROVIDES THAT IS NOT REQUIRED HEREUNDER.

**PHILIPS Healthcare**

Tavare Sanchez, RSM  
One Deerfield Center, 13560 Morris Rd, Ste 2100  
Alpharetta, GA 30004

Phone: 678-350-4242  
Fax:

QUOTE NO. 542716\_43242  
DATE 5/22/2018  
CUSTOMER ID Eastern Radiologist Inc  
SITE ID 542716

**11. PROPRIETARY SERVICE MATERIALS**

In connection with the installation, configuration, maintenance, repair and de-installation of the Equipment, Philips might deliver to the Equipment site and use certain proprietary service materials (including software, diagnostic tools and writ-ten or electronic documentation) that have not been purchased by or licensed to Customer. The presence of this property within the Equipment site will not give Customer any right or title to this property or any license or other right to access, use or decompile this property. Any access to or use of this property by anyone other than Philips' personnel is prohibited. Customer consents to Philips' removal of all or any part of this property at any time.

**12. THIRD PARTY MANAGEMENT**

If Customer has contracted with a third party service management organization, asset management company, maintenance management company, technology management company, maintenance insurance organization or the like ("Third Party Organization") for purposes of centralized billing and management of services provided to Customer, at Customer's written request, Philips will route invoices for payment of services rendered by Philips to such Third Party Organization and accept payment from them on Customer's behalf. Notwithstanding the above, Customer agrees that the services provided by Philips are subject solely to the terms and conditions set forth herein, and that Customer guarantees the payment of all monies due or that may become due in spite of any collateral arrangements Customer may have with such Third Party Organization or any payments Customer have made to the Third Party Organization. Philips has no contractual relation-ship for the Services rendered to Customer except as set forth herein. To the extent that the parts and services Philips provides are not covered by Customer's arrangement with such Third Party Organization, Customer agrees to promptly pay for such parts and services on demand.

**13. TAXES**

Customer will not be obligated to pay any federal, state or local tax imposed upon or measured by Philips' net income. Any other applicable tax will be invoiced to and payable by Customer, along with the total charge in accordance with the payment terms set forth herein, unless Philips receives a tax exemption certificate from Customer which is acceptable to the taxing authorities.

**14. INDEPENDENT CONTRACTOR**

Philips is Customer's independent contractor. Philips' employees are under Philips' exclusive direction and control. Philips' subcontractor's employees are under Philips' subcontractor's exclusive direction and control. Nothing in this Agreement will be construed to designate Philips or any of Philips' employees or Philips' subcontractors or any of their employees as Customer employees, agents, joint ventures or partners.

**15. RECORD RETENTION AND ACCESS**

If Section 1861 (v) (1) (I) of the Social Security Act applies to the Services, Subsections (i) and (ii) of that Section are made a part of these terms. In such an event, Philips agrees to retain and make available, and to insert the requisite clause in each applicable subcontract requiring Philips subcontractor to retain and make available, the contract(s),book(s),document(s),and record(s) to the person(s),upon the request(s) for the period(s) of time required by these Subsections.

**16. SUBCONTRACTS AND ASSIGNMENTS**

Philips may subcontract to service contractors of Philips' choice any of Philips' service obligations to Customer. No such subcontract will release Philips from those obligations to Customer. Customer may not assign its rights hereunder or the responsibility for payments due without Philips' prior express written consent.

**17.SURVIVAL,WAIVER,SEVERABILITY,CHOICE OF LAW**

Customer's obligation to pay any money due to Philips in connection with the Services shall continue until Philips has received all such amounts. All of Philips' rights, privileges and remedies with respect to the Services will continue in full force and effect. Philips' failure to enforce any provision of these terms is not a waiver of that provision or of Philips' right to later enforce each and every provision. If any part of these terms is found to be invalid, the remaining part will be effective. The law of the state of New York will govern any interpretation of these terms and any dispute between Philips and Customer without regard to the principles of choice of law.

**18. ENTIRE AGREEMENT**

These terms constitute the entire understanding of the parties and supersede all other agreements, written or oral, regarding its subject matter. No additional terms, conditions, consent, waiver, alteration, or modification will be binding unless in writing and signed by Philips' authorized representative and Customer. Additional or different terms and conditions, whether stated in a purchase order or other document issued by Customer, are specifically rejected and will not apply to the transactions contemplated herein. No prior proposals, statements, course of dealing, course of performance, usage of trade or industry standard will apply to the Services or modify these terms.

PHILIPS Healthcare

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Alpharetta, GA 30004

Phone: 678-350-4242  
Fax:

QUOTE NO. 542716\_43242  
DATE 5/22/2018  
CUSTOMER ID Eastern Radiologist Inc  
SITE ID 542716

Clinical Education:

No Clinical ED



**PHILIPS Healthcare**

Tavare Sanchez, RSM  
 One Deerfield Center, 13560 Morris Rd, Ste 2100  
 Alpharetta, GA 30004  
 Phone: 678-350-4242  
 Fax:  
 [e-mail] tavare.sanchez@philips.com

QUOTE NO. 542593\_43242  
 DATE 5/22/2018  
 CUSTOMER ID Eastern Radiologist Inc  
 SITE ID 542593  
 EXPIRATION DATE 5/22/2019

TO:

Eastern Radiologist Inc  
 9 Doctors Park  
 GREENVILLE, NC, 27834-2801

QUOTATION PREPARED BY: Tavare Sanchez, RSM

MODALITY	EQUIPMENT DESCRIPTION	
706032	GXR-EasyDIAGNOST Eleva	
	DESCRIPTION	UNIT PRICE
	<b>ROOM MOVE QUOTE</b>	
	Deinstall / Reinstall / Calibration	\$61,340.00
	Deinstall/ Scrap	
	Site Plans	
	Life Solutions	
	Power Solutions	
	Installation Parts	\$3,470.00
	<b>No Clinical ED</b>	
	<b>SUBTOTAL</b>	<b>\$64,810.00</b>
	<b>DISCOUNT</b>	<b>\$6,481.00</b>
	<b>TOTAL</b>	<b>\$58,329.00</b>

PHILIPS SITE PLANNING  
 LIFE SOLUTIONS  
 POWER SOLUTIONS  
 INSTALLATIONS-PARTS  
 CLINICAL EDUCATION

**Scope of work:**

Scope of Work includes: 3.5 days de-installation of system; 3.5 days of reinstallation; 3 days calibration and testing.

This is a quotation on the goods named, subject to the conditions noted below:

To accept this quotation, please sign and return with a purchase order.

\_\_\_\_\_  
 Authorized Purchaser's Signature

Date :  
 Title:

**THANK YOU FOR YOUR BUSINESS!**

### PHILIPS Healthcare

Tavare Sanchez, RSM  
One Deerfield Center, 13560 Morris Rd, Ste 2100  
Alpharetta, GA 30004

Phone: 678-350-4242  
Fax:

QUOTE NO. 542593\_43242  
DATE 5/22/2018  
CUSTOMER ID Eastern Radiologist Inc  
SITE ID 542593

Philips Medical Systems North America Company, a Division of Philips Electronics North America Corporation ("Philips") will provide maintenance, calibration, repair, upgrades, and other quoted

service ("Services") on the medical imaging, monitoring and related equipment owned or operated by Customer ("Equipment"), along with replacement of certain parts, assemblies and

accessories, all as requested by Customer, solely upon the terms and conditions stated herein. Customer's acceptance of the Services constitutes its agreement to these terms and conditions.

#### 1. SERVICE

The Service provided is for diagnostic imaging equipment unless otherwise agreed in writing. The Services will be performed during Service Coverage hours at Philips' standard prices in effect

as of the date of service. At Philips' discretion, replacement parts may be provided on an exchange (refurbished) or new part basis. Replaced parts become Philips' property.

#### 2. EXCLUSIONS

a. The Services do not include:

- i. servicing or replacing components of the Equipment other than those parts listed in this agreement;
- ii. servicing the Equipment if the Equipment Site or Equipment is contaminated with blood or other potentially infectious substances;
- iii. the failure of anyone other than Philips' subcontractor or Philips to comply with Philips' written instructions or recommendations;
- iv. any combining of the Equipment with a product or software of other manufacturers other than those recommended by Philips;
- v. any alteration or improper storage, handling, use or maintenance of the Equipment by anyone other than Philips' subcontractor or Philips;
- vi. damage caused by an external source, regardless of nature;
- vii. neglect or misuse of the Equipment.

b. The Services do not include, unless specifically quoted by Philips:

- i. providing or paying the cost of any rigging, facility, structural alteration, or accessory incident to the Services or Equipment;
- ii. any cost of materials, supplies, parts or labor supplied by any party other than Philips or Philips' subcontractors;
- iii. the cost of consumable materials, including but not limited to cushions, knee supports, pads, magnetic media, cryogenics, PET calibration sources, film or other supply items, unless specifically included in this Agreement;
- iv. the cost of factory reconditioning;
- v. providing software updates, back-up copies of software, or the programming of custom code.

#### 3. COVERAGE

Philips will provide Customer the Services Mondays through Fridays, 8:00 AM to 5:00 PM Customer local time, excluding Philips observed holidays. Subject to the availability of personnel and repair parts, Philips will provide, at Customer request and additional expense, service relating to certain excluded items (invoiced at Philips' then-current standard rates for material and labor) or service outside the Service Coverage hours (invoiced at Philips applicable rates for out-of-hours service of this type in effect for hourly service customers with similar Equipment, including round trip travel time). Customer will be charged a minimum of two hours on-site time plus applicable travel charges per service visit. Other travel expenses and overnight living expenses will be charged at actual cost in accordance with Philips' standards for business expense reimbursement of Philips' employees.

#### 4. CUSTOMER RESPONSIBILITIES

As a condition to Philips undertaking to provide Services, Customer will: assure that the Equipment Site is in a clean and sanitary condition and that the Equipment has been cleaned and decontaminated after contact with blood or other potentially infectious material; dispose of any hazardous or biological waste generated as a result of Philips servicing the Equipment; maintain the Equipment Site and environment (including temperature and humidity control, incoming power quality, and fire protection system) in a condition suitable for operation of the Equipment; operate the Equipment in accordance with the published manufacturer's operating instructions; make normal operator adjustments to the Equipment as specified in the published manufacturer's operating instructions; and provide Philips service personnel full and free access to the Equipment at the scheduled service time. Customer agrees to pay Philips at the prevailing demand service rates for all time spent by Philips service personnel waiting for access to the Equipment.

#### 5. PAYMENT

The total charge, plus applicable tax, will be due immediately upon Customer's receipt of Philips' invoice. The total charge will be the sum of all parts, assemblies, accessories, consumables, transportation, special handling, on-site labor, travel time, travel expense, and other chargeable Services. Customer will pay interest on any amount not paid when due at the maximum rate permitted by applicable law.

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**6. EXCUSABLE DELAYS**

Philips is excused from performing the Services when Philips' delay or failure to perform is caused by events beyond Philips' reasonable control including, but not limited to, acts of God, acts of third parties, acts of the other party, acts of any civil or military authority, fire, floods, war, terrorism, embargoes, labor disputes, acts of sabotage, riots, accidents, delays of carriers, subcontractors or suppliers, voluntary or mandatory compliance with any government act, regulation or request, shortage of labor, materials or manufacturing facilities, or Equipment being contaminated with blood or other potentially infectious material.

**7. PAYMENT DEFAULT**

In the event of Customer's failure to pay any amount due within 10 days of when payment is due, Philips may, at its option, (i) withhold performance hereunder or under any other agreements with Customer until a reasonable time after all defaults have been cured, (ii) declare all sums due and to become due, to be immediately due and payable hereunder and under such other agreements, (iii) commence collection activities for all sums due or to become due hereunder, all at Customer's expense, including but not limited to costs and expenses of collection, collection agency fees, and reasonable attorneys' fees, and (iv) pursue any other remedies permitted by law.

**8. WARRANTY**

Philips warrants that parts installed and labor performed by Philips will be free from defects in material and workman-ship respectively for a period of 60 days from the date of installation or performance. Replacement parts may contain refurbished components. If such components are used, they will be warranted as new. Glassware is covered under separate Warranties.

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This warranty will not apply to defects resulting from improper or inadequate maintenance or calibration by Customer or its agents; Customer or third party supplied software, interfaces, or supplies; use or operation of the product other than in accordance with Philips' applicable product specifications and written instructions; abuse, negligence, accident, loss, or damage in transit; improper site preparation; unauthorized maintenance or modifications to the product; or, to viruses or similar software interference resulting from the connection of the product to a network. Philips does not provide a warranty for third party products furnished to Customer by Philips; however, Philips shall use reasonable efforts to extend to Customer the third party warranty for the product.

The obligations of Philips described above are Philips' only obligations and Customer's sole and exclusive remedy for breach of this warranty.

**9. WARRANTY DISCLAIMER**

Any warranties applicable to labor or replacement parts provided in connection with the Services are described herein. EXCEPT AS EXPRESSLY SET FORTH HEREIN, PHILIPS MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AND No warranty of Merchantability or fitness for a particular purpose applies to anything provided by PHILIPS' SUBCONTRACTOR OR PHILIPS.

**10. LIMITATIONS OF REMEDIES AND DAMAGES**

Philips' total liability, if any, and Customer's exclusive remedy with respect to the Services and Philips' performance here-under is limited to an amount not to exceed the price paid for the part or service that is the basis for the claim. IN NO EVENT WILL PHILIPS BE LIABLE FOR ANY INDIRECT, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUES OR PROFITS, OR THE COST OF SUBSTITUTE PARTS OR SERVICES, WHETHER ARISING FROM BREACH OF THE TERMS IN THIS AGREEMENT, BREACH OF WARRANTY, NEGLIGENCE, I INDEMNITY, STRICT LIABILITY OR OTHER TORT. PHILIPS WILL HAVE NO LIABILITY FOR ANY ASSISTANCE PHILIPS PROVIDES THAT IS NOT REQUIRED HEREUNDER.

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**12. THIRD PARTY MANAGEMENT**

If Customer has contracted with a third party service management organization, asset management company, maintenance management company, technology management company, maintenance insurance organization or the like ("Third Party Organization") for purposes of centralized billing and management of services provided to Customer, at Customer's written request, Philips will route invoices for payment of services rendered by Philips to such Third Party Organization and accept payment from them on Customer's behalf. Notwithstanding the above, Customer agrees that the services provided by Philips are subject solely to the terms and conditions set forth herein, and that Customer guarantees the payment of all monies due or that may become due in spite of any collateral arrangements Customer may have with such Third Party Organization or any payments Customer have made to the Third Party Organization. Philips has no contractual relation-ship for the Services rendered to Customer except as set forth herein. To the extent that the parts and services Philips provides are not covered by Customer's arrangement with such Third Party Organization, Customer agrees to promptly pay for such parts and services on demand.

**13. TAXES**

Customer will not be obligated to pay any federal, state or local tax imposed upon or measured by Philips' net income. Any other applicable tax will be invoiced to and payable by Customer, along with the total charge in accordance with the payment terms set forth herein, unless Philips receives a tax exemption certificate from Customer which is acceptable to the taxing authorities.

**14. INDEPENDENT CONTRACTOR**

Philips is Customer's independent contractor. Philips' employees are under Philips' exclusive direction and control. Philips' subcontractor's employees are under Philips' subcontractor's exclusive direction and control. Nothing in this Agreement will be construed to designate Philips or any of Philips' employees or Philips' subcontractors or any of their employees as Customer employees, agents, joint ventures or partners.

**15. RECORD RETENTION AND ACCESS**

If Section 1861 (v) (1) (i) of the Social Security Act applies to the Services, Subsections (i) and (ii) of that Section are made a part of these terms. In such an event, Philips agrees to retain and make available, and to insert the requisite clause in each applicable subcontract requiring Philips subcontractor to retain and make available, the contract(s),book(s),document(s),and record(s) to the person(s),upon the request(s) for the period(s) of time required by these Subsections.

**16. SUBCONTRACTS AND ASSIGNMENTS**

Philips may subcontract to service contractors of Philips' choice any of Philips' service obligations to Customer. No such subcontract will release Philips from those obligations to Customer. Customer may not assign its rights hereunder or the responsibility for payments due without Philips' prior express written consent.

**17.SURVIVAL,WAIVER,SEVERABILITY,CHOICE OF LAW**

Customer's obligation to pay any money due to Philips in connection with the Services shall continue until Philips has received all such amounts. All of Philips' rights, privileges and remedies with respect to the Services will continue in full force and effect. Philips' failure to enforce any provision of these terms is not a waiver of that provision or of Philips' right to later enforce each and every provision. If any part of these terms is found to be invalid, the remaining part will be effective. The law of the state of New York will govern any interpretation of these terms and any dispute between Philips and Customer without regard to the principles of choice of law.

**18. ENTIRE AGREEMENT**

These terms constitute the entire understanding of the parties and supersede all other agreements, written or oral, regarding its subject matter. No additional terms, conditions, consent, waiver, alteration, or modification will be binding unless in writing and signed by Philips' authorized representative and Customer. Additional or different terms and conditions, whether stated in a purchase order or other document issued by Customer, are specifically rejected and will not apply to the transactions contemplated herein. No prior proposals, statements, course of dealing, course of performance, usage of trade or industry standard will apply to the Services or modify these terms.

**PHILIPS Healthcare**

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DATE 5/22/2018  
CUSTOMER ID Eastern Radiologist Inc  
SITE ID 542593

**Clinical Education:**

No Clinical ED

SEP 26 1993

PART I

Registration and Inventory of "Diagnostic Center" Medical Equipment

State of North Carolina  
Department of Human Resources  
September, 1993

1. Legal name of the provider, owner and/or operator:

Eastern Radiologists Inc  
(Legal Name)

2. Hospital Affiliated:

Yes  No

Non-Hospital Affiliated:

Yes  No

3. Address of the provider, owner and/or operator:

#9 Doctors Park

(Street and Number)

Greenville NC 27834 919-752-5000

(City)

(State)

(Zip)

(Area Code & Phone Number)

4. Chief Executive Officer to whom all correspondence and questions regarding this registration will be directed:

Tom McConnell, MD

(Name)

(Title)

# PART I

## Registration and Inventory of "Diagnostic Center" Medical Equipment

Diagnostic Center's Name EASTERN RADIOLOGISTS

Report below all medical equipment costing ten thousand dollars (\$10,000) or more per unit which was owned or leased by the Center as of March 17, 1993.

### DIAGNOSTIC CENTER MEDICAL EQUIPMENT

Medical Diagnostic Equipment	Manufacturer's Model Number	Serial/ID Number	Fair Market Value on or Around 3/18/93
GE R&F X-RAY ROOM 1	MST 625II	18846 WKG	
GE R&F X-RAY ROOM 2	MVP 60	16862 ES5	11/77
GE R&F X-RAY ROOM 3	MVP 60	18613 ES0	10/90
PHILIPS R&F X-RAY ROOM 4	9874294	913250	2/91
GE HEAD X-RAY ROOM 5	MST 625II	882347	7/91
GE DIAG. X-RAY ROOM 6	DXD 350	875053	
GE DIAG. X-RAY ROOM 7	MST 625II	1641WK1	0/91
PHILIPS CT	TOMOSCAN LX	818388002	
PHILIPS CT	TOMOSCAN LX	816966901	
PHILIPS DIAG. MAMMO.	451212	32072	7/88
SIEMENS BASICAM	6608	00107	5/89
ACUSON ULTRASOUND	128 R/F	03542	12/89
ACUSON ULTRASOUND	128	00923	
	<i>Total All Equip.</i>		<i>2.5 million</i>

The undersigned Chief Executive Officer certifies the accuracy of this information:

Name: R. W. McConnell  
 Facility: Eastern Radiologists, Inc  
 Telephone: 919-752-5000  
 Date: 9-22-93

PART I

Registration and Inventory of "Diagnostic Center" Medical Equipment

Diagnostic Center's Name EASTERN RADIOLOGISTS BREAST IMAGING CENTER  
1711 WEST SIXTH STREET

Report below all medical equipment costing ten thousand dollars (\$10,000) or more per unit which was owned or leased by the Center as of March 17, 1993.

DIAGNOSTIC CENTER MEDICAL EQUIPMENT

Medical Diagnostic Equipment	Manufacturer's Model Number	Serial/ID Number	Fair Market Value on or Around 3/18/93
GE DIAG. X-RAY ROOM 1	DXD525	822386	
GE DIAG. X-RAY ROOM 4	DXS359	63992WK2	
PHILIPS DIAG. MAMMO. 1	451212	32072	
PHILIPS DIAG. MAMMO. 2	451212	22048	
GE DIAG. X-RAY ROOM 2	NO GENERATOR	—	

10/68  
5/87  
1/56

The undersigned Chief Executive Officer certifies the accuracy of this information:

R.W. Mc Connell  
Name: Eastern Radiologists, Inc  
Facility: Eastern Radiologists, Inc  
Telephone: 919-752-5000  
Date: 9-28-93