NC DEPARTMENT OF
HEALTH AND HUMAN SERVICES

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

VIA EMAIL ONLY

February 6, 2019

Susan P. Hawkins
shawkins@oiarad.com

No Review

Record #:	**2863**
Facility Name:	Wake Forest Baptist Imaging Clinic
Business Name:	Wake Forest Baptist Imaging, LLC
Business #:	2367
Project Description:	Develop a new medical imaging clinic in Kernersville
County:	Forsyth

Dear Ms. Hawkins:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your correspondence 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 that correspondence is not governed by, and therefore, does not currently require a certificate of need. 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.

You may need to contact the Agency's Radiation Protection Section to determine if they have any requirements for development of the proposed project.

This determination is binding only for the facts represented in your correspondence. If changes are made in the project or in the facts provided in the correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office.

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

Sincerely,

Celia C. Inman
Project Analyst

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

cc: Radiation Protection Section, DHSR
Melinda Boyette, Administrative Assistant, Healthcare Planning, DHSR

Wake Forest Baptist Imaging

January 31, 2019

Ms. Martha Frisone
Chief, Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
809 Ruggles Drive
Raleigh, NC 27603

RE: Request for No Review Determination for Acquisition of Imaging Equipment at Wake Forest Baptist Imaging/Kernersville, Forsyth County

Dear Ms. Frisone:

Wake Forest Baptist Imaging, LLC (WFBI), intends to develop a new medical imaging clinic by acquiring and operating certain medical diagnostic equipment at the Regional Medical Plaza medical office building (MOB) that current exists at 861 Old Winston Road in Kernersville. WFBI requests a determination that acquisition and operation of this equipment at this location does not constitute the development of a "diagnostic center" pursuant to NCGS 131E-176(7)(a) and will not otherwise be subject to certificate of need (CON) review.

WFBI plans to install a new digital radiography system and a refurbished ultrasound at the Kernersville MOB. For purposes of this request, WFBI has analyzed the cost of all the medical diagnostic equipment which individually costs more than $10,000. As shown on the attached vendor quotation, the Del Medical digital radiographic system costs $141,995 (plus applicable 6.75% sales tax of $9,585). WFBI already owns and operates the GE Logiq E9 ultrasound system at its existing Executive Park Boulevard center in Winston-Salem, and will relocate this GE ultrasound to the planned Kernersville imaging center. As shown on the attached worksheet, the fair market value of the 2013 ultrasound equipment is $36,986. Thus, the total combined cost of the medical diagnostic equipment is $188,566 ($141,995 + $9,585 + $36,986), including sales tax.

WFBI is planning to upfit space within the existing MOB in order to accommodate this medical diagnostic equipment. The upfit space will be designed as a business occupancy solely for outpatient use. The spaces will house the x-ray and ultrasound rooms. As shown on the attached floorplan from WFBI's architect, the equipment rooms

within the planned imaging center represent approximately 410 square feet, with an upfit cost of $40,000. The line drawing portrays the labeled medical diagnostic equipment rooms within the medical clinic spaces.

The total cost for making the medical diagnostic equipment operational is $228,566 ($40,000 + $188,566). NCGS 131E-176(7)(a) 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 dollars ($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 equipment shall be deemed to be the fair market value of the equipment or the cost of the equipment, whichever is greater.*

Based on the information provided in this letter, WFBI requests a determination from the Division of Health Service Regulation that the acquisition and operation of this medical diagnostic equipment will not constitute the development of a "diagnostic center" pursuant to NCGS 131E-176(7)(a) and will not otherwise be subject to CON review.

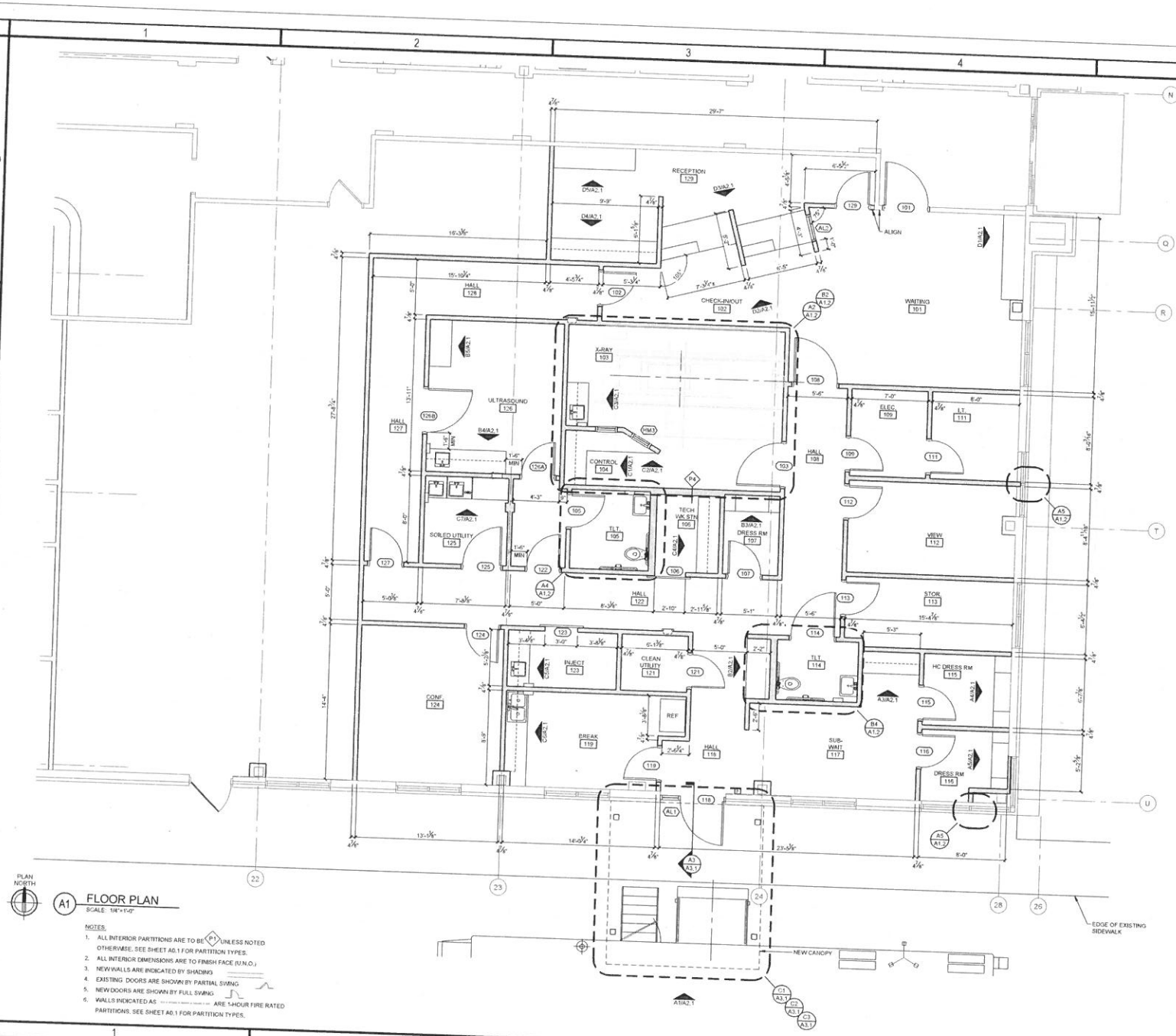
I appreciate your attention to this matter. Please contact me at 919.247.1227 regarding any questions concerning this request.

Sincerely,

Susan P. Hawkins

Susan Hawkins
Regional Administrator
Outpatient Imaging Affiliates

Attachments: Architect Line Drawing
Equipment Cost Documentation



PLAN NORTH

A1 FLOOR PLAN
SCALE: 1/8"=1'-0"

NOTES:
1. ALL INTERIOR PARTITIONS ARE TO BE P1 UNLESS NOTED OTHERWISE, SEE SHEET A0.1 FOR PARTITION TYPES.
2. ALL INTERIOR DIMENSIONS ARE TO FINISH FACE (U.N.O.)
3. NEW WALLS ARE INDICATED BY SHADING
4. EXISTING DOORS ARE SHOWN BY PARTIAL SWING
5. NEW DOORS ARE SHOWN BY FULL SWING
6. WALLS INDICATED AS [illegible] ARE 1-HOUR FIRE RATED PARTITIONS, SEE SHEET A0.1 FOR PARTITION TYPES.

triaddesigngroup
Architecture | Engineering | Interior Design

Triad Design Group, P.C.
4807-C Koger Boulevard
Greensboro, NC 27407
Telephone 336-218-8282
Facsimile 336-218-8010
www.triad-designgroup.com

NC Architecture Reg. 50709
NC Engineering Lic. C-1108

TRIAD DESIGN GROUP CORPORATE SEAL NORTH CAROLINA 1994

ROBERT M. SCHAFER REGISTERED ARCHITECT NORTH CAROLINA

WFBI
Kernersville
861 Old Winston Road
Kernersville, North Carolina

Mk	Date	Description
		Revisions

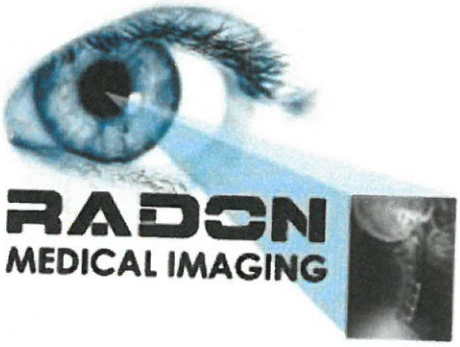
FLOOR PLAN

Date:	October 4, 2018
Drawn: GMS	Check: RMS
Job Number:	18-053
Sheet:	A1.1

Practice:_____ Room:_____

ASSET LISTIN Date: 01/01/2019 WFBI

Number	System ID	Location	Asset	Purchased New, Used, Refurbished	Manufactered Date Date	Effective Date Purchased	Average Compa Original Cost	 Replacemen Cost	Estimated Working Life in Years	Date Assessed	Fair Market Value in Use (FMVIU)
1	117704US7	WFBI	GE Logiq E9 Logiq E9 R5 XD Clear Refurb. Manufacture Date: 05/2013	Refurbished	2013	2018	$ 86,757	$ 44,383	6	2019	$ 36,986



QUOTE

Date: March 27, 2018
Quote No. 18-3525
Expiration Date: May 26, 2018

Radon Medical, LLC
384 Peachoid Road
Gaffney, SC 29341
Phone: (864) 487-0450
Email: dcloninger@radonmed.com

To

Josh Snow
WFB Outpatient Imaging / OIA
Phone: (336) 546-1927
Email: jsnow@oiarad.com

Salesperson	Job	Delivery Date	Payment Terms
Donna G. Cloninger, BSRT (R)	80 KW OHTC Rad Unit with Canon 710C DR System	To Be Determined	50% with receipt of order, Balance Net 30 upon complete installation

Description	Qty.	Unit Price		Line Total
NEW Del Medical Overhead Tube Stand RADIOGRAPHIC SYSTEM **CPI CMP 200 DR Digital Ready High Frequency Generator 80kW** **- 80 KW Output** - 150 kVp, 1000 mA, up to 400 kHz - Maximum Ma of 1000 - APR (Anatomical Programming Radiography) - Operator Console and power cabinet - High voltage ripple (typ), <1 kV @ 100kV - One tube capability - Auto tube calibration - Image Receptors: 2 bucky and 1 non-bucky - One, two or three-point technique selection (kV with AEC option, kV/Mas, and kV/Ma/Time) - Tube Protection Circuitry - Integrated service software assists in calibration and service - Self-diagnostic circuitry with error code recording for fast trouble shooting - CE compliant, CSA listed	1	$141,995		$141,995.00

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DSS Dual speed starter

24 VDC Supply for LED Collimator

Generator AEC Interface Board and (2) Three Field Ion Chambers

Del Medical (Siemens manufactured) OTC12D-M Ceiling Mount Tube Stand with Touch Screen Control Panel
- Minimum source to ceiling distance 32.6" (830 mm)
- Vertical telescope travel range (Manual only): 70.8" (1800mm)
- Longitudinal travel range: 136.4" (3460mm)
- Longitudinal detent positions, configurable during installation
- Transverse travel range, with standard 9.8' (3m) rail: 84.6" min. (2150mm)
- Transverse detent positions, configurable during installation
- Tube rotation range, horizontal axis, -120°, +120°
- Detent positions at -90°, 0°, +90°
- Tube rotation range, vertical axis, -154°, +182°
- Detent positions at -90°, 0°, +90°, +180°
- Front display digital readouts: SID, horizontal tube rotation angle
- 1 pair 80' (24 meters) HV cables included with cable concealment and management system
- Standard 14' rail included

Siemens Certified Manual Collimator
- Lamellae close to the source t shield off extra focal radiation
- Bucky light generated by laser guarantees a sharp line for all source to image distances
- Rotation by +/- 45 degrees with a stop in 0-degree position by swiveling flange
-Tape measure integrated in a user-friendly way in the collimator
- Two foam protected accessory rails facilitate attachment of additional device and further filters
- LED powered light field for better contrast and greater lifetime

Varian Rad 92 Tube - 0.6-1.2 FS, 600 KHu, 40/100 KW rating, 12° target angle, 150 KVP, 4" Anode

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Del Medical EV800 Elevating Radiographic Table with Four-Way Float-Top: - 800 lb. (363 kg) Patient Weight Capacity - 86.5" x 36" fiber resin table-top - Elevating Range of 21.75" – 33.77" - Tabletop Movement: +/- 21.25" longitudinal and +/- 4.5" transverse - Cassette Tray travel: +/- 8.5 longitudinal - Quiet duty motor with efficient elevating action - Recessed foot treadle lock controls for longitudinal and transverse, table top up/down movement -Tableside hand control provides an additional source for all table movements - Integral collision safety sensors **- Grid cabinet, 17" x 17" (43cm x 43cm)** **- One deluxe, heavy-duty manual cassette tray** **- 103 Line, 10:1 Ratio, 34-44" Grid** **Del Medical VS300 Vertical Wall Stand**: - Slender Column Design - Electric "Fail Safe" Locks, only require power to move column - Ergonomic release handle - Lateral patient handgrips included - Overhead Patient Handgrips included - Height: 84", Depth: 13.4", Width: 24.6" - 0.4 mm front panel aluminum equivalency - ETL listed **- Grid cabinet, 17" x 17" (43cm x 43cm)** **- One deluxe, heavy-duty manual cassette tray** **- 103 Line, 10:1 Ratio, 40-72" Grid**				
Canon NEW 710C Wireless DR System Consisting of: **Canon CXDI-710C Wireless Detector** The Canon CXDI-710C Wireless portable, lightweight DR system provides super high resolution, high quality, filmless image capture for a broad range of radiographic applications, including trauma, ICU and bedside exams. The CXDI-710C Wireless is an ISO 4090 compliant cassette size detector that can fit into existing bucky trays, or in new equipment trays with ease. Offering high-quality diagnostic images efficiently with minimal X-ray exposure to patients the CXDI-710C Wireless is ideal for all radiographic use, especially pediatric. This	**1**			**Included**

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portable DR system consists of a Canon Amorphous Silicon (a-Si) Flat Panel Detector and a Cesium Iodide (CsI) scintillator, allowing for extremely effective X-ray absorption and high signal-to-noise performance.
The large 14-inch x 17-inch imaging area and portable design - just over a half-inch thick (0.6 inches) and **weighing only 5.07 lbs.** - allow the CXDI-710C Wireless to be especially useful with patients who have limited mobility and for capturing images at angles that are difficult to set with fixed devices.

Includes:
1 - CXDI-710C Wireless imaging unit
1 - Operation manual
2 - Battery Packs

Features and Specifications:

Detector
- Scintillator: Cesium Iodide
- Pixel Pitch: 125 microns
- Resolution: 4.0 lp/mm
- Pixels: 2,800 x 3,408 (9.5 million)
- Imaging Area: 13.8 inches x 16.8 inches (35 cm x 43 cm)
- Sleek, tough and ergonomically sculpted design includes comfortable to hold and easy to grip due to the lightweight (5.06 lbs.) and ergonomic handgrips sculpted into the detector on all 4 sides.
- High quality composite materials, low weight and designed with form and function in mind.
- Easy to position and comfortable for patients due to smooth rounded corners.
- Battery Performance: 140 images (@100 sec cycle, 1 sec sleep)
- Wireless Standard: IEEE 802.11N

Image Acquisition
- A/D: 14 bit
- Grayscale: 12 bit (4,096 gradations)
- Preview Image: 3-5 seconds

Electrical and Environmental
- Voltage: 100V, 120V, 230/240V (50/60Hz)
- Power Consumption: 170VA maximum (Detector unit only)
- Operating Environment: 41-95°F (5-35°C), 30-50% RH (non-condensing)

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Physical Characteristics
- Dimensions (WxLxH): 15.1 inches x 18.1 inches x 0.6 inch
- Weight: 5.07 lbs.
-IPX 7 rated for submersion in water up to 1 meter for 30 minutes

Wireless Access Point

Battery Charging Unit

Control Station for Canon Control Software NE – Room PC
PC Specifications:
Intel Core 2 Quad Core CPU
4 GB High-Speed RAM
500 GB SATA Hard Drive
DVD/RW Burner (SATA)
Microsoft Windows 7 64-Bit Operating System
Mouse
Full Size Keyboard

Canon Control Software NE
Control Software NE Features:
System Startup & Quality Assurance
- Standard Mode: No log-in required
- Secure Mode: Operator log-in/password required (user authentication); auto time-out with log-in to last screen viewed
- Warm-up time: None
- Battery/Wi-Fi Monitor: Software to allow wi-fi strength monitor and battery monitor for CXDI-70/701C Wireless configurations.
- Calibration Routine: Included; required once per year; configurable on-screen reminder message
- Display QA: SMPTE pattern included

Image Acquisition
- Programming: Unlimited anatomically programmed acquisition settings; user customizable to include annotation, orientation, patient demographics display location, and pre-selected basic and enhancement processing
- Reject/Retake: Reject, Retake, Un-Reject; Reject reason labeling with free or pre-set annotation; Reject log (.csv monthly file accessible to system administrator for rolling 12 months)
- Grid Suppression: Software-based grid suppression

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- Protocol Pre-Pack: Allows for multiple APR views to be associated into one APR for easy grouping of views within a study.
-Auto-Stitch (v1.2): Multiple images can be stitched together within the software.

Image Processing

- Basic Processing: Histogram analysis by automatic fixed region ROI or user adjustable ROI; grayscale conversion; adjustable brightness and contrast; 6 pre-set contrast enhancement curves; collimation edge detection and (black) masking with adjustable standoff; trim positioning and adjustment
- MTF Improvement: Preset and user-selectable/adjustable anatomical region-based filters, intensity levels
- Standard Processing: Preset and user-selectable/adjustable DEP (dynamic range adjustment), edge enhancement, noise reduction
- Preset and adjustable multi-frequency dynamic range adjustment; global edge enhancement
- Preset and user-selectable/adjustable dynamic range adjustment; noise reduction, local edge enhancement
- Security advancements allow for only select users to access full image processing protocols

Data Output and Network Connection

- DICOM Print Format: Multi-format, user selectable pre-exposure and post-exposure formatting; selectable printing method (fixed ratio, life size, reduction, fit to film); queue viewable with priority and cancel capabilities; up to 2 DICOM printers may be specified at any one time, up to 4 DICOM printers may be configured
- Study transmission: Selectable modes - after each image, after study end, post-study retrieval with resend individual or all image capabilities; queue viewable with priority and cancel capabilities; up to 2 storage devices may be specified at any one time, up to 4 storage devices may be configured
- CD Archive: Available as network selectable storage device with DICOMDIR (hardware not included)
- Network: Ethernet 10/100/1000 Base T, RJ45 standard
- Data Output: DX; DICOM 3.0 compliant, Print Management Service Class (SCU), Storage Service Class (SCU) and others

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- IHE Profiles: Basic Security Profile option - User Authentication, Audit Log, Time Synchronization, and Node Authentication

DICOM Modality Worklist for Canon CXDI Digital Radiography systems is a communications module for acquiring patient information and exam requirements from the HIS / RIS. The following features are available in this module:

Study Status Notification

- Supports Modality Performed Procedure Step SOP Class (PPS) with in progress, completed, or discontinued messages.
- PPS is available for both suite and portable imaging
- Multi-accession imaging

Imaging Modes

- Manual imaging mode allows the user to individually select each view to be acquired
- Program imaging mode uses the study information sent by the HIS / RIS to pre-configure the exam(s) to be performed
- Images can be acquired in any order
- Additional views can added at any point in the exam
- The study can be ended without completing all views
- 100 views can be acquired for a single patient
- Exams and views can be customized to meet the needs of the facility

* Requires Program Imaging Mode Set Up and Implementation Fee

Optional DICOM tags can be defined, displayed, printed, and transmitted to PACS.
Pregnancy Status can be received from HIS / RIS and an alert displayed to inform the user of the pregnancy status.
Storage Commit function is available.

Gigabit Ethernet Switch
20.1" LCD Color Monitor (Control Room)
APC Back-UPS ES 550 UPS - 330Watt -550VA

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Extra Battery (For a total of 3)	1			**Included**
Two (2) Days On-Site End-User Canon DR Application Training	1			**Included**
401 C Wireless Snap-on 14 x 17,10:1, 103 lpi, 40" Lightweight Protect-A-Grid with or without Handle -	**1**			**Included**
One (1) Techno-aide #40LDH, 24" Variable Height Tabletop DR Plate Holder	**1**			**Included**
One (1) WB.C1717 – Weight Bearing Cover for Canon 17 x 17 Wireless DR Panel (for Weight-Bearing Feet exams)	**1**			**Included**
2-Step Weight Bearing Platform Allows for weight bearing imaging of the knees, ankles and feet. Three receptor slots on the top platform and two slots on the bottom platform. Fifty-two inch (52") high safety rail provides for patient stability. Durability Top: black, high-density, solid polyethylene with anti-slip matting, and 350 lb. weight capacity. Platform heights: 11 ½" and 16 ¼". All steel frame with 30" L x 20" W base.	**1**			**Included**
OPTION: **Purchase Protection Plus coverage on CXDI-710CW Detector for Years 2-5.** **Protection Plus includes:** **Unlimited Repairs by Virtual Imaging (a Canon USA company) and replacements, as well as a loaner upon request during the repair period. If the detector is not repairable and must be replaced, there is a $5,000 deductible per panel replacement. Please see Attachment C at the end of this quote for Protection Plus Details.**	**1**	**$3,000 per year**		**OPTION ADD** **___$3,000 Year 2** **___$3,000 Year 3** **___$3,000 Year 4** **___$3,000 Year 5**

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OPTION: **Add Canon CXDI-401C Compact Fixed Full-Field Digital Detector for Wall Stand** **- 16.8" x 16.3" Imaging Area** **- High Sensitivity a-Si Sensor with Cesium Iodide Scintillator** **- 125 Micron Pixel Pitch** **- 11.3 Megapixel (3408 x 3320) Resolution** **- Preview Image 3 Seconds after exposure** **- Full Image Display 5 seconds after exposure** **Standard Components:** - Sensor Unit - Power Box - Status Indicator - X-Ray Interface Cable	1	$37,995		**OPTION:** **ADD $37,995.00** **_____YES** **_____NO**

All pricing is plus shipping and applicable sales tax.
Price includes complete installation during normal business hours M-F, 8-5, except holidays.

Warranty – One (1) Year Parts Warranty and One (1) Year Labor Warranty on same, Monday through Friday, Between the Hours 8:00 am - 5:00 pm (Excluding Holidays and Weekends).
Also includes One (1) Year Protection Plus Coverage on CXDI-710CW Panel.
Protection Plus provides unlimited detector replacements with a $5,000 Replacement Fee per Detector. Also includes Repair Parts and Labor during the Coverage period.

**** Standard Warranty Does not include any damages from misuse, abuse, tampering or acts of God.**

Subtotal	**$141,995.00**
Options	**Invoiced as Applicable**
Shipping	**Invoiced as Applicable**
Sales Tax	**Invoiced as Applicable**
Total	**Invoiced as Applicable**

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For any questions or concerns please do not hesitate to contact us at anytime.

Radon Medical, LLC
384 Peachoid Road
Gaffney, SC 29341
Contact: Donna Cloninger
Cell Phone: (704) 813-6712
Email: dcloninger@radonmed.com

Signature on last page of this document verifies acceptance of quote with all applicable terms and conditions.

General Terms and Conditions of Quotation

(Applicable unless otherwise stated in Quotation)

The Quotation supersedes all previous bids, quotations, offers and dealings with respect to the sale of the equipment, software and supplies listed on the Quotation (collectively "the Products"). The Quotation may be withdrawn by RADON Medical, LLC at any time without notice, and shall not bind RADON Medical, LLC until signed by Customer and by an authorized representative of RADON Medical, LLC.

NO COUNTEROFFERS. Acceptance of this Quotation is expressly limited to the terms and conditions contained herein. Unless accepted in writing by RADON Medical, LLC, any additional or different terms or conditions contained in Customer's order or response hereto shall be of no force or effect, and shall not be binding upon RADON MEDICAL, LLC.

Warranty as described in quotation body or per attached exhibit. RADON MEDICAL, LLC shall have no liability or responsibility for providing maintenance, service, repair, replacement or otherwise to provide any services with respect to the Products following completion of installation, except for covered warranty work, unless Customer and RADON MEDICAL, LLC have entered into a separate service contract. The service contract shall set forth the sale terms and conditions under which RADON MEDICAL, LLC will provide such service and maintenance work for the Products. The warranty / service contract is NOT transferable to a 3rd party without the expressed written consent of RADON MEDICAL, LLC.

All glassware, as applicable, will be prorated over life of warranty.

Any pre-owned equipment quoted is subject to availability of equipment.

Applicable taxes will be added to invoice unless a tax exempt certificate is included with purchase order.

Shipping charges, custom clearance charges, and any other charges associated with delivery of products will be at customer expense. Customer shall pay or reimburse to RADON MEDICAL, LLC the cost of shipping the Products to the Customer.

Sales and Excise Taxes: Customer shall be solely responsible for all sales, use, excise, occupation taxes, and similar taxes, which may be due to any state or other political subdivision. If tax exempt, Customer is responsible for providing RADON Medical, LLC with a tax-exempt certificate.

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Payment Terms: 50% with receipt of order, 30% upon delivery and 20% upon first clinical use.

Payments: Invoices submitted are generally due Net 30.

Other specific terms and conditions apply as described in accompanying exhibit or specified in the body of the quotation.

DELAYS IN SHIPMENT, DELIVERY AND ACCEPTANCE: Shipping, delivery and acceptance dates are estimated on the basis of prompt receipt of all necessary information from Customer. Should delivery or installation be delayed, in whole or in part, for any reason beyond RADON MEDICAL, LLC's control, RADON MEDICAL, LLC's time for performance shall be extended by the duration of the delaying cause.

RADON MEDICAL, LLC shall not be responsible for nonperformance or delay in performance resulting from any cause or causes beyond its reasonable control.

Site Preparation: Unless requested and contracted for Radon to provide a complete turnkey solution, the *customer is responsible* for the following: (1) All construction and preparation of the physical location where the equipment is to be installed in accordance with specifications for equipment installation as provided by RADON. (2) Ensuring that shielding design is adequate for installation of radiation emitting equipment. (3) Providing appropriate electrical power connections and conduit runs as specified for system installation. (4) Providing appropriate steel in the ceiling as specified for system installation. (5) Complying with all Federal and State regulations as may be required.

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www.radonmed.com • radon@radonmed.com

RADON Medical, LLC
14983 Moneta Road, Suite C, Moneta, VA 24121

MASTER SALES and LICENSE AGREEMENT ADDENDUM

1. THE QUOTATION.

(a) SUPERSEDING EFFECT. This Addendum is made part of a quotation (the "Quotation") by Radon Medical, LLC (hereafter referred to as Radon Medical Imaging and/or "Company") and its customer to whom the Quotation is directed ("Customer"). The Quotation supersedes all previous bids, quotations, offers and dealings with respect to the sale of the equipment, software and supplies listed on the Quotation (collectively "the Products"). The Quotation may be withdrawn by Radon Medical Imaging at any time without notice, and shall not bind Radon Medical Imaging until signed by Customer and by an authorized representative of Radon Medical Imaging at the home offices of Radon Medical, LLC in Hardy, VA..

(b) NO COUNTEROFFERS. Acceptance of this Quotation is expressly limited to the terms and conditions contained herein. Unless accepted in writing by Radon Medical Imaging, any additional or different terms or conditions contained in Customer's order or response hereto shall be of no force or effect, and shall not be binding upon Radon Medical Imaging.

(c) This Agreement shall also apply to all future system related capital purchases or leases of equipment, software and corresponding services by Customer from Company that may occur during the two (2) years following the Effective Date of this Agreement, unless the parties agree to execute a separate written agreement governing such transactions. Such subsequent equipment or software purchases shall not work to extend any equipment warranty or rebate program beyond the initial terms contemplated herein. There are no promises, terms, or obligations other than those contained in this Agreement. In the event Customer issues a purchase order, memorandum or instrument concerning the Equipment, the Software or the services provided under this Agreement, it is hereby expressly agreed that such purchase order, memorandum or instrument is for Customer's internal purposes only, and any and all terms and conditions contained therein, whether printed or written, shall not be binding upon the Company and shall be of no force or effect.

(d) CERTAIN DEFINITIONS.

All references to "**Software**" throughout this Agreement shall mean the computer software in digitally encoded machine readable "object code" form for which Customer has been granted a license pursuant to this Agreement. The term "**Documentation**" shall mean the Company's user guides or manuals for use of the Software and the documentation, if any, expressly listed elsewhere in this Agreement as being delivered to Customer under this Agreement. For purposes of this Agreement, the Equipment and the Software are collectively referred to as the "**System.**"

(e) ACCEPTANCE OF ORDERS.

All orders for Equipment, Software or professional services are subject to Company's Credit Department approval, and shall not be considered binding unless accepted by Company. All orders for additional equipment and/or software are subject to Company's Credit Department and management review and approval.

(d) RETURN OF GOODS.

All items are sold without return privileges. Returns are granted in the sole and absolute discretion of Company, and returns require Company's prior written authorization. When contacting Company for return authorization, Company must be given the invoice number and date of the shipment. Except where items were damaged in transit, Company approved returns must be in clean factory packaging. All returns must be made by prepaid transportation unless otherwise specified by Company. Whole or partial credit for authorized returns will be based on the price listed on the original invoice. Approval of whole or partial credit is at the sole discretion of the Company.

2. SHIPMENT, DELIVERY, TESTING AND ACCEPTANCE.

(a) Delivery: When feasible, Radon Medical Imaging 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. Delivery dates are approximate. If Customer requests a later delivery date within 45 days of the mutually agreed scheduled delivery date, Radon Medical Imaging may, at its option, deliver the products to a storage facility designated by Customer or, if Customer fails to designate a storage facility, to a storage facility designated by Radon Medical Imaging, at Customer's expense and risk. At the time of such delivery to designated storage facility, Customer will immediately pay Radon Medical Imaging all sums which would otherwise be due upon acceptance. If Customer fails to schedule a delivery date with Radon Medical Imaging within six months after order entry, a delayed installation fee equal to 10% of the total order will be due and payable to Radon Medical Imaging upon start of the new installation schedule. It will be the Customer's responsibility to reschedule all events related to the installation of the system/product with Radon. Re-scheduling of events is subject to Radon's availability to perform the installation per the customer requested schedule. Re-scheduling will be subject to earliest availability as determined by Radon project management.

(b) DELAYS IN SHIPMENT, DELIVERY AND ACCEPTANCE. Shipping, delivery and acceptance dates are estimated on the basis of prompt receipt of all necessary information from Customer. Should delivery or installation be delayed, in whole or in part, for any reason beyond Radon Medical Imaging's control, Radon Medical Imaging's time for performance shall be extended by the duration of the delaying cause. Radon Medical Imaging shall not be responsible for nonperformance or delay in performance resulting from any cause or causes beyond its reasonable control, including without limitation the unavailability of materials or labor required for manufacture, assembly and installation, labor disputes, *force majeure* , and acts or omissions of governmental authorities. Radon Medical Imaging shall not be liable for any damages or economic losses attributable to any such failures or delays. Customer shall have no right to cancel or rescind its order by reason of a delay excusable under this Section, and shall accept such delayed performance by Radon Medical Imaging.

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(c) TRANSPORTATION.
All shipments will be made F.O.B. shipping point by the method Company deems most advantageous. Transportation charges will be collect, or, if prepaid, will be invoiced to Customer and are not included in the prices shown. If shipment is made at Customer's request via a method and/or carrier other than that which would normally be used, such shipments will be made F.O.B. shipping point. Title to the System shall pass upon delivery to the Customer's Location.
(d) SHIPMENT DISCREPANCIES.
Any errors in any shipment intended to be received and opened by Customer must be reported immediately upon receipt by Customer to Company's Customer Service Center. Requests for adjustments on concealed shortages involving cartons received intact must be reported to the Company Customer Service Center within five (5) working days of receipt of the shipment.
(e) Acceptance: Unless expressly provided otherwise in this agreement, Customer shall be deemed to have accepted a product delivered by Radon Medical Imaging under this agreement on the earlier of: (i) if Radon Medical Imaging installs the product, 5 days after Radon Medical Imaging notifies Customer that it has completed assembly and the product is operating substantially in accordance with OEM published performance specifications;
(ii) If Radon Medical Imaging does not install the product, 5 days after delivery of the product to Customer; or (iii) the date Customer first uses the product for patient use.
(f) SPECIAL TESTING. Any special testing or protocols required by Customer shall be indicated by the Customer as a notation on the Quotation or as a referenced attachment. All testing shall be conducted by or under the supervision of Radon Medical Imaging and a designated customer representative.

3. INSTALLATION AND SITE PREPARATION.
(a) BY RADON MEDICAL IMAGING. If the Quotation requires installation by Radon Medical Imaging, Company shall during regular working hours install the Products and connect the Products to safety switches and power outlets provided by Customer. Proper electrical current for operation of the Products will be brought to the safety switches and outlets by Customer and the Customer will supply all of the necessary conduits, wiring, unistrut steel or similar supports in the ceiling and walls, plumbing, carpentry, construction work and rigging, and all other site preparation and installation accessories which may be required for making the installation. If any certificates or other approvals of any governmental authority are required to be obtained for the installation, the same shall be procured by Customer at Customer's expense before the scheduled delivery date. If trade unions prevent installation by Radon Medical Imaging employees, Customer shall make all required arrangements with trade unions to permit completion of the installation, the additional cost of which shall be paid by Customer. Radon Medical Imaging's obligation shall be limited to providing engineering supervision of installation. If the Quotation includes installation, such installation will include on-site configuration of the installed Products and integration as per Radon Medical Imaging (or the OEM Radon is a dealer/reseller for) published specifications and testing in accordance with the Testing Addendum.
(b) BY CUSTOMER OR OTHERS. If the Quotation specifies that Customer will make its own installation of the Products, then the Customer shall be solely responsible for such installation, configuration, integration and testing and the subsequent operation of the Products. Customer must follow all Radon/OEM published guidelines and requirements for equipment/system installation and installation must be performed by qualified individuals qualified per Radon/OEM standards to do so. Failure to follow the above will void equipment warranty should problems occur.
(c) CONDITION OF PREMISES. In any event, Customer shall provide free access to the installation site and suitable and safe space thereon for storage of the Products before installation. RADON MEDICAL IMAGING assumes no responsibility for the fitness or adequacy of the premises, or for any damage or claim arising out of the condition of such premises.

4. RELOCATION OF PRODUCTS.
Until payment in full, Customer shall not relocate all or any part of the Products from Customer's premises, nor shall Customer sell, lease, transfer or otherwise dispose of any right, title or interest (including possession) in or to the Products. Relocation of the Products means any change in the physical location of Products, whether to a different location at the same address, or to a different address. You must notify Radon Medical Imaging prior to any relocation of Products. Failure to notify Radon Medical Imaging (i) may be a violation of applicable software licenses applicable to Products; and (ii) unless such relocation is approved in writing by Radon Medical Imaging, shall terminate all warranties of Radon Medical Imaging and/or OEM Radon represents.

5. SOFTWARE.
(a) The Products include certain components of software ("Software") that is either being sold or sublicensed by the owner of the Software through Radon Medical Imaging or is being separately licensed to Customer by the owner of the Software. Customer shall at all times comply with the terms of the license agreement for any Software that is subject to a license agreement between the owner of such Software and the Customer. In no event shall Customer modify, adapt, disassemble, translate, vary, copy, reproduce or alter the Software in any manner without the prior written consent of Radon Medical Imaging or the Owner. Customer may copy or reproduce the Software only for purposes of making a backup copy of the Software, provided, that no more than one copy of such Software may be made for backup purposes. Customer shall take all necessary steps to ensure the confidentiality of the Software. Unless customer has engaged Radon Medical Imaging or the OEM Radon represents to service the Product following installation pursuant to a duly executed service agreement, Radon Medical Imaging shall have no liability or responsibility to provide, install, or configure any subsequent versions, updates, maintenance, releases, or other modifications or improvements to Software provided by the Software manufacturer.
(b) SOFTWARE LICENSE:
Subject to the terms and conditions of this Agreement, Customer is granted a non-transferable, non-exclusive, perpetual license ("**License**") to use the Software as delivered to Customer only on the Equipment at the locations (the "**Locations**") where initially installed under this Agreement or on a backup system if the originally installed Equipment is inoperative and to use the Documentation solely in connection with Customer's use of the Software in accordance with this Agreement. Customer may permit the Software to be used at the Locations for the benefit of, or by, physicians and radiologists who are not employees of Customer and for the benefit of health care clinics, physician groups and other similar entities to be used by such individuals and entities; provided that in all such cases: (i) the use is only to the extent necessary to ensure that such individuals and entities may properly

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perform their professional medical responsibilities to patients; (ii) Customer ensures that such non-Customer personnel comply with the terms of this Agreement with respect to maintaining confidentiality and non-disclosure of the Software; and (iii) Customer ensures that such non-Customer personnel have been trained in the operation of the Software (and if Customer requests Company to provide such training to non-Customer personnel, Company will provide such training at Company's then-current training charges). Customer shall not otherwise use the Software for third-party training, commercial time sharing, rental, service bureau use or any similar use. Company and/or Owner retain all rights, title, and interest in and to the Software. If Company and/or Owner agree to the transfer of the Software and the license granted under this Agreement, such transfer shall be in accordance with Company's and/or Owner's then current policy. Any demonstration Software provided to Customer by Company and/or Owner at no charge ("Demonstration Software") shall be subject to this Agreement, however, such Demonstration Software shall not be utilized by Customer for clinical use, or for more than 60 days, and in no event beyond Customer's first clinical use of the System. Demonstration Software is provided "as is" without warranty of any kind, express, implied or statutory.

(c) TERMINATION OF LICENSE:

Company may terminate the License granted under this Agreement if Customer: (1) fails to perform any material obligation under this Agreement (including, but not limited to, payment terms) which is not cured within thirty (30) days after written notice of default from Company; (2) breaches any obligation under this Agreement involving Customer's license to the Software or involving the proprietary rights of Company and/or Owner; (3) ceases to do business as a going concern; or (4) has its assets assigned by law.

(d) USE RESTRICTIONS; COPYRIGHT:

Customer shall not, and shall not allow or permit its employees, representatives or agents to: (i) sell, assign, lease, sublicense, transfer or disclose to any third party, or allow any third party to use, the Software or the Documentation, except as specifically permitted pursuant to this Agreement, or (ii) copy or otherwise reproduce the Software (or any portion thereof) except as necessary for Customer's use, testing, backup and archival of the Software in accordance with the terms and conditions of this Agreement. Each such copy, whether complete or partial, shall bear the same copyright notices and restrictive legends, if any, as are included in the material delivered to Customer. All copies shall be the sole and exclusive property of Company and/or Owner and shall be subject to the terms and conditions of this Agreement.

(e) CUSTOMER SOFTWARE MODIFICATIONS:

Customer acknowledges that the System and the Software is/are or may be a medical device subject to Federal regulations. Any tampering, alteration or service (including the loading of additional software packages) without proper training, certification, and prior written authorization from Company and/or OEM Company represents could render this device unsafe and/or ineffective for its intended use. Such activities will also result in the voiding of the Equipment and/or Software's warranty and/or service maintenance agreement. If Customer causes Changes to be made to the Equipment, Software or Documentation without the prior written consent of Company and/or OEM Company represents, Customer shall indemnify and hold Company and OEM Company represents harmless against damages, costs and expenses (including, without limitation, reasonable attorney's fees and costs of suit) resulting from the defense and settlement of any claim by a third party that Customer's use of the Equipment, Software or Documentation as modified either violates or infringes any intellectual property rights of or has caused any injury or damage of any kind to such claiming party. The provisions contained in this paragraph shall survive termination or expiration of this Agreement.

(d) THIRD PARTY LICENSORS:

The license granted under this Agreement, with respect to certain software programs within the Software, may be granted under authority granted to Company by any and all third party licensors. Customer agrees that any and all third party licensor is, to the fullest extent permitted by law, a third party beneficiary of this Agreement, including without limitation, the provisions concerning confidentiality, warranty disclaimers and limitations of liability.

(e) LOSSY COMPRESSION.

In some versions of Software, Company (or Software OEM) provides an optional lossy compression algorithm for both the short-term RAID based image cache and the permanent long-term archive in the Software. Responsibility for any decision by Customer to implement lossy compression (as opposed to lossless compression, which is also available) will lie solely with the Customer. Customer acknowledges that lossy compression is irreversible and will result in the permanent destruction of image data and a loss of image quality. Customer also acknowledges that any decision as to the suitability of lossy compression for a particular image type or class of images lies solely with the Customer.

6. SPECIAL TERMS FOR "SOFTWARE ONLY" PURCHASES.

(a) If Customer licenses Software from Company on a "software only" basis, Customer shall be responsible for all hardware failures during the applicable Software warranty period, including but not limited to detection, troubleshooting, and repair. Hardware purchased separately by Customer for use with Software licensed by Customer on a "software only" basis must exactly adhere to Company's specifications. Customer may select the hardware vendor for Software licensed on a "software only" basis, provided that Company's specifications are met. Company will provide a list of pre-validated hardware vendors. If Customer chooses to utilize a hardware vendor that is not pre-validated by Company, then Customer shall pay Company an additional validation charge.

(b) "Software only" purchases require Customer to maintain a "Software-Only" Service Maintenance Agreement (or other Company service maintenance agreement) that includes upgrades and other provisions required to maintain a functionality as approved by FDA and other governmental agencies.

7. EQUIPMENT AND SOFTWARE UPGRADES.

Company assumes no responsibility for any Equipment or Software failure due to Customer's modification, upgrade, or replacement of components, equipment, or software, including but not limited to the Equipment or the Software. Customer may contract for equipment or software upgrades from Company as required, but no guarantees concerning future compatibility with configurations are contained or implied within this Agreement.

8. PAYMENTS.

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(a) TIME OF PAYMENT. Upon acceptance of the Quotation, Customer shall pay to Radon Medical Imaging the indicated down payment. Customer shall pay additional amounts, if any, at the intervals indicated in the Quotation. Unless otherwise specified in the Quotation, Customer shall pay the balance of the purchase price for the Products and any additional amounts due hereunder to Radon Medical Imaging upon acceptance of the Products. Additional license or procedure fees shall be paid by Customer as reflected by the Quotation or separate Software license agreements as so provided.
(b) SALES AND EXCISE TAXES. Even though not set forth on the Quotation, Customer shall be solely responsible for and shall pay to Radon Medical Imaging all sales, use, excise, and occupation taxes, and similar taxes, which may be due to any state or other political subdivision in respect of the sale of the Products to Customer, or the use of the Products by Customer. If tax exempt, Customer is responsible for providing Radon Medical Imaging with a tax exempt certificate.
(c) SHIPPING COSTS. All shipments of Product will be made F.O.B. shipping point. Even though not specifically set forth on the Quotation, Customer shall pay or reimburse to Radon Medical Imaging the cost of shipping the Products to the Customer. Should Radon Medical Imaging agree to pay shipping costs through some other verbal or written agreement, notation to this effect must be clearly visible and recognizable on signed Quotation.
(d) DEFAULT IN PAYMENT. Customer shall pay to Radon Medical Imaging a finance charge of 1.5% per month, not to exceed the rate allowed by law, on any undisputed sums which are not paid by Customer when due. If Customer shall fail to pay any undisputed amount when due or shall otherwise default, Radon Medical Imaging may, in addition to any other remedies Company may have in law or in equity, without notice to Customer, enter any premises in which the Products may be found and render it inoperable or remove it, and suspend, defer or cancel shipments and orders under this or any other Radon Medical Imaging Quotation and/or suspend performance on any service agreement. Customer disputed sums/payments which are later mutually agreed to be valid and owed to Radon Medical Imaging or found by a mutually approved and/or legal authority to be valid and owed to Radon Medical Imaging will be treated as afore described.
(e) SECURITY INTEREST. Customer grants to Radon Medical Imaging a security interest in the Products (and all products and proceeds there from) to secure payment of all sums due hereunder, and shall, as Radon Medical Imaging may from time to time reasonably request, deliver such promissory notes, security agreements, financing statements, leases and rental agreements covering the Products as requested by Radon Medical Imaging to evidence and secure Customer's obligations. Customer hereby grants to Radon Medical Imaging an irrevocable power of attorney to execute and file such instruments or documents on behalf of Customer, for purposes of protecting Radon Medical Imaging's security interest. Company or its representative may enter upon Customer's premises at any reasonable time upon consent of Customer to inspect the Equipment and the Software until the payments due under this Agreement have been paid in full. The Equipment remains personal property, even if attached to realty or other property, until all amounts due to Company under this Agreement have been paid in full. Once payment in full is made, Company will release the finance documents/security. If Customer fails to make payments when due, Company may take possession of the Equipment and the Software and Customer shall pay 5% per month of the aggregate payments due under this Agreement from the date of delivery of such Equipment and Software. Company may apply any payments previously made to this charge and retain any balance as liquidated damages.

9. TITLE.

Title to the Products shall pass to Customer upon payment in full of all sums due under this Quotation /Agreement. Until payment in full is received by Radon Medical Imaging, the Products shall remain personal property of R Radon Medical Imaging notwithstanding the fact that the Products have been delivered or attached to the Customer's premises.

10. RISK OF LOSS:

Risk of loss or damage to the Products, other than as a result of the negligent or wrongful act of Radon Medical Imaging, shall pass to Customer upon delivery of the Products to the Customer's premises.

11. WARRANTY AND LIMITATION THEREON; CUSTOMER RESPONSIBILITIES; DAMAGES LIMITATIONS.

(a) HARDWARE WARRANTY. Unless otherwise agreed in writing, Radon Medical Imaging only warrants to Customer, for a period of time described in the quotation from the date of acceptance, hardware components of Products shall be free from defects in material and workmanship under normal use and service, and shall be fit for the ordinary use for which designed if operated by a trained and competent operator and properly serviced and maintained. Radon Medical Imaging's obligation under this warranty is limited to correction, without charge for parts or labor (except as noted in Section 11 (d), of any defect which, is reported to Radon Medical Imaging during the warranty period, and which Radon Medical Imaging determines in the exercise of reasonable judgment impairs the ordinary use of the Products.
(b) SOFTWARE WARRANTY. Unless otherwise agreed in writing, Radon Medical Imaging only warrants to Customer, software components of Products, as described in the quotation. Manufacturer software updates are included at no charge for 365 days or per OEM published update obligations from date of first clinical use at Customer site. Manufacturer software upgrades are included as a quotation option.
(c) OEM Warranty Start Dates Relative to Delivery/Installation Delays Caused by Customer
The Original Equipment Manufacturer determines the start date of hardware, software, licenses, etc. that may carry a warranty as described in the quotation. Warranties that start from date the equipment is shipped to Radon carry a reasonable time for Radon to install and for Customer to accept the product/system. Delays in installation beyond the original scheduled date which are determined to be the responsibility of the Customer will result in the product/system warranty beginning while in holding or storage (at Radon or a designated site) awaiting for the Customer to reschedule delivery and installation at the end site. Radon Medical Imaging will not be responsible for warranty starting prior to installation / acceptance or expired warranty resulting from delays or other circumstances outside of Radon's control.

Upgrades vs. Updates

Updates are included as defined in terms and conditions from manufacturer in any software purchase and installation. Updates constitute a patch, fix, or release feature that was intended, but available in first manufacturer release. Example: A release of 5.0 version software, and new release of 5.1 version or 5.2 version constitutes an update.
Upgrades are a new version of software release, usually defined by new version software number, and constitute new

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solutions and/or features or enhanced workflow. Example: A release of 5.0 installed at customer site and new release of 6.0 or 6.1, etc. constitutes an upgrade. Extended software warranties and maintenance agreements may be available upon request.
(c) WARRANTY SERVICE. RADON MEDICAL IMAGING'S SOLE OBLIGATION IN RESPECT OF ANY BREACH OF A WARRANTY SHALL BE, AT RADON MEDICAL IMAGING'S OPTION, TO REPAIR OR REPLACE THE PRODUCTS DURING

RADON MEDICAL IMAGING'S NORMAL WORKING HOURS, SO AS TO PLACE THE PRODUCTS IN GOOD WORKING CONDITION. When Customer calls for warranty service and demands same day service, Radon Medical Imaging will reasonably attempt to provide such service within normal working hours. If Radon Medical Imaging is not able to accomplish such work within normal working hours, Customer will be charged for the overtime hours in accordance with **Radon Medical Imaging**'s standard policy on overtime rates.
(d) CUSTOMER RESPONSIBILITIES. **Radon Medical Imaging's** warranties and its obligations hereunder shall terminate without notice to Customer unless Customer or user: (i) notifies Radon Medical Imaging as soon as any unusual operating peculiarity appears; (ii) fails to operate the Products in a safe and competent manner and in compliance with operation manuals provided with the Products; or (iii) fails to regularly and properly service and maintain the Products. Radon Medical Imaging will not cover any loss, damage or expense relating to the following: (i) any equipment or Software other than the Products identified in the Quotation; (ii) the replacement of any disposable, consumable, or supply items; (iii) any service or repair necessitated as a result of: (A) a change of design, specification or instruction provided by Customer or its representative; (B) Customer's failure to fulfill any of its obligations or responsibilities hereunder; (C) the failure of anyone other than Radon Medical Imaging or its service contractor to comply with written instructions, manuals, or recommendations that Radon Medical Imaging provides to Customer;
(D) Customer's combining of any component of the installed Products with any other equipment or software that is incompatible with the Products; (E) any alteration or improper storage, handling, use or maintenance of any part of the Products other than Radon Medical Imaging or the OEM Company represents; or (F) design or manufacturing defects in any item of a third party; or (iv) any repair, service or replacement necessitated as a result of: (A) relocation of the Product; (B) external source power supply, (C) failure to maintain proper environmental conditions; (D) neglect, abuse, misuse or failure to follow operating instructions; or (E) casualty of any nature.
(e) LIMITATION OF LIABILITY -- EXCLUSION OF IMPLIED WARRANTIES. The warranties in this Section are expressly in lieu of any other warranties, express or implied, including any implied warranty of merchantability or fitness for particular purpose and of any other obligations or liability on the part of Radon Medical Imaging whether in contract, warranty, negligence or otherwise. Radon Medical Imaging neither makes nor has authorized any person to make for it any other warranty or representation in respect to the Products. Unless set forth in writing in the Quotation, no representation of fact or other affirmation of fact, including but not limited to statements regarding capacity, suitability for use, or performance of the Products shall be deemed to be a warranty by Radon Medical Imaging for any purpose, nor to give rise to any liability or obligation of Radon Medical Imaging whatsoever.
(f) CONSEQUENTIAL AND OTHER LOSS OR DAMAGE. IN NO EVENT SHALL RADON MEDICAL IMAGING BE LIABLE, BY REASON OF ANY TORT, BREACH OF CONTRACT OR WARRANTY, OR OF ANY ACT OR OMISSION ON ITS PART RELATING DIRECTLY OR INDIRECTLY TO THE SALE OR INSTALLATION OF THE PRODUCTS, FOR PROSPECTIVE, CONSEQUENTIAL, INCIDENTAL, EXEMPLARY, INDIRECT OR SPECIAL DAMAGES, ECONOMIC LOSS, LOSS OF PROFITS OR DAMAGES RESULTING FROM LOSS OF USE OF THE PRODUCTS, EVEN IF RADON MEDICAL IMAGING IS APPRISED OF THE LIKELIHOOD OF SUCH DAMAGES. IN NO EVENT SHALL RADON MEDICAL IMAGING'S LIABILITY TO CUSTOMER (WHETHER BASED IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE) ARISING OUT OF OR RELATING DIRECTLY OR INDIRECTLY TO THE TRANSACTION CONTEMPLATED BY THE QUOTATION EXCEED THE AMOUNT ACTUALLY PAID BY CUSTOMER TO RADON MEDICAL IMAGING PURSUANT TO THE QUOTATION.

12. SERVICE CONTRACT.

Radon Medical Imaging shall have no liability or responsibility for providing maintenance, service, repair, replacement or otherwise to provide any services with respect to the Products following completion of installation, except for covered warranty work, unless Customer and Radon Medical Imaging have entered into a separate service contract. The service contract shall set forth the sale terms and conditions under which Radon Medical Imaging will provide such service and maintenance work for the Products.

13. CHANGES IN PRODUCTS.

Radon Medical Imaging and/or OEM for which Radon is a dealer/reseller may change the construction or design of the Products without notice to Customer so long as the general function of the Products are not thereby altered.
SOFTWARE CHANGES:
Improvements, modifications, alterations, derivative works and enhancements ("Changes") to any of the Equipment, Software or Documentation, including but not limited to those made by the Customer with authorization of Company and/or Owner, those made by Company and/or Owner at the request of the Customer, or those made by Company and/or Owner on behalf of Customer, shall be the sole and exclusive property of Company and/or Owner. Notwithstanding the foregoing, Customer remains solely responsible **for any liability associated with Changes that were made without Company's and/or Owner's** authorization.

14. CONFIDENTIALITY; NONDISCLOSURE.

(a.) Customer acknowledges the proprietary rights of Company and/or Owner (the OEMs represented by the Company) in and to the Equipment, Software, the Documentation, and the related computer programs, manuals, identifying symbols and other supporting material. This Agreement creates a confidential relationship between the parties, based upon which Company and **OEM's represented by the Company is willing to grant related** software License(s), and provide certain proprietary information and knowledge to Customer. Customer acknowledges and agrees that the use of the Software is furnished to Customer on a confidential and secret basis for the sole and exclusive use of Customer. Except as specifically agreed to in this Agreement, Customer will not use, publish, disclose or otherwise divulge to any person, except as necessary to officers and employees of Customer, at any time, either during or after the termination of this Agreement, or permit its officers or employees to so divulge any such information regarding the Equipment, Software or the Documentation, without the prior written consent of an officer of Company. Customer agrees that all diskettes, tapes and written material provided by Company to Customer and containing or relating to the Software and the Documentation are the sole and exclusive property of Company and/or Owner. Upon termination of

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this Agreement or the License for any reason, Customer shall cease using the Software and the Documentation and shall at Customer's expense forthwith return to Company all copies of the Software and all of the Documentation, the user manuals, diskettes, tapes, instructions and all related materials furnished to Customer hereunder and shall destroy all copies of the Software, including computer memory or storage copies. Nothing herein shall be deemed to limit any rights of Company and/or Owner under copyright, patent or other law.

(b.) Customer shall not cause, suffer or permit the modification, enhancement, alteration, disassembly, reverse engineering or decompilation of the Equipment, the Software or the Documentation or any portion thereof, or the creation of any derivative works thereto.

(c.) Customer shall not disclose to any third party or otherwise publish any results of any benchmark tests run on the Software or the Equipment. Notwithstanding the foregoing, Customer may, with Company's and/or Owner's prior written consent, provide information about the System to third party vendors whose equipment or software interfaces with the System solely and only to the extent necessary to assist in the resolution of any instances of System downtime caused by interfaces or communication between the System and such third party hardware and software.

(d.) The provisions in this Section shall survive termination or expiration of this Agreement.

15. MEDICAL DIAGNOSIS AND TREATMENT. Customer hereby acknowledges and agrees that all clinical and medical treatment and diagnostic decisions are the responsibility of Customer and its professional healthcare providers.

16. INDEMIFICATION

Each party agrees to indemnify the other from any and all claims, liability, loss, judgment, settlements, costs and expenses for injury or death of any person, or injury to any property, resulting from any negligent or willful act or omission of the indemnifying party, its agents, employees, servants, students, staff members, contractors with respect to obligations assumed under this Agreement.

17. NOTICES.

All notices and requests in connection with this Agreement shall be given or made upon the respective parties in writing and shall be deemed to be given as of the day such notice or request is deposited in the U.S. Mail, postage prepaid, certified or registered, return receipt requested, addressed as follows:

COMPANY: Radon Medical, LLC
14983 Moneta Road, Suite C
Moneta, VA 24121
Phone: (540) 890-1135
Fax: (540) 301-0412

18. ENTIRE AGREEMENT. This Addendum and the Quotation constitute the entire and only agreement between the parties hereto concerning the subject matters covered herein, and any prior agreement, representation, affirmation of fact and course of prior dealings, promise or condition in connection herewith or usage of the trade not incorporated herein shall not be binding on either party. No assignment, waiver, alteration, or modification of any of the provisions hereof shall be binding unless in writing and signed by a specifically authorized representative of both parties.

19. Governing Law; Disputes; Limitation of Liability. The law of the State where the product is installed or the service is provided will govern any dispute between the parties. EACH PARTY EXPRESSLY WAIVES ALL RIGHTS TO A JURY TRIAL IN CONNECTION WITH ANY DISPUTE ARISING UNDER THIS AGREEMENT. Disputes (other than collection matters) arising under or relating to this agreement will be submitted to the American Arbitration Association ("AAA") office located closest to the largest metropolitan area of the State where the product is installed or the service is provided for binding arbitration in accordance with the AAA's Commercial Arbitration Rules. The cost of the arbitration, including the fees and expenses of the arbitrator, will be shared equally, with each party paying its own attorneys' fees. The arbitrator will have the authority to award damages only to the extent otherwise available under this agreement. RADON MEDICAL IMAGING (AND ITS REPRESENTATIVES') LIABILITY UNDER THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION, SHALL NOT EXCEEDTHE PRICE FOR THE PRODUCT OR SERVICE THAT IS THE BASIS FOR THE CLAIM. NEITHER CUSTOMER NOR RADON MEDICAL IMAGING (NOR ITS REPRESENTATIVES) SHALL HAVE LIABILITY TO THE OTHER UNDER THIS AGREEMENT FOR ANY PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES, SUCH AS EXCESS COSTS INCURRED, DATA LOSS OR LOST PROFITS.

20. SUCCESSORS AND ASSIGNS.

The terms, provision, covenants and conditions contained in this Agreement shall apply to and inure to the benefit of and be binding upon the parties hereto, their heirs, executors, administrators, legal representatives, successors and assigns.

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CUSTOMER RESPONSIBILITIES FOR PROJECT

Customer is responsible for all, but not limited to, the following:

1. As applicable to radiation producing equipment, submitting a Shielding design to the appropriate Federal, State, Local or other requiring Government Agency and getting approval for installation of equipment from said Agency. Approval letter from the Agency and Shielding Design must be copied to Radon Medical Imaging corporate office.
2. Ensure that all Federal, State, Local or other requiring Government Agency requirements are met prior to and after installation of equipment, including but not limited to, shielding design and post installation radiation survey.
3. An engineer from Radon Medical Imaging will need to survey current installation site prior to scheduling of this job to ensure that appropriate power and electrical runs are available for equipment installation and all network requirements are met as required for system communication and remote service access purposes.
4. Radon Medical Imaging will supply equipment layout and specifications upon request. Any deviation from Radon's specifications must be approved by Radon. Ensuring that the users of the System are advised and understand that the System is an aid in the practice of healthcare and is not a substitute for professional judgment.
5. Provide appropriate power and electrical runs for equipment.
6. Installing and maintaining any dedicated modems and phone lines necessary to support the Equipment and the Software.
7. Provide all network cables, drops, etc. for network communications required.
8. Have a network speed of at least 100Mbps on the segment that Company's server and client workstations will be connected to or a dedicated 10Mbps segment specific the System.
9. Providing and maintaining an appropriate network connection to any device supplied at the site by Company
10. Installing and maintaining any "firewalls" and other security protocols and devices that are adequate to ensure that unauthorized third parties cannot access or manipulate data within the System. Customer will make every reasonable effort to prevent and correct any problems arising from such other equipment, software, hardware, firmware and interfaces or malicious activity by persons known or unknown. If Customer's System is accessed by unauthorized third parties, whether such access is internal or external, Customer is solely responsible for all costs of restoring Customer's network and the System, and for any data loss or corruption. Any service from Company required or requested in order to repair or restore the System will be charged to Customer at Company's then-current service rates.
11. Installing and maintaining *remote* connections, including communications necessary to support the System (equipment, software and all other related components) required for *remote* support and maintenance. If remote connections are not available at the site and system evaluation cannot be performed remotely, travel charges will occur at Radon's current rate if Radon is required to come on-site to trouble shoot or resolve a system problem.
12. The supervision, management and control of its use of the System, including but not limited to ensuring that proper controls are in place to validate data and results obtained through the use of the System.
13. Regularly backing up the System and archiving data as may be necessary to meet Customer's backup needs and to protect against unanticipated data loss. Customer is required to maintain and document these backup procedures and provide said documentation to Company's or Company's service contractor's Technical Support upon request.
14. Taking all appropriate action, by instruction, agreement or otherwise, with its employees or other persons permitted access to the System, to satisfy its obligations with respect to use, protection and security of the System and any of Customer's own patient data confidentiality requirements.

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15. Maintaining the site and environment (including temperature and humidity control, incoming power quality, and fire protection system) in a manner consistent with manufacturer's recommendations and documentation. Customer will maintain documentation of such site and environmental conditions where the System is located and provide such documentation to Company's or Company's service contractor's Technical Support upon request.
16. Assuring that, at all times, properly qualified and appropriately licensed personnel use the System in the manner specified by Company and the manufacturer.
17. Assuming full responsibility for the safety and any consequence of lack of safety of the System in possession or control of the System
18. Appoint and have available a System Administrator during the entire installation process available for training, and thereafter, have a System Administrator designated who possesses the skills to properly conduct day-to-day administrative activities for the System.
19. Making domain and system administrative privileges available to Company's technicians (if applicable). If this is not possible, a Customer representative with such privileges must be available at all times during the installation, and thereafter if required by Company in order to service the System.
20. Making sure that all of the client workstations are communicating with the System's server;
21. Expeditiously communicating installation dates to any third party vendors whose cooperation is necessary to complete installation (for example, Broadband service providers, other related system vendors, etc.).
22. Expeditiously communicating Company's Interface Specifications (e.g., standard HL7 Specifications) to any third party vendors whose cooperation is necessary to complete interface testing (for example, RIS vendors) and confirming said communications to the appropriate Company representative (typically the project manager) in a timely fashion.
23. Placing service calls and requests to Company when appropriate as specified by Company or the manufacturer's then-prevailing protocols.
24. Making the System available without restriction for service in accordance with a mutually acceptable service appointment schedule.

Quotation, related documents and related response prepared by: Donna Cloninger, Sales, Radon Medical, LLC.
This is a quotation on the goods named, subject to the conditions noted herein.
To indicate customer approval as quoted and supported by related documentation, sign here, date and return:

Authorized Signature: _____ *Date:* _____

Title: _____

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CANON USA
[EXHIBIT C]
Protection Plus

(a) As more fully set forth in the **[Sales Quotation/Service Agreement]**, Customer has purchased from Virtual Imaging, Inc. (the "Company") certain Canon flat panel detector(s) (hereinafter "Detector(s)") **(the Sales Quotation, Exhibit A and if applicable, Exhibit B** shall be collectively referred to herein as the "Agreement"). Subject to the terms and conditions set forth herein, Customer has elected to purchase repair/discounted replacement coverage (hereinafter referred to as "Protection Plus") for an initial term of one (1) year commencing on the date set forth on Page 1 of the Agreement (the "Initial Protection Plus Term") for the number of Detectors identified therein (such Detector(s) hereinafter referred to individually as a "Covered Detector" and collectively as the "Covered Detectors").The Initial Protection Plus Term will automatically renew for additional terms of one year unless Customer or Company provides the other with written notice of its intent to terminate no later than thirty (30) days prior to the expiration of the then current one year term (the Initial Protection Plus Term and each successive one year term shall be collectively referred to herein as "Protection Plus Term"). Either party may terminate Protection Plus upon sixty days written notice to the other party. The coverage provided by Protection Plus is Detector Series Specific (as defined below), and is only available for detectors which are less than seven years old (the age of the detector shall be determined by Virtual Imaging, in its sole determination, based on the detector's original manufacturer serial number). For purposes of this **[Exhibit C]**, "Detector Series Specific" means that in the event the Company determines, in its sole discretion, that the Customer's Covered detector cannot be repaired and must be replaced, the Customer's Covered Detector will be replaced with a new or used (to be determined by the Company in its sole discretion) detector of the same series (i.e., a damaged Canon CXDI-70C wireless flat panel detector which cannot be repaired will only be replaced with a with a new or used Canon CXDI-70C wireless flat panel detector).

(b) Coverage under Protection Plus is contingent upon: (i) the timely payment by Customer in full of all amounts due and owing by Customer under Protection Plus; (ii) the Covered Detector being continuously covered by Protection Plus throughout the Detector Protection Plus Term; and (iii) if applicable, the return of the Damaged Detector and/or Loaner Detector (as such term is defined below) to the Company as more fully discussed below.

(c) To participate in Protection Plus, Customer must pay a $5,000.00 detector fee (the "Detector Fee") for each detector enrolled in Protection Plus. Notwithstanding the foregoing, in the event that the Company elects to terminate Protection Plus other than for cause during the Protection Plan Term, the Detector Fee paid for the then current year will be reimbursed to Customer on a pro-rata basis (based on the number of months remaining during the then current one-year term). In the event that Customer enrolls five to nine detectors in Protection Plus, the Detector Fee for each detector will be reduced to $4,750.00 per detector, if Customer enrolls ten or more detectors in Protection Plus, the Detector Fee for each detector will be reduced to $4,500.00 for each detector, and if Customer enrolls twenty or more detectors in Protection Plus, the Detector Fee for each detector will be reduced to $4,000.00 for each detector. After the Initial Protection Plus Term, the Detector Fee and the Replacement Detector Fee may be increased by the Company annually, and Company will notify the Customer of any such increase each year no later than sixty (60) days prior to the expiration of the then current one-year term.

(d) If a Customer wishes to enroll a detector after its initial point of sale, such detector is subject to inspection by the Company, and Customer acknowledges and agrees that the Company has the right to deny coverage for any detector which, in the Company's sole discretion, is determined to not be eligible, or which detector is more than seven years old (as determined by the Company in accordance with Paragraph (a) above).

(e) Subject to the terms and conditions hereof, in the event that the Covered Detector becomes damaged during the Detector Protection Plus Term ('hereinafter "Damaged Detector"), Customer will notify Company by calling 561-893-8400 or via email (technicalsupport@vifla.com). Customer will also provide Company with a print out of the Covered Detector's log files together with pictures of the Damaged Detector (such pictures shall include both the front and back of the detector and a picture in which the serial number is clearly legible). If requested by Customer, within two (2) business days of its receipt of such written notice and the log files and pictures, Company will provide Customer with a loaner detector (hereinafter "Loaner Detector") to use while the Damaged Detector is being repaired. The Loaner Detector will be provided free of charge, but Customer will be solely responsible for all shipping charges related to the shipping of the Loaner Detector from Company to Customer and from Customer back to the Company.

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(f) During the Protection Plus Term, a Covered Detector may be sent in to the Company for repair as often as necessary. Customer will package and ship the Damaged Detector, at Customer's sole cost and expense, to the Company within two (2) business days of its notification to Company as more fully set forth in Paragraph (e) above.

(g) The Company will endeavor to repair and return the Damaged Detector to Customer within seven days of Company's receipt of same (hereinafter the "Repaired Detector"); however, Customer acknowledges and agrees this time may need to be extended by the Company from time to time. Within two days of its receipt of the Repaired Detector, if applicable, Customer will package and return the Loaner Detector to the Company. In the event that the Customer fails to return the Loaner Detector within the timeframe set forth herein, Customer will be deemed to have purchased the Loaner Detector at a price equal to the Company's then current list price for such model detector, and payment will become immediately due and owing.

(h) Should the Company determine, in its sole determination, that the Covered Detector cannot be repaired, Customer will be entitled to purchase one (1) new or used (as determined by the Company in its sole discretion) Canon flat panel detector, Detector Series Specific, for such Damaged Detector (hereinafter referred to as the "Replacement Detector") at a purchase price of $5,000.00 ("Replacement Detector Fee"). The Damaged Detector must be returned to the Company and such Damaged Detector will become the sole property of the Company. Upon receipt of the Damaged Detector, the Company will ship, at Customer's sole cost and expense, a Replacement Detector. Customer hereby waives and relinquishes any right, title or interest in and to the Damaged Detector. Customer further acknowledges and agrees that it shall not be entitled to any compensation in the event the Company resells, leases or otherwise conveys the Damaged Detector.

(i) Customer hereby acknowledges and agrees that Protection Plus covers only the Covered Detector, and does not cover the repair or replacement of the Covered Detector software, power box, cables and/or computer.

(j) The Company will invoice Customer for the Replacement Detector, and all shipping charges and payment for such Replacement Detector and shipping charges shall be due and owing by Customer within thirty (30) days of the date of the Company's invoice.

(k) Customer acknowledges and agrees that the repair of a Covered Detector will not extend the original Limited Warranty provided with the Covered Detector at point of sale, nor extend the Detector Protection Plus Term. In the event the Customer purchases a Replacement Detector pursuant to Protection Plus, the Customer will receive the Company's standard One Year Limited Warranty on such Replacement Detector.

(l) The Company expressly disclaims all warranties of any kind with regard to any Loaner Detector, Repaired Detector and/or Replacement Detector provided to Customer hereunder, whether expressed or implied, including, without limitation, any implied warranty of merchantability or fitness for a particular purpose. Under no circumstances will the Company be liable for any loss, direct or indirect, incidental, special or consequential damage arising out of or in connection with any Loaner Detector, Repaired Detector and/or Replacement Detector provided to Customer pursuant to Protection Plus. DAMAGE TO A COVERED DETECTOR CAUSED BY MISUSE OR ABUSE OF SUCH DETECTOR WILL NOT BE COVERED UNDER PROTECTION PLUS. NEITHER THE COMPANY NOR ITS OFFICERS, DIRECTORS, AFFILIATES, EMPLOYEES OR REPRESENTATIVES SHALL BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY LIABILITY, CLAIM, LOSS DAMAGE OR EXPENSE OF ANY KIND OR DIRECT, COLLATERAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES RELATING TO OR ARISING FROM OR CAUSED DIRECTLY OR INDIRECTLY BY THE LOANER DETECTOR, REPAIRED DETECTOR OR THE REPLACEMENT DETECTOR, THEIR INSTALLATION OR THE USE THEREOF OR OF ANY DEFICIENCY, DEFECT OR INADEQUACY OF ANY OF THE DETECTORS (WHETHER THAT BE A COVERED DETECTOR, LOANER DETECTOR, REPAIRED DETECTOR OR A REPLACEMENT DETECTOR). IT IS EXPRESSLY AGREED THAT CUSTOMER'S EXCLUSIVE REMEDY FOR ANY CAUSE OF ACTION RELATING TO THE PURCHASE, INSTALLATION AND/OR USE OF ANY OF THE DETECTORS SHALL BE DAMAGES, AND COMPANY'S LIABILITY FOR ANY AND ALL LOSSES OR DAMAGES RESULTING FROM ANY CAUSE WHATSOEVER, INCLUDING NEGLIGENCE, SHALL IN NO EVENT EXCEED THE PURCHASE PRICE OF THE DETECTOR WITH RESPECT TO WHICH THE CLAIM IS MADE OR, AT THE ELECTION OF COMPANY, THE RESTORATION OR REPLACEMENT OR REPAIR OF SUCH DETECTOR.

(m) Customer acknowledges and agrees that Protection Plus will terminate immediately, without notice, upon Customer's failure to comply with any of the terms or conditions of the Agreement or Protection Plus (including, but not limited to, Customer's failure to return the damaged Detector to the Company as set forth herein).

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(n) Until (i) the Loaner Detector has been returned to the Company or (ii) the full purchase price of a Replacement Detector has been received by Company, the Company shall have, and is hereby granted by Customer, a purchase money security interest in such Loaner Detector and/or Replacement Detector, as the case may be, provided hereunder. Customer further agrees to execute such financing statements and other documents as the Company may reasonably require in order to perfect such security interest. Customer authorizes the Company to file financing statements with respect to such security interest without Customer's signature wherever law permits such filing. Furthermore, Customer hereby irrevocably appoints the Company as Customer's agent for the purpose of filing any financial statements required by the Company in order to perfect its security interest provided herein.

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