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CONNECTICUT OFFICE OF  
HEALTH CARE ACCESS

April 12, 2010

Cristine A. Vogel, Commissioner  
State of Connecticut  
Office of Health Care Access  
410 Capital Avenue  
MS# 13HCA  
P.O. Box 340308  
Hartford, CT 06134-0308

***Re: Proposal to Establish and Operate Imaging Services in Stonington, Connecticut***

Dear Commissioner Vogel:

Enclosed is the original Letter of Intent (Form 2030) for the proposal to establish and operate imaging services in Stonington, Connecticut. Also enclosed are six copies of the Letter of Intent.

I look forward to working with you and your staff during the review process.

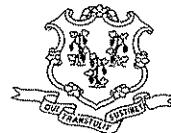
Please do not hesitate to contact me at (860) 442-0711, Ext. 2073 if you have any questions regarding this Letter of Intent.

Sincerely,

A handwritten signature in black ink, appearing to read "Crista F. Durand".

Crista F. Durand  
Vice President/Strategic Planning

Enclosures



## State of Connecticut Office of Health Care Access Letter of Intent Form Form 2030

All Applicants involved with the proposal must be listed for identification purposes. A proposal's Letter of Intent (LOI) form must be submitted prior to a Certificate of Need application submission to OHCA by the Applicant(s), pursuant to Sections 19a-638 and 19a-639 of the Connecticut General Statutes and Section 19a-643-79 of OHCA's Regulations. Please complete and submit Form 2030 to the Commissioner of the Office of Health Care Access, 410 Capitol Avenue, MS# 13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

### SECTION I. APPLICANT INFORMATION

If this proposal has more than two Applicants, please attach a separate sheet, supplying the same information for each additional Applicant in the format presented in the following table.

	Applicant One	Applicant Two
Full legal name	Lawrence & Memorial Hospital	
Doing Business As	Lawrence & Memorial Hospital	
Name of Parent Corporation	Lawrence & Memorial Corporation	
Applicant's Mailing Address, if Post Office (PO) Box, include a street mailing address for Certified Mail (Zip Code Required)	365 Montauk Avenue New London, CT 06320	
Identify Applicant Status: P for Profit or NP for Nonprofit	NP	
Does the Applicant have Tax Exempt Status?	Yes	
Contact Person, including Title/Position: This Individual will be the Applicant Designee to receive all correspondence in this matter.	Ms. Shraddha Patel Director of Business Development/Planning	
Contact Person's Mailing Address, if PO Box, include a street mailing address for Certified Mail (Zip Code Required)	365 Montauk Avenue New London, CT 06320	
Contact Person Telephone Number	(860) 442-0711 ext. 5185	
Contact Person Fax Number	(860) 444-3716	
Contact Person e-mail Address	spatel@lmhosp.org	

## SECTION II. GENERAL APPLICATION INFORMATION

a. **Project Title:** Proposal to Establish and Operate Imaging Services in Stonington, Connecticut

b. **Project Proposal:** Lawrence & Memorial Hospital (the "Hospital") proposes to establish imaging services (diagnostic x-ray, mammography, ultrasound, and bone densitometry) at its satellite facility located at 91 Voluntown Road, Pawcatuck, CT 06379.

c. Type of Project/Proposal, please check all that apply:

### Inpatient Service(s):

Medical/Surgical       Cardiac       Pediatric       Maternity  
 Trauma Center       Transplantation Programs  
 Rehabilitation (specify type) \_\_\_\_\_  
 Behavioral Health (Psychiatric and/or Substance Abuse Services)  
 Other Inpatient (specify) \_\_\_\_\_

### Outpatient Service(s):

Ambulatory Surgery Center       Primary Care       Oncology  
 New Hospital Satellite Facility       Emergency       Urgent Care  
 Rehabilitation (specify type) \_\_\_\_\_       Central Services Facility  
 Behavioral Health (Psychiatric and/or Substance Abuse Services)  
 Other Outpatient (specify) **Diagnostic imaging**

### Imaging:

MRI       CT Scanner       PET Scanner  
 CT Simulator       PET/CT Scanner       Linear Accelerator  
 Cineangiography Equipment       New Technology: \_\_\_\_\_

### Non-Clinical:

Facility Development       Non-Medical Equipment       Renovations  
 Change in Ownership or Control       Land and/or Building Acquisitions  
 Organizational Structure (Mergers, Acquisitions, & Affiliations)  
 Other Non-Clinical: \_\_\_\_\_

d. Does the proposal include a Change in Facility (F), Service (S)/Function (Fnc) pursuant to Section 19a-638, C.G.S.?

Yes       No

If you checked "Yes" above, please check the appropriate box below:

New (F, S, Fnc)       Additional (F, S, Fnc)       Replacement  
 Expansion (F, S, Fnc)       Relocation       Termination of Service  
 Reduction       Change in Ownership/Control

e. Will the Capital Expenditure/Cost of the proposal exceed \$3,000,000, pursuant to Section 19a-639, C.G.S.?

Yes  No

If you checked "Yes" above, please check the boxes below, as appropriate:

- New equipment acquisition and operation
- Replacement equipment with disposal of existing equipment
- Major medical equipment
- Change in ownership or control

f. Location of proposal, identifying Street Address, Town and Zip Code:

**91 Voluntown Road, Pawcatuck, CT 06379**

g. List each town this project is intended to serve:

**East Lyme, Groton, Ledyard, Lyme, Montville, New London, North Stonington, Old Lyme, Stonington (includes zip code of Pawcatuck), Waterford, Bozrah, Colchester, Franklin, Griswold, Lisbon, Norwich, Preston, Salem, and Voluntown, Connecticut and Westerly, Rhode Island.**

h. Estimated starting date for the project: **August 2010**

i. If the proposal includes change in the number of beds provide the following information: **N/A**

Type	Existing Staffed	Existing Licensed	Proposed Increase or (Decrease)	Proposed Total Licensed

### SECTION III. ESTIMATED CAPITAL EXPENDITURE/COST INFORMATION

a. Estimated Total Project Expenditure/Cost: \$ 722,890

b. Please provide the following tentative capital expenditure/costs related to the proposal:

Major Medical Equipment Purchases*	\$284,420
Medical Equipment Purchases*	
Non-Medical Equipment Purchases**	\$22,910
Land/Building Purchases	
Construction/Renovation	\$339,400
Other (Non-Construction) Specify: IT	\$76,160
<b>Total Capital Expenditure</b>	<b>\$722,890</b>
Major Medical Equipment – Fair Market Value of Leases Medical	
Equipment – Fair Market Value of Leases	
Non-Medical Equipment – Fair Market Value of Leases*	
Fair Market Value of Space – Capital Leases Only	
<b>Total Capital Cost</b>	<b>\$722,890</b>
<b>Total Project Cost</b>	<b>\$722,890</b>
Capitalized Financing Costs (Informational Purpose Only)	

\* Provide an itemized list of all medical and non-medical equipment to be purchased and leased.

\*\*Finalized figure will be submitted with CON.

**Major Medical Equipment:** Imaging equipment (diagnostic x-ray, mammography, bone density scanner, ultrasound)

**Non-Medical Equipment:** FF&E, stretcher, telephone, office supplies.

c. If the proposal has a total capital expenditure/cost exceeding \$20,000,000 or if the proposal is for major medical equipment exceeding \$3,000,000, you may request a Waiver of Public Hearing pursuant to Section 19a-643-45 of OHCA's Regulations? Please check your preference.

Yes       No

1. If you checked "Yes" above: please check the appropriate box below indicating the basis of the projects eligibility for a waiver of hearing  
 Energy Conservation       Health, Fire, Building and Life Safety Code  
 Non Substantive
2. Provide supporting documentation from elected town officials (i.e. letter from Mayor's Office).

d. Major Medical and/or Imaging Equipment Acquisition:

Equipment Type	Name	Model	Number of Units	Cost per unit
Bone Density Scanner	Discovery SL-Bone Densitometer	NA	1	\$62,000
Mammography	Selenia	28410072353	1	\$5,420**
X-Ray	Quantum Q-Rad DS-3 Radiographic System	NA	1	\$67,000
Ultrasound	Phillips 100600 iU22 Ultrasound System	100600 iU22	1	\$150,000

Note: Provide a copy of the vendor contract or quotation for each major medical/imaging equipment.  
Please refer to Exhibit A.

\*\*Note: Represents the cost of relocating the mammography equipment.

e. Type of financing or funding source (more than one can be checked):

<input checked="" type="checkbox"/> Applicant's (Hospital) Equity	<input type="checkbox"/> Capital Lease	<input type="checkbox"/> Conventional Loan
<input type="checkbox"/> Charitable Contributions	<input type="checkbox"/> Operating Lease	<input type="checkbox"/> CHEFA Financing
<input type="checkbox"/> Funded Depreciation	<input type="checkbox"/> Grant Funding	
<input type="checkbox"/> Other (specify) _____		

#### SECTION IV. PROJECT DESCRIPTION Please refer to Exhibit B.

In paragraph format, please provide a description of the proposed project, highlighting each of its important aspects, on at least one, but not more than two separate 8.5" X 11" sheets of paper. At a minimum each of the following items need to be addressed, if applicable.

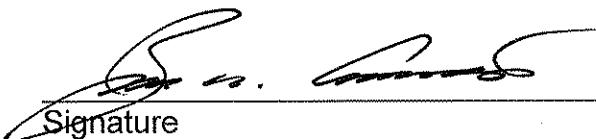
1. List the types of services are currently being provided. If applicable, provide a copy of each Department of Public Health (DPH) license held by the Applicant.
2. List the types of services being proposed and what DPH licensure categories will be sought, if applicable.
3. Identify the current population served and the target population to be served.
4. Identify any unmet need and describe how this project will fulfill that need.
5. Are there any similar existing service providers in the proposed geographic area?
6. Describe the anticipated effect of this proposal on the health care delivery system in the State of Connecticut.
7. Who will be responsible for providing the service?
8. Who are the current payers of this service and identify any anticipated payer changes when the proposed project becomes operational?

## AFFIDAVIT

Applicant: **Lawrence & Memorial Hospital**

Project Title: **Proposal to Establish and Operate Imaging Services  
in Stonington, CT**

I, Bruce D. Cummings, Chief Executive Officer of Lawrence & Memorial Hospital, being duly sworn, depose and state that the information provided in this CON Letter of Intent (Form 2030) is true and accurate to the best of my knowledge, and that Lawrence & Memorial Hospital complies with the appropriate and applicable criteria as set forth in the Sections 19a-630, 19a-637, 19a-638, 19a-639, 19a-486 and/or 4-181 of the Connecticut General Statutes.



Signature

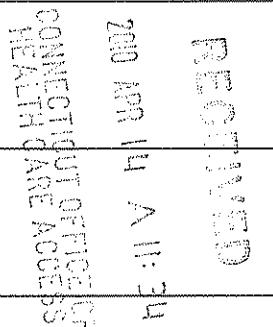
4/9/10

Date

Subscribed and sworn to before me on 4/9/10

Jacqueline Cooper  
Notary Public/Commissioner of Superior Court

My commission expires: 4/30/13



**JACQUELINE S. COOPER**  
NOTARY PUBLIC  
MY COMMISSION EXPIRES JUNE 09, 2013

## **EXHIBIT A**

## Lawrence & Memorial at Stonington Primary Care and Walk-In Center

### Radiology Major Equipment List

12/4/09

#### X-ray: (CR to be relocated from Flanders)

Vendor: Parker X-ray

Manufacturer: Quantum Medical Imaging

Make & Model: Quantum Q-Rad DS-3 Radiographic System

Room Location: 108

Cost: \$67,250

#### Mammography: (Equipment Relocated from Flanders)

Vendor: Hologic

Manufacturer: Hologic

Make & Model: Selenia S#28410072353

Room Location: 141

Cost: Relocation cost \$5420

#### Ultrasound:

Vendor: Philips

Manufacturer: Philips

Make & Model # 100600 iU22 Ultrasound System

Room Locations: 154

Cost: \$149,843.20

#### Bone Density:

Vendor: Hologic

Manufacturer: Hologic

Make & Model: Discovery SL-Bone Densitometer

Room Location: 140

Cost: \$62,000

PHILIPS MEDICAL SYSTEMS N.A.  
 22100 Bothell Everett Highway  
 P.O. Box 3003  
 Bothell, Washington 98041-3003  
 Tel: (800) 722-7900

PHILIPS

Quotation #: 1-NQAJDM	Rev: 4	Effective From: 19-Nov-09	To: 03-Jan-10
Presented To:		Presented By:	
LAWRENCE & MEMORIAL HOSPITAL 365 MONTAUK AVE NEW LONDON, CT 06320		John DeMarsilis <i>Account Manager</i>	Tel: (800) 722-7900 x4158 Fax: (203) 612-3006
		Dan Keating <i>Regional Manager</i>	Tel: (800) 722-7900 x4358 Fax:
<p>Tel:</p> <p>Alternate Address:</p>			
<p>Date Printed: 04-Dec-09</p> <p>Submit Orders To:      22100 Bothell Everett Hwy      Bothell WA 98021-8431      Tel: (800) 982-2011      Fax: (425) 487-8110</p>			

The Service information contained in this Quote is subject to a separate service proposal.

The Lease Information contained in this Quote is subject to a separate leasing proposal.

This quotation contains confidential and proprietary information of Philips Medical Systems and is intended for use only by the customer whose name appears on this quotation. It may not be disclosed to third parties without the prior written consent of Philips Medical Systems.

**IMPORTANT NOTICE:** Health care providers are reminded that if the transactions herein include or involve a loan or discount (including a rebate or other price reduction), they must fully and accurately report such loan or discount on cost reports or other applicable reports or claims for payment submitted under any federal or state health care program, including but not limited to Medicare and Medicaid, such as may be required by state or federal law, including but not limited to 42 CFR 1001.952(h).

### Quote Solution Summary

Line #	Product	Qty	Price
	100600 iU22 Ultrasound System	1	\$149,843.20
Equipment Total:			\$149,843.20

### Solution Summary Detail

Product	Qty	Each	Monthly	Price
100600 iU22 Ultrasound System	1	\$149,843.20		\$149,843.20
60-Month-Equipment+Service-Lease-Fair-Market-Value	60			\$3,720.92

The Lease Information contained in this Quote is subject to a separate leasing proposal. If the trade-in equipment is leased with Philips Medical Capital, then the monthly payment does not apply.

SVC0400 First Response \$1,156.25

The Service information contained in this Quote is subject to a separate service proposal.

Buying Group: MEDASSETS SUPPLY CHAIN SYSTEMS INC Contract #: CE00177

#### Add'l Terms:

Each Quotation solution will reference a specific Buying Group/Contract Number representing an agreement containing discounts, fees, and any specific terms and conditions which will apply to that single quoted solution. If no Buying Group/Contract Number is shown, Philips' Terms and Conditions of Sale will apply to the quoted solution.

Each equipment system listed on purchase order/orders represents a separate and distinct financial transaction. We understand and agree that each transaction is to be individually billed and paid.

**Payment Terms: 0% Down, 0% Upon Shipment, Due When the Product is Available for First Patient Use, 100% due upon Invoicing Net 30**

**100600 iU22 Ultrasound System**

<b>System Type:</b>	New
<b>Freight Terms:</b>	FOB Destination
<b>Warranty Terms:</b>	Part numbers beginning with two (2) asterisks (**) are covered by a System 12 Months Warranty. All other part numbers are third (3rd) party items.
<b>Special Notations:</b>	Configencies must be removed 120 days before scheduled shipment to assure delivery on specified date.
<b>Additional Terms:</b>	Any rigging costs are the responsibility of the Purchaser.

Line #	Part #	Description	Qty	Each	Price
1	**NNAU845	iU22 Vision 2009 System	1	\$80,600.00	\$80,600.00
<b>Intelligent Design</b>					
<b>Ergonomics:</b>					
Unique human-centered design for comfort and convenience					
Fully articulating flicker-free 20-inch wide format high resolution flat panel TFT/S-IPS display with nearly infinite positioning adjustments					
Fully articulating control panel, including height, swivel, and slide					
Easy access transducer connectors and integrated cable storage					
Digitally enhanced 8 speaker high-fidelity stereo audio					
Integrated footrest					
Integrated storage shelves					
4-wheel swivel and swivel/brake lock control					
 <b>Architecture</b>					
xSTREAM system architecture with capability of processing multiple data streams simultaneously built for 2D, 3D, 4D, MPR, Live Volume Imaging and Live xPlane imaging					
Next generation digital broadband acoustic beamforming, built for latest pulse shaping and coding techniques					
Dynamically scalable digital channels up to 57,000, designed to accommodate next generation of high frequency imaging and array configurations					
High-bit, low noise, digital circuitry achieves system dynamic range up to 180dB for improved 2D performance and increased Doppler sensitivity					
New Adaptive Broadband flow imaging automatically adjusts bandwidth for optimal flow sensitivity and resolution					
Next Generation SonoCT Real-Time Compounding, with Widescreen capability and up to 9 beam-steered lines of sight					
XRES Adaptive Image Processing for noise and artifact reduction to improve tissue conspicuity					
Fully-independent, multiple mode-Triplex operation					
 <b>Transducers</b>					
Supports new Explora family of transducers that feature:					
Ergonomic designs with lightweight, flexible cables					
New low-loss technology for better penetration with fewer artifacts					
Breakthrough frequency bandwidths and array configurations					
 <b>Intelligent Control</b>					
<b>Interface</b>					
High-resolution interactive graphical color touch panel with adjustment for various ambient light conditions					
Easy access primary controls with tri-state backlighting and multi-function controls					
<b>Control panel operation of on-board peripheral devices</b>					
Pull out alphanumeric keyboard for manual data entry					
User interface configurable for languages					
 <b>Automation</b>					
iSCAN intelligent one-button optimization in 2D and Doppler modes					
iFOCUS intelligent focusing capability for one-button optimization of focal range size and position					

**100600-U22 Ultrasound System**

Line #	Part #	Description	Qty	Each	Price
		iOPTIMIZE intelligent optimization technologies for one-button approach to instantly adapt performance for different patient sizes, flow states and clinical requirements			
		High-Q Automatic Doppler Analysis			
		Intelligent Tissue Specific Imaging			
		Application-specific and user-definable Quicktext Automatic Annotation			
		QuickSAVE User Defined Programs (up to 45 per transducer)			
		<b>Data</b>			
		On-board workstation-class data management with thumbnail previews and storage of images, loops, and reports			
		Retrospective and prospective clip capture to internal drive or removable media			
		Integrated DVD/CD burning capability for storage of DICOM images or export in JPEG and .avi for PC compatibility			
		DICOM 3.0 Print and Store capability to internal drive or DVD/CD			
		<b>Other Core Features</b>			
		Color Power Angio			
		Tissue Harmonics and Pulse Inversion Harmonic Imaging			
		Basic-3D Imaging capability with MPR-visualization feature			
		2D, M-Mode, Pulsed, High-PRF, Color Flow-Doppler			
		Duplex CW Doppler			
		ECG capability			
		Cineloop Image, M-mode and Doppler Review			
		High Definition Write Zoom and Read Zoom with pan features			
		Chroma Imaging			
		Measurement tools including: distance, depth, area, and circumference			
		Volume Flow Measurements			
2	**NUSD330	Shared Service Clinical Package	1	\$15,600.00	\$15,600.00
		Includes the following:			
		<ul style="list-style-type: none"> <li>• Abdominal Clinical Option</li> <li>• Gynecology Clinical Option</li> <li>• Vascular Clinical Option</li> <li>• Pediatric Radiology Clinical Option</li> <li>• Small-Parts Clinical Option</li> <li>• Musculoskeletal Clinical Option</li> <li>• Adult Cardiology Clinical Option</li> <li>• Obstetrical Clinical Option</li> <li>• Contrast Clinical Option</li> <li>• Urology Clinical Option</li> <li>• TCD Clinical Option</li> </ul>			
3	**NUSB801	NetLink DICOM 3.0	1	\$2,600.00	\$2,600.00
		DICOM 3.0 compliant with support for the following functions: performed procedure step, storage commit, modality worklist, vascular structured reporting, OB structured reporting, GYN structured reporting, and cardiac structured reporting.			
4	**NUSB856	SmartExam Protocol	1	\$2,600.00	\$2,600.00
		SmartExam system-guided protocols with new features that include exam record and automatic mode switching to greatly improve workflow efficiencies			

**100600 iU22 Ultrasound System**

Line #	Part #	Description	Qty	Each	Price
5	**NUSB127	Tissue Doppler Imaging (TDI) Is a velocity-based color Doppler and pulsed Doppler technology to evaluate and measure intra-myocardial velocities. Used in Strain Quantification to evaluate regional myocardial function by measuring and comparing myocardial velocities.	1	\$2,600.00	\$2,600.00
6	**NUSB806	Intima Media Thickness (IMT) Quantification Provides automated measurements of intima media thickness in carotids and other superficial vessels. Eliminates the laborious process of manually positioning cursors minimizing the time needed to complete an IMT study.	1	\$1,040.00	\$1,040.00
PC Requirements for IMT ROI Parametric and Strain Plug-ins					
		<ul style="list-style-type: none"> <li>Windows 2000/XP PRO Operating System</li> <li>800 MHz Processor Speed</li> <li>512 MB RAM</li> <li>1024 x 768 Color Resolution (24 bit color)</li> <li>24x CD-ROM drive</li> <li>5.25" MOD drive (if transferring 2D files from SONOS to QLAB)</li> <li>3.5" MOD drive (if transferring 2D files from HDI to QLAB)</li> </ul>			
7	**FUS7262	S5-1 Broadband Phased Array Transducer Sector array transducer with 5 to 1 MHz extended operating frequency range for adult cardiology, adult abdominal vascular, adult renal and TCD applications	1	\$9,360.00	\$9,360.00
8	**FUS7271	L9-3 Broadband Linear Array transducer Linear Array transducer with 9 to 3 MHz extended operating frequency range for cerebrovascular and peripheral vascular applications, to include deep venous imaging. Provides unprecedented clinical performance for demanding vascular exams.	1	\$7,800.00	\$7,800.00
9	**FUS7272	L12-5 50mm Broadband Linear Array transducer Fine pitch, 256 element, high resolution linear array transducer with 12 to 5 MHz extended operating frequency range for high resolution superficial applications, including small parts, breast, vascular and musculoskeletal imaging.	1	\$7,800.00	\$7,800.00
10	**FUS7285	C5-1 Broadband Curved Array Transducer PureWave curved array transducer with 5 to 1 MHz extended operating frequency range. Must be at Vison 2008 or must purchase Vision 2009 software upgrade.	1	\$10,400.00	\$10,400.00
iU22 customers: C5-1 PureWave Curved Array for high performance OB/GYN, Abdominal and Interventional applications. Now, one transducer provides exceptional clinical performance for a wide range of patient types including obese and technically challenging patients.					
iE33 customers: For general purpose adult abdominal vascular and OB fetal echo applications.					
11	**FUS7281	C8-4v Broadband Curved Array transducer Curved Array transducer with 8 to 4 MHz extended operating frequency range, end-fire sector, 11mm radius curvature, 135 degree field-of-view, for endovaginal applications.	1	\$7,800.00	\$7,800.00

**100600 IU22 Ultrasound System**

Line #:	Part #:	Description	Qty	Each	Price
12	**FUS7290	D2cwc Static Transducer Non-imaging 2-MHz PW/GW/Doppler transducer for cardiac applications	1	\$624.00	\$624.00
13	**EUS7000	English Manual Operation Manual	1	(\$0.00)	(\$0.00)
14	**NUSA585	UP897 B&W Printer Internal UP895 black and white printer	1	\$910.00	\$910.00
15	**NNAU869	IU22 Clinical Education Customer training for days 1 and 2 includes training on basic system functionality, including an overview of system maintenance, system controls, image optimization, system setups, annotation, analysis, reporting, iCOMMAND, review and image management and reporting. Training Objectives: After training, the customer will be competent in: <ul style="list-style-type: none"><li>Locating system controls and peripherals</li><li>Using the IU22 to perform ultrasound exams, including measurement, analysis and reporting</li></ul> Education is provided Monday - Friday during normal business hours. Note: Philips Healthcare personnel are not responsible for actual patient contact or operation of equipment during education sessions except to demonstrate proper equipment operation. The training sessions should be attended by Ultrasound Technologist's as identified by the department director. Site must be patient-ready. On-site training days 1 and 2 are delivered consecutively and expire within 90 days of date of system installation or one (1) year from purchase date if sold separately. Due to travel and scheduling requirements, a twenty-one (21) day notification of cancellation is required or training / education entitlements will be forfeited.	1	(\$0.00)	(\$0.00)
16	**989801290056	Civco 610-942 Transducer Storage Rack Transducer Storage rack and Stabilizer: New! Improved Design. The Philips transducer storage rack-includes-a-stabilizer-to-provide-a-convenient-and-safe-storage-location—now-for-endocavity transducers as well as general purpose transducers. The new transducer stabilizer neatly secures transducers-in-a-stable-and-upright-position, providing protective boundaries between transducers. Properly storing your transducer provides added protection from physical damage and impact with other objects. This sturdy, metal transducer rack supports up to four transducers and four stabilizers. Wall mounting hardware and one stabilizer included. Rack dimensions: 50.2 x 24.1 x 18-cm (19.8" x 9.5" x 7.1") Stabilizers also sold separately. For use with transducers on these ultrasound systems: IE33, IU22, HDI 4000, HDI 5000, HDII XE – compatible with Explora transducers.	1	\$83.20	\$83.20
17	**989801290057	Civco 610-957 Transducer Stabilizer	1	\$26.00	\$26.00

100600 IU22 Ultrasound System

Line #	Part #	Description	Qty	Each	Price
		Transducer Stabilizer: For use with the Philips transducer storage rack includes a stabilizer (part number 610-942) to provide a convenient and safe storage location – now for endocavity transducers as well as general purpose transducers. The new transducer stabilizer neatly secures transducers in a stable and upright position, providing protective boundaries between transducers. Properly storing your transducer provides added protection from physical damage and impact with other objects. This sturdy, metal transducer rack supports up to four transducers and four stabilizers. Wall-mounting hardware and one stabilizer included. Rack dimensions: 50.2" x 24.1" x 18 cm (19.8" x 9.5" x 7.1") For use with transducers on these ultrasound systems: iE33, IU22, HDI 4000, HDI 5000; HDII XE – compatible with Explora transducers			

100600 iU22 Ultrasound System

LIST PRICE	\$288,160.00
DISCOUNT	\$138,316.80
NET PRICE	\$149,843.20

Buying Group: MEDASSETS SUPPLY CHAIN SYSTEMS INC Contract #: CE00177

Add'l Terms:

Each Quotation solution will reference a specific Buying Group/Contract Number representing an agreement containing discounts, fees and any specific terms and conditions which will apply to that single quoted solution. If no Buying Group/Contract Number is shown, Philips' Terms and Conditions of Sale will apply to the quoted solution.

Each equipment system listed on purchase order/orders represents a separate and distinct financial transaction. We understand and agree that each transaction is to be individually billed and paid.

Price above does not include any applicable sales taxes.

The preliminary delivery request date for this equipment is: \_\_\_\_\_

If you do not issue formal purchase orders indicate by initialing here \_\_\_\_\_

Tax Status:

Taxable \_\_\_\_\_ Tax Exempt \_\_\_\_\_

If Exempt, please indicate the Exemption Certification Number: \_\_\_\_\_, and attach a copy of the certificate.

Delivery/Installation Address:

Invoice Address:

Contact Phone #:

Contact Phone #:

Purchaser approval as quoted:

Date:

Title:

This quotation is signed and accepted by an authorized representative in acknowledgement of the system configuration, terms and conditions stated herein.

## Philips Standard Terms and Conditions of Sale

The products and services listed in the quotation are offered by Philips Medical Systems North America Company ("Philips") only under the terms and conditions described below.

**1. Price; Taxes.** The purchase price stated in the quotation does not include applicable sales, excise, use, or other taxes in effect or later levied. Unless Customer provides Philips with an appropriate exemption certificate reasonably in advance of the date the product is available for delivery, Philips shall invoice Customer for those taxes, and Customer shall pay those taxes in accordance with the terms of the invoice.

**2. Cancellation.** Philips' cancellation policies are set forth in the applicable schedule attached to these Terms and Conditions of Sale.

### 3. Payment Terms.

- 3.1 Unless otherwise specified in the quotation, Philips will invoice Customer, and Customer will immediately pay such invoice on receipt for each product in accordance with the payment terms set forth in the applicable schedule attached to these Terms and Conditions of Sale.
- 3.2 Orders are subject to Philips' on-going credit review and approval.
- 3.3 Customer shall pay interest on any amount not paid when due at the maximum rate permitted by applicable law. If Customer fails to pay any amount when due, in addition to any other rights or remedies available to Philips at law or in equity, Philips may discontinue the performance of services, discontinue the delivery of the product, or deduct the unpaid amount from any amounts otherwise owed to Customer by Philips under any agreement with Customer. In any action initiated to enforce the terms of the quotation following a Customer default or product cancellation under an order arising from the quotation, Philips shall be entitled to recover as part of its damages all costs and expenses, including reasonable attorneys' fees, in connection with such action.

**4. Trade-In.** If Customer will be trading-in any equipment (a "Trade-In"), then

- (i) Customer represents and warrants that Customer has, and shall have when title passes, good and marketable title to such Trade-In.
- (ii) Title to such Trade-In shall pass from Customer to Philips upon Philips making the new equipment available for first patient use. Removal of the Trade-In from Customer's site shall occur no later than the date Philips makes the new product available for first patient use, unless otherwise agreed between Philips and the Customer; and,
- (iii) Notwithstanding anything to the contrary in any Business Associate Addendum, Customer represents and warrants that Customer has removed or de-identified all Protected Health Information from the Trade-In equipment as of the date the equipment is removed.
- (iv) If the condition of the Trade-In is not substantially the same when Philips removes the Trade-In (ordinary wear and tear excepted) as it was when Philips quoted the Trade-In value, then Philips may reduce the price quoted for such Trade-In and;
- (v) If Customer delays the removal of the Trade-In, then Philips may reduce the price quoted for such Trade-In.

**5. Leases.** In the event Customer desires to convert the purchase of any product to a lease, Customer will arrange for the lease agreement and all other related documentation to be reviewed and approved by Philips not later than ninety days prior to the date of the availability for delivery of major components of the product. The Customer is responsible for converting the transaction to a lease, and is required to secure the leasing company's approval of all of these Terms and Conditions of Sale. No product will be delivered to the Customer until Philips has received copies of the fully executed lease documents and has approved the same.

**6. Security Interest.** Customer hereby grants to Philips a purchase money security interest in the products until all payments have been made. Customer shall sign any financing statements or other documents necessary to perfect Philips' security interests in the products. Where permitted by applicable law, Customer's signature on the quotation or on a purchase order issued as a result of the quotation gives Philips the right to sign on Customer's behalf and file any financing statement or other documents to perfect Philips' security interest in the product.

### 7. Shipment and Risk of Loss.

- 7.1 The applicable schedule attached to these Terms and Conditions of Sale shall apply for delivery.
- 7.2 Title to any product (excluding software), and the risk of loss or damage to any product shall pass to the Customer F.O.B. destination. Customer shall obtain and pay for insurance covering such risks at destination.

### 8. Installation.

- 8.1 Customer shall provide Philips full and free access to the installation site and suitable and safe space for the storage of the products before installation. The products will be installed during normal working hours. Philips will unpack the product, construct applicable pads (if required for certain products), connect the product to a safety switch or breaker to be installed by the Customer, and calibrate and test the product. Customer shall provide any and all plumbing, carpentry work, conduit, wiring, including communications and/or computer wiring, network equipment, power supply, surge suppression and power conditioning (except to the extent they are expressly included in the quotation), fire protection and environmental controls, ground fault and isolation system, and other fixtures and utilities required to properly attach, install, and use the product. If local labor conditions require the use of non-Philips employees to participate in the installation of the product, then such participation of non-Philips employees shall be at Customer's expense. In such case, Philips will provide engineering supervision during the installation.
- 8.2 Customer shall be responsible, at its expense, for the preparation of the installation site where the product will be installed including any required structural alterations. The site preparation shall be in compliance with all safety, electrical, RF or magnetic shielding and acoustical suppression and building codes relevant to the product and its installation and use. The sufficiency of any installation site plans shall be the responsibility of Customer. Customer shall advise Philips of conditions at or near the site that could adversely affect the installation and shall ensure that those conditions are corrected and that the site is fully prepared and available to Philips before installation work begins. Customer, at its expense, shall obtain all permits and licenses required by federal, state, or local authorities in connection with the installation and operation of the product, including any certificate of need and zoning variances. PHILIPS MAKES NO WARRANTY AND ASSUMES NO LIABILITY FOR THE FITNESS OR ADEQUACY OF THE SITE IN WHICH THE PRODUCT IS TO BE INSTALLED OR USED.

- 8.3 Customer shall ensure, at no charge to Philips, that there are no obstacles preventing Philips from moving the product from the entrance of the Customer's premises to the installation site. Customer shall be responsible, at its expense, for rigging, the removal of partitions or other obstacles, and restoration work. Philips assumes that no hazardous materials exist at the installation site. If any such materials exist, Customer shall be responsible for the proper removal and disposal of the materials at Customer's expense.
- 8.4 Customer will (i) provide Philips with a secure location at Customer's premises to store one Philips remote services network router (or a Customer-owned router acceptable to Philips at Customer's option) for connection to the Equipment and to Customer's network; and (ii) at all times during the warranty period provide Philips with full and free access to the router and a dedicated broadband Internet access node, including but not limited to public and private interface access, suitable to establish a successful connection to the products through the Philips RSN and Customer's network for Philips' use in remote servicing of the product, remote assistance to personnel that operate the products, updating the products software, transmitting automated status notifications from the product and regular uploading of products data files (such as but not limited to error logs and utilization data for improvement of Philips products and services and aggregation into services). Customer's failure to provide such access at the scheduled time will constitute Customer's waiver of the scheduled planned maintenance service and will void support or warranty coverage of product malfunctions until such time as planned maintenance service is completed or RSN access is provided. Customer agrees to pay Philips at the prevailing demand service rates for all time spent by Philips service personnel waiting for access to the products.

#### 9. Product Warranty.

- 9.1 If a separate product warranty page prints on this quotation, that product warranty applies to your purchase and is incorporated herein. If there isn't a separate warranty document printed on this quote, Section 9.2-9.5 applies to your purchase of that product.
- 9.2 Philips warrants to Customer that the Philips equipment (including its operating software) will perform in substantial compliance with its performance specifications in the documentation accompanying the products, for a period of 12 months beginning upon availability for first patient use. For a period of ninety (90) days from the date Philips makes Stand-alone Licensed Software available for first patient use, such Stand-alone Licensed Software shall substantially conform to the technical user manual that ships with the Stand-alone Licensed Software. "Stand-alone Licensed Software" shall mean sales of Licensed Software without a contemporaneous purchase of a server for the Licensed Software. In the event Philips is not the installer of the Stand-alone Licensed Software, the foregoing warranty period shall commence upon shipment. If the start of the installation is delayed for any reason beyond the control of Philips for more than thirty days following the date that Philips notifies Customer that the major components of the product are available for delivery, the warranty period begins on the thirty-first day following that date.
- 9.3 Philips' sole obligations and Customer's exclusive remedy under any product warranty 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 purchase price paid by the Customer. Any refund will be paid to the Customer when the product is returned to Philips. Warranty service outside of normal working hours (i.e., 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding Philips' observed holidays), will be subject to payment by Customer at Philips' standard service rates.
- 9.4 This warranty is subject to the following conditions: the product (a) is to be installed by authorized Philips representatives (or is to be installed in accordance with all Philips installation instructions by personnel trained by Philips), (b) is to be operated exclusively by duly qualified personnel in a safe and reasonable manner in accordance with Philips written instructions and for the purpose for which the products were intended, (c) is to be maintained and in strict compliance with all recommended and scheduled maintenance instructions provided with the product; and Customer is to notify Philips immediately in the event the product at any time fails to meet its printed performance specifications. Philips' obligations under any product warranty do not apply to any product defects resulting from improper or inadequate maintenance or calibration by the Customer or its agents; Customer or third party supplied interfaces, supplies, or software including without limitation loading of operating system patches to the Licensed Software and/or upgrades to anti-virus software (except DAT file changes) running in connection with the Licensed Software without prior validation approval by Philips; 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 viruses or similar software interference resulting from connection of the product to a network. Philips does not provide a warranty for any third party products furnished to Customer by Philips under the quotation; however, Philips shall use reasonable efforts to extend to Customer the third party warranty for the product. The obligations of Philips described herein and in the applicable product-specific warranty document are Philips' only obligations and Customer's sole and exclusive remedy for a breach of a product warranty.
- 9.5 THE WARRANTIES SET FORTH HEREIN AND IN PHILIPS' WARRANTY DOCUMENT WITH RESPECT TO A PRODUCT (INCLUDING THE SOFTWARE PROVIDED WITH THE PRODUCT) ARE THE ONLY WARRANTIES MADE BY PHILIPS IN CONNECTION WITH THE PRODUCT, THE SOFTWARE, AND THE TRANSACTIONS CONTEMPLATED BY THE QUOTATION, AND ARE EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, WHETHER WRITTEN, ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Philips may use refurbished parts in the manufacture of the products which are subject to the same quality control procedures and warranties as for new products.

10. Philips Proprietary Service Materials: Any Philips maintenance or service software and documentation provided with the product and/or located at Customer's premises is intended solely to assist Philips and its authorized agents to install and to test the products or to assist Philips and its authorized agents to maintain and to service the products under warranty or a separate support agreement with Customer. Customer agrees to restrict access to such software and documentation to Philips' employees and those of Philips' authorized agents only.

#### 11. Patent Infringement Claims.

- 11.1 Philips shall defend or settle any claim against Customer that a Philips product provided in the quotation infringes a valid claim under a United States patent provided that Customer: (i) provides Philips prompt written notice of the claim;

- (ii) grants Philips full and complete information and assistance necessary for Philips to defend, settle, or avoid the claim, and (iii) gives Philips sole control of the defense or settlement of the claim.
- 11.2 The provisions of this section shall not apply in the event of any sale or other transfer of the product by Customer.
- 11.3 In the event (a) the product is found or believed by Philips to infringe such a claim, or (b) Customer has been enjoined from using the Philips product pursuant to an injunction issued by a court of competent jurisdiction, Philips may, at its option, (i) procure the right for Customer to use the product, (ii) replace or modify the product to avoid infringement, or (iii) refund to Customer a portion of the product purchase price upon the return of the original product. Philips shall have no obligation for any claim of infringement arising from: Philips' compliance with Customer's designs, specifications, or instructions; Philips' use of technical information or technology supplied by Customer; modifications to the product by Customer or its agents; use of the product other than in accordance with the product specifications or applicable written product instructions; use of the product with products not manufactured by Philips; if infringement would have been avoided by the use of a current unaltered release of the products and Philips provided Customer written notification that use of such release was mandatory; or use of the products after Philips has offered Customer one of the options described herein. The terms in this section state Philips' entire obligation and liability for claims of infringement, and Customer's sole remedy in the event of a claim of infringement.

**12. Limitation of Liability.** THE TOTAL LIABILITY, IF ANY, OF PHILIPS FOR ALL DAMAGES AND BASED ON ALL CLAIMS, WHETHER ARISING FROM BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHER TORT, OR OTHERWISE, ARISING FROM A PRODUCT, LICENSED SOFTWARE, AND/OR SERVICE IS LIMITED TO THE PRICE PAID HEREUNDER FOR THE PRODUCT, LICENSED SOFTWARE, OR SERVICE. THIS LIMITATION SHALL NOT APPLY TO THIRD PARTY CLAIMS FOR BODILY INJURY OR DEATH CAUSED BY PHILIP'S NEGLIGENCE OR PROVEN PRODUCT DEFECT.

**13. Disclaimer.** IN NO EVENT SHALL PHILIPS BE LIABLE FOR ANY INDIRECT, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUES OR PROFITS, BUSINESS INTERRUPTION, LOSS OF DATA, OR THE COST OF SUBSTITUTE PRODUCTS OR SERVICES WHETHER ARISING FROM BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHER TORT.

**14. Confidentiality.** Each party shall maintain as confidential any information furnished or disclosed to one party by the other party, whether disclosed in writing or disclosed orally, relating to the business of the disclosing party, its customers and/or its patients, and the quotation and its terms, including the pricing terms under which Customer has agreed to purchase the products. Each party shall use the same degree of care to protect the confidentiality of the disclosed information as that party uses to protect the confidentiality of its own information, but in no event less than a reasonable amount of care. Each party shall disclose such confidential information only to its employees having a need to know such information to perform the transactions contemplated by the quotation. The obligation to maintain the confidentiality of such information shall not extend to information in the public domain at the time of disclosure, and/or information that is required to be disclosed by law or by court order.

**15. Compliance with Laws & Privacy.** Each party shall comply with all laws, rules, and regulations applicable to the party in connection with the performance of its obligations in connection with the transactions contemplated by the quotation, including, but not limited to, those relating to affirmative action, fair employment practices, FDA, Medicare fraud and abuse, and the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). Health care providers are reminded that if the purchase includes a discount or loan, they must fully and accurately report such discount or loan on cost reports or other applicable claims for payment submitted under any federal or state health care program, including but not limited to Medicare and Medicaid, as required by federal law (see 42 CFR 1001.952[b]).

In the course of providing project implementation related services and/or warranty services to Customer, hereunder, it may be necessary for Philips to have access to, view and/or download computer files from the products that might contain Personal Data. "Personal Data" shall mean information relating to an individual, from which that individual can be directly or indirectly identified. Personal Data can include both personal health information (e.g., images, heart monitor data, medical record number) and non-health information (e.g., date of birth, gender). Philips will process Personal Data only to the extent necessary to perform and/or fulfill its project implementation related service, warranty service and/or warranty obligations hereunder.

**16. General Terms.** The following additional terms shall be applicable to the purchase of a product:

- 16.1 **Force Majeure.** Each party shall be excused from performing its obligations (except for payment obligation) arising from any delay or default caused by events beyond its reasonable control including, but not limited to, acts of God, acts of third parties, acts of any civil or military authority, fire, floods, war, 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.
- 16.2 **Bankruptcy.** If Customer becomes insolvent, is unable to pay its debts when due, files for bankruptcy, is the subject of involuntary bankruptcy, has a receiver appointed, or has its assets assigned, Philips may cancel any unfulfilled obligations, or suspend performance; however, Customer's financial obligations to Philips shall remain in effect.
- 16.3 **Assignment.** Customer may not assign any rights or obligations in connection with the transactions contemplated by the quotation without the prior written consent of Philips, which consent shall not be unreasonably withheld, and any attempted assignment without such consent shall be of no force or effect.
- 16.4 **Export.** Customer shall assume sole responsibility for obtaining any required export authorizations in connection with Customer's export of the products from the country of delivery.
- 16.5 **Governing Law.** All transactions contemplated by the quotation shall be governed by the laws of the state where the equipment will be installed, without regard to that state's choice of law principles, and expressly excluding application of the Uniform Computer Information Transactions Act ("UCITA"), in any form.
- 16.6 **Entire Agreement.** These Terms and Conditions of Sale, the terms and conditions set forth in the quotation and the applicable Philips' product-specific warranty document constitute the entire understanding and agreement by and between the parties with respect to the transactions contemplated by the quotation, and supersede any previous understandings or agreements between the parties, whether written or oral, regarding the transactions contemplated by the quotation. The pricing in the quotation is based upon the terms and conditions in the quotation. No additional terms, conditions, consents, waivers, alterations, or modifications shall be binding unless in writing and signed by the parties. Customer's additional or different terms

and conditions, whether stated in a purchase order or other document issued by Customer, are specifically rejected and shall not apply to the transactions contemplated by the quotation.

- 16.7 **Headings.** The headings in the quotation are intended for convenience only and shall not be used to interpret the quotation.
- 16.8 **Severability.** If any provision of the quotation is deemed to be illegal, unenforceable, or invalid, in whole or in part, the validity and enforceability of the remaining provisions shall not be affected or impaired, and shall continue in full force and effect.
- 16.9 **Notices.** Notices or other communications shall be in writing, and shall be deemed served if delivered personally, or if sent by facsimile transmission, by overnight mail or courier, or by certified mail, return receipt requested and addressed to the party at the address set forth in the quotation.
- 16.10 **Performance.** The failure of Customer or of Philips at any time to require the performance of any obligation will not affect the right to require such performance at any time thereafter. Course of dealing, course of performance, course of conduct, prior dealings, usage of trade, community standards, industry standards, and customary standards and customary practice or interpretation in matters involving the sale, delivery, installation, use, or service of similar or dissimilar products or services shall not serve as references in interpreting the terms and conditions of the quotation.
- 16.11 **Obligations.** Customer's obligations are independent of any other obligations the Customer may have under any other agreement, contract, or account with Philips. Customer will not exercise any right of offset in connection with the terms and conditions in the quotation or in connection with any other agreement, contract, or account with Philips.
- 16.12 **Additional Terms.** Schedule 1 is incorporated herein and its additional terms shall apply solely to Customer's purchase of X-Ray, Computed Tomography, Magnetic Resonance, Nuclear Medicine and Ultrasound products (including Image Guided Intervention and Therapy (IGIT) products). In the event any terms set forth in a schedule conflict with terms set forth in these Terms and Conditions of Sale, the terms set forth in the schedule shall govern.

#### **OPERATING SOFTWARE LICENSE**

##### **1. License Grant**

- 1.1 Subject to any usage limitations for the Licensed Software set forth on the product description of the quotation, Philips grants to Customer a nonexclusive, and non-transferable, right and license to use the computer software package (the "Licensed Software") in accordance with the terms of the quotation. The License shall continue for as long as Customer continues to own the product, except that Philips may terminate the License in the event of any breach or default by Customer. Customer shall return the Licensed Software and any authorized copies thereof to Philips immediately upon expiration or termination of this License.
- 1.2 The License does not include any right to use the Licensed Software for purposes other than the operation of the product. Customer may make one copy of the Licensed Software in machine-readable form solely for backup purposes. Otherwise, except as otherwise provided under section 1.6, Customer may not copy, reproduce, sell, assign, transfer, or sublicense the Licensed Software for any purpose without the prior written consent of Philips. Customer shall reproduce Philips' copyright notice or other identifying legends on such copies or reproductions. Customer will not (and will not allow any third party to) decompile, disassemble, or otherwise reverse engineer or attempt to reconstruct or discover the product or Licensed Software by any means whatsoever.
- 1.3 The License shall not affect the exclusive ownership by Philips of the Licensed Software or of any trademarks, copyrights, patents, trade secrets, or other intellectual property rights of Philips (or any of Philips' suppliers) relating to the Licensed Software.
- 1.4 Customer agrees that only authorized officers, employees, and agents of Customer will use the Licensed Software or have access to the Licensed Software (or to any part thereof), and that none of Customer's officers, employees, or agents will disclose the Licensed Software, or any portion thereof, or permit the Licensed Software, or any portion thereof, to be used by any person or entity other than those entities identified on the quotation. Customer acknowledges that certain of Philips' rights may be derived from license agreements with third parties, and Customer agrees to preserve the confidentiality of information provided by Philips under such third party license agreements.
- 1.5 The Licensed Software shall be used only on the product(s) referenced in the quotation.
- 1.6 Customer may transfer the Licensed Software in connection with sale of the product to a healthcare provider who accepts all of the terms and conditions of this License; provided that Customer is not in breach or default of this License, the Terms and Conditions of Sale, or any payment obligations to Philips.

##### **2. Modifications**

- 2.1 If Customer modifies the Licensed Software in any manner, all warranties associated with the Licensed Software and the products shall become null and void, if Customer or any of its officers, employees, or agents should devise any revisions, enhancements, additions, modifications, or improvements in the Licensed Software, Customer shall disclose them to Philips, and Philips shall have a non-exclusive royalty-free license to use and to sub-license them.
- 2.2 The Licensed Software is licensed to Customer on the basis that (i) Customer shall maintain the configuration of the products as they were originally designed and manufactured and (ii) the product includes only those subsystems and components certified by Philips. The Licensed Software may not perform as intended on systems modified by other than Philips or its authorized agents, or on systems which include subsystems or components not certified by Philips. Philips does not assume any responsibility or liability with respect to unauthorized modification or substitution of subsystems or components.

##### **3. Open Source**

- 3.1 Customer's rights under this License are conditioned upon Customer not performing, and Customer shall not perform, any actions in a manner that would require any software furnished with the product, or the product and/or any derivative work thereof, to be licensed under Open License Terms. These actions include but are not limited to:
  - (i) combining such software, the product or a derivative work thereof with Open Source Software by means of incorporation,

linking or otherwise; or  
(ii) distributing such software, the product or a derivative work thereof with Open Source Software; or  
(iii) using Open Source Software to create a derivative work of the product or such software, insofar as these actions would require such software, the product or a derivative work thereof to be licensed under Open License Terms.

3.2. As used herein, "Open Source Software" means any software that is licensed under Open License Terms. "Open License Terms" means terms in any license agreement or grant that requires as a condition of use, modification and/or distribution of a work that:

(i) source code will be made available, or  
(ii) permission will be granted for creating derivative works, or  
(iii) a royalty-free license be granted to any party under any intellectual property right regarding that work and/or any other work that contains, is combined with, requires or is based on that work.

3.3. Customer shall indemnify Philips and its affiliates against and hold Philips and its affiliates harmless from any damage or costs arising from or in connection with any violation or breach of the provisions of this Section 3, and Customer shall reimburse all costs and expenses incurred by Philips and/or its affiliates in defending any claim, demand, suit or proceeding arising from or in connection with such violation or breach.

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**Schedule 1**  
**General X-Ray, Computed Tomography (CT), Magnetic Resonance (MR), Cardiovascular (CV), Positron Emission Tomography (PET), Nuclear Medicine (NM), and Ultrasound products (including IGIT Products)**

**1. Payment Terms.** Unless otherwise specified in the quotation, Philips will invoice Customer, and Customer will immediately pay such invoice on receipt, as follows:

(a) For X-Ray, Computed Tomography, Magnetic Resonance, and Nuclear Medicine products:

- (i) 10% of the purchase price shall be due with Customer's acceptance of the quotation.
- (ii) 70% of the purchase price shall be due on delivery of the major components of the product. Product installation will not begin until Customer has paid this portion of the purchase price.
- (iii) 20% of the purchase price shall be due when the product is available for first patient use. Available for first patient use means the product has been installed and substantially meets Philips' published specifications. If the start of the installation is delayed for any reason beyond the control of Philips for more than thirty days following the date that Philips notifies Customer that the major components of the product are available for delivery, the unpaid portion of the purchase price shall be due on the thirty-first day following such date.

(b) For Ultrasound products (including IGIT Products):

100% of the purchase price shall be due thirty days from Philips' invoice date.

**2. Cancellation.**

(a) All schedule 1 Products, except Ultrasound. The quotation is subject to change or withdrawal prior to written acceptance by Customer. All purchase orders issued by Customer are subject to acceptance by Philips. If Customer cancels an order prior to product delivery, Customer shall pay a cancellation charge of fifteen percent (15%) of the net order price. Orders are non-cancellable for products delivered.

(b) Ultrasound. The quotation is subject to change or withdrawal prior to written acceptance by Customer. All purchase orders issued by Customer are subject to acceptance by Philips. If Customer cancels an order after an ultrasound product has shipped, Customer shall pay a cancellation charge of fifteen percent (15%) of the net order price for the product cancelled.

**3. Delivery.**

- 3.1. Philips will use reasonable efforts to ship the product to the Customer by the (i) mutually agreed upon shipment date, or (ii) by the date stated in the quotation, or (iii) as otherwise agreed in writing. Philips will ship the product according to Philips' standard commercial practices. Philips may make partial shipments. Philips will pay shipping costs associated with product shipment. Prior to the shipment of any product, Philips may change the construction or the design of the product without notice to the Customer so long as the function, footprint, and performance of the product are not substantially altered.
- 3.2. If Customer requests a delay in the date major components of the product are available for delivery, then Philips will place the product in storage and the unpaid portion of the purchase price shall be due. Customer will reimburse Philips for all storage fees incurred upon receipt of invoice.

**4. Additional Customer Installation obligations for Magnetic Resonance.** Customer, Customer's contractor, or Customer's architect is required to provide detailed information on the proposed Helium Exhaust Pipe for their MRI system prior to installation to ensure safety specifications are being met.

Required Details include:

- Architectural drawing or sketch with complete dimensions including lengths, bending radii, bending angles, and pipe diameters for entire Helium Exhaust Pipe run from RF enclosure to discharge location.

- Completed Helium Exhaust Pipe Verification Checklist (Provided by Local PHILIPS Project Manager)

- Picture showing the area where the Helium Exhaust Pipe will discharge.

Magnets will not be released for delivery unless and until Helium Exhaust Pipe details are provided for verification and have been confirmed to meet all life safety specifications.

**5. Additional Terms Related to Sales of IGIT products**

(a) As part of installation, Philips will connect the IGIT product to such DICOM compatible scanners as Customer may designate (in writing), including CT and MR scanners and, if ultrasound navigation is included in the product, an IU22 ultrasound system.

(b) If Customer requires that Philips connect the IGIT product to more than two (2) scanners or other devices, then Philips shall invoice Customer (and Customer shall pay) for installation services (at Philips's then-current daily service rate).

(c) Philips warrants to Customer that Tools purchased concurrently with the IGIT product (other than consumables) will perform in substantial compliance with the performance specification laid out in user documentation specific to the Tool for a thirty (30) day period starting from the shipment date. Philips warrants to Customer that Tools (other than consumables) that Customer purchases subsequently to its initial purchase of the IGIT product will perform in substantial compliance with the performance specifications laid out in user documentation specific to the Tool for a thirty (30) day period following the date of delivery of such Tools. "Tools" means tools certified by Philips as components of or accessories for the IGIT product, whether included in the initial order as set out in the Quotation or separately and, in each case, includes dynamic references, instruments, and pointers.

(d) Training on the IGIT product is not included with the purchase of the IGIT product unless it is separately identified on the quotation.

## PHILIPS PRODUCT WARRANTY

### ULTRASOUND SYSTEMS

This product warranty document is an addition to the terms and conditions set forth in the quotation to which this warranty document is attached. The terms and conditions of the quotation are incorporated into this warranty document. The capitalized terms herein have the same meaning as set forth in the quotation.

#### TWELVE-MONTH SYSTEM WARRANTY

Philips warrants to Customer that the Ultrasound Systems described in the quotation (the "System") as delivered to Customer will perform in substantial compliance with its published performance specifications for a period of twelve (12) months after completion of installation or first patient use, whichever occurs first.

#### PLANNED MAINTENANCE

During the warranty period, Philips' service personnel will schedule planned maintenance visits in advance at a mutually agreeable time on weekdays, between 8:00 A.M. and 5:00 P.M., excluding Philips observed holidays.

#### SYSTEM OPTIONS

Any Philips authorized options or accessories for the System which are delivered to, and/or installed by, Philips hereafter on the System shall be subject to the same warranty terms contained in the first paragraph of this warranty, except that such warranty shall expire a) upon termination of the initial twelve (12) month warranty period for the System on which the option or accessory is installed, or b) after ninety (90) days from the date of installation, or c) on the annual renewal date of any current service agreement on the System.

#### SYSTEM UPGRADES

Any Philips-authorized upgrade to the System which is hereafter installed by Philips shall be subject to the warranty terms contained in the first paragraph of this warranty, except that such warranty shall expire a) upon termination of the initial twelve (12) month warranty period for the System on which the upgrade is installed, b) after ninety (90) days from the date of installation, or c) on the annual renewal date of any current service agreement on the System.

#### SYSTEM SOFTWARE AND SOFTWARE UPDATES

The software provided with the System will be the latest version of the standard software available for that System as of the 90th day prior to the date the System is delivered to Customer. Updates to standard software for the System that do not require additional hardware, or equipment modifications, will be performed as a part of normal warranty service during the term of the warranty.

All software is and shall remain the sole property of Philips or its software suppliers. Use of the software is subject to the terms of a separate software license agreement. Customer must sign all such license agreements prior to or upon the delivery of the product. No license or other right is granted to Customer or to any other party to use the software except as set forth in the license agreements. Any Philips maintenance or service software and documentation provided with the System, and/or located at Customer's premises, is intended solely to assist Philips and its authorized agents to install and to test the System, to assist Philips and its authorized agents to maintain and to service the System under a separate support agreement with Customer, or to permit Customer to maintain and service the System. Customer agrees to restrict the access to such software and documentation to Philips' employees and those of its authorized agents, and to authorized employees of Customer only.

#### WARRANTY EXCLUSIONS

In addition to the exclusions set forth in the quotation, the warranty services do not include:

- a. servicing or replacing components of the System other than those listed in the exhibits;
- b. providing any service or parts specifically excluded under the quotation;
- c. providing or paying the cost of any rigging, facility, structural alteration, or accessory incident to the services or System;
- d. servicing the System if the System site or System is contaminated with blood or other potentially infectious substances;
- e. any service necessary due to: (1) a design, specification or instruction provided by Customer or Customer representative; (2) the failure of anyone other than Philips' subcontractor or Philips to comply with Philips' written instructions or recommendations; (3) any combining of the System with a product or software of other manufacturers other than those recommended by Philips; (4) any alteration or improper storage, handling, use or maintenance of the System by anyone other than Philips' subcontractor or Philips; (5) damage caused by an external source, regardless of nature; (6) any removal or relocation of the System; (7) neglect or misuse of the System;
- f. any cost of materials, supplies, parts or labor supplied by any party other than Philips or Philips' subcontractors;
- g. the cost of consumable materials, including but not limited to cushions, knee supports, pads, magnetic media, cryogens, PET calibration sources, film or other supply items, unless specifically included in the quotation;
- h. the cost of factory reconditioning;
- i. repairing any problems arising out of the failure of the System to recognize or process two-digit year data and information;
- j. providing software updates, back-up copies of software, or the programming of custom code;
- k. maintenance or repair, including the cost thereof, of third-party products including but not limited to HVAC systems and chiller systems; or
- l. the cost of nuclear camera detector crystals, surface coils, flat panel detectors, and evacuated devices such as x-ray tubes, image intensifier tubes, TV camera pick-up tubes, photo multiplier tubes, and CRTs, unless specifically included in the quotation.

#### WARRANTY LIMITATIONS

Philips' obligations under the System warranty are limited, at Philips' option, to the repair or the replacement of the System or a portion thereof, or to a credit or refund of a portion of the purchase price paid by Customer. Any refund will be paid to Customer when the System is returned to Philips. Certain of the parts used in the manufacture or installation of, or in the replacement parts for, this System may contain refurbished components. If such components are used, they will be subject to the same quality control and inspection procedures as all other components in the System. Any System warranty is made on condition that Philips receives written notice of a System defect during the warranty period, and within thirty (30) days following the discovery of the defect by Customer. Philips' obligations under the System warranty do not apply to any System 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 System other than in accordance with loss, or damage in transit; improper site preparation; unauthorized maintenance or Philips' applicable System specifications and written instructions; abuse, negligence, accident, modifications to the System; or to viruses or similar software interference resulting from the connection of the product to a network. Philips does not provide a warranty for any such 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 a breach of a System warranty. Repairs or replacement parts do not extend the term of this warranty.

THE WARRANTIES SET FORTH IN PHILIPS' WARRANTY DOCUMENT WITH RESPECT TO THIS SYSTEM (INCLUDING THE SOFTWARE PROVIDED WITH THE SYSTEM) ARE THE ONLY WARRANTIES MADE BY PHILIPS IN CONNECTION WITH THE SYSTEM, THE SOFTWARE, AND THE TRANSACTIONS CONTEMPLATED BY THE QUOTATION, AND ARE EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

#### ACCESS TO SYSTEM

Philips shall have full, free and safe access to the System and Customer's operation, performance and maintenance records for the System, on each scheduled or requested warranty service visit. Philips shall also have access to and use of any machine, service, attachment, features or other equipment required to perform the necessary service contemplated herein at no charge to Philips. Customer waives warranty service if it does not provide such access to the System and Customer's records. Should Philips be denied access to the System and Customer's records at the agreed upon time, a charge equal to the appropriate hourly rate will be accepted by Customer for "waiting time."

#### WARRANTY SERVICE

In the event it is not possible to accomplish warranty service within normal working hours (8:00 A.M. to 5:00 P.M., Monday through Friday, excluding Philips observed holidays), or in the event Customer specifically requests that warranty service be performed outside of Philips' normal working hours, Customer agrees to pay for such services at Philips standard service rates in effect. Maintenance Agreements are available for extended coverage.

#### TRANSFER OF SYSTEM

In the event Customer transfers or relocates the System, all obligations under this warranty will terminate unless Customer receives the prior written consent of Philips for the transfer or relocation. Upon any transfer or relocation, the System must be inspected and certified by Philips as being free from all defects in material, software and workmanship and as being in compliance with all technical and performance specifications. Customer will compensate Philips for these services at the prevailing service rates in effect as of the date the inspection is performed. Any System which is transported intact to pre-approved locations and is maintained as originally installed in mobile configurations will remain covered by this warranty.

#### CONDITIONS

This warranty is subject to the following conditions: the System (a) is to be installed by authorized Philips representatives (or is to be installed in accordance with all Philips installation instructions by personnel trained by Philips), (b) is to be operated exclusively by duly qualified personnel in a safe and reasonable manner in accordance with Philips' written instructions and for the purpose for which the Systems were intended, (c) is to be maintained and in strict compliance with all recommended and scheduled maintenance instructions provided with the System, and (d) Customer is to notify Philips immediately in the event the System at any time fails to meet its printed performance specifications.

**LIMITATIONS OF LIABILITY AND DISCLAIMERS**

The liability, if any, of Philips for damages whether arising from breach of the terms in the quotation, breach of warranty, negligence, indemnity, strict liability or other tort, or otherwise with respect to the products and services is limited to an amount not to exceed the price of the System or service giving rise to the liability.

IN NO EVENT SHALL PHILIPS BE LIABLE FOR ANY INDIRECT, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUES OR PROFITS, OR THE COST OF SUBSTITUTE PRODUCTS OR SERVICES WHETHER ARISING FROM BREACH OF THE TERMS IN THIS QUOTATION, BREACH OF WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHER TORT. PHILIPS SHALL HAVE NO LIABILITY FOR ANY GRATUITOUS ADVICE PROVIDED TO THE CUSTOMER.

**FORCE MAJEURE**

Philips and Customer shall each be excused from performing its obligations arising from any delay or default caused by events beyond its 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, 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.

Philips Medical Systems' System's specifications are subject to change without notice. Document Number 4535 983 03246 999

**PARKER X-RAY SOLUTION SERVICE, INC.**  
260 Governor Street, P.O. Box 280505, East Hartford, Connecticut 06128-0505

We are pleased to submit this proposal for your consideration.

To: Lawrence Memorial Hospital  
365 Montauk Avenue  
New London, CT 06320

Date: October 8, 2009  
Attention: Crystal Coulombe  
Phone: (1860)442-0711

For: Stonington Location

**QUANTUM O-Rad DS-3 Radiographic System**

CAT. NO.	ITEM / DESCRIPTION
QG-6500	<b>65 kW / 150 kVp "ODYSSEY HF" Digital Deluxe Radiographic Generator:</b> > Digital Imaging Ready, ULTRA High Frequency Power, 120 kHz PLUS > 65 kW maximum output; (according to IEC 601) > mA Range: 25 to 800 > kVp Range: 40 to 150 kVp, in 1 kVp increments > mAs Range: 0.025 - 800 > Timer Range: 0.001 - 6.3 seconds > "APR" Anatomical Programmed Radiography (100 APR Views / 5000 Techniques) for standard and custom views > Large Graphic LCD display for APR and technique information, includes date/time feature > Self-Diagnostics, Anode Heat Unit monitor, Error Messaging, Auto shut-off timer, History reporting log, RS-232 port * Nominal Input power 380 - 480 VAC (+/- 5%) Three Phase
QG-AEC	<b>Automatic Exposure Control:</b> (AEC) electronics for "HF Series" generators
QG-HSS	<b>High Speed Starter:</b> Rotor controller accelerates tube anode, with dynamic braking
R10-TD36	<b>X-Ray Tube (DUNLEEE):</b> 4" Radiographic X-Ray Tube > 0.6 / 1.2 mm Focal spots sizes with 400,000 Heat Unit capacity > 150 kVp, High/Standard speed rotor, 12° anode target angle, 90° hor angle
R70-80S	<b>High Voltage Cables:</b> One pair, 80 ft. long (24 meters) with federal terminals
QS-550	<b>Deluxe Floor Mounted Tubestand:</b> > Floor Mounted tubestand with 10 ft. long tracks and 98° of longitudinal travel > Deluxe Handgrips: multi-function, fingertip controls for horizontal, vertical, transverse and longitudinal movements > Includes "All Locks" release switch and auto stop sensor for horizontal / vertical adjustments > Vertical Travel of 60.5" with minimum floor-to-focus distance of 13.75" > FAIL-SAFE electronic braking system and integral counterbalancing ensure safe, easy use > Column Rotation (+/- 180 degree), Transverse Arm 10" travel > Tube Angulations (+/- 135 degree) with detents at 0 and +/- 90 degrees > Cable concealment and management system
QT-750	<b>"QUIET-LIFT" Elevating / Float-Top Radiographic Table:</b> > 650 lb. (295.5 kg.) Patient Weight Capacity > Elevating Range of 21" - 32.5" (53 - 83 cm) with collision avoidance electronics and safety lock-out control switch > Tabletop length: 85" (216 cm) with 32" (82 cm) of longitudinal travel > Tabletop width: 35.5" (90 cm) with 10" (26 cm) of transverse travel; (EXTRA WIDE DESIGN, FOR LARGE PATIENT COMFORT) > Flat top design for easy patient transfer and cleaning, with low absorption material > FAIL-SAFE electromagnetic braking system ensure safe, easy use > Recessed Foot Switches for all table movements, with float-top hand control switch > Adjustable patient handgrips along concealed accessory rails
R80-AEC	<b>Ionization Chamber:</b> Three (3) field chamber; includes hardware

**PARKER X-RAY SOLUTION SERVICE, INC.**  
260 Governor Street, P.O. Box 280505, East Hartford, Connecticut 06128-0505

Lawrence Memorial Hospital  
Quantum DS-3 System  
October 8, 2009

CAT. NO.	ITEM / DESCRIPTION
R30-17B	Bucky: 17" x 17" (43 x 43 cm) reciprocating with multi-speed programmability
R20-1010M	Grid: Pb, 103 lines / inch, (40 lines / cm), 10:1 ratio, 34" - 44" (86 - 112 cm) focal distance
R60-T-P	Deluxe Heavy Duty Cassette Tray: Accepts cassette sizes: 5" x 7" (13 x 18 cm) to 14" x 17" (35 x 43 cm)
QW-420	"VERTI-Q" Vertical Wall Stand: Single-column structure NOTE: Specify either Right or Left Hand Loading > Features the exclusive "EZ-Glide" Hand control for easy and precise movement, grip rotates +105° > Custom enclosed frame for attractive appearance, includes patient chin rest > Low absorption front cover material with cassette and AEC Indicators > Vertical Travel: 60.5" (154 cm) with a 13.75" (35 cm) minimum Focal Spot-to-Floor Distance > FAIL-SAFE electromagnetic braking system and integral counterbalancing ensure safe, easy use
R80-AEC	Ionization Chamber: Three (3) field chamber; includes hardware
R80-HS	Exposure Hand switch and coil-cord
QW-HG30	Patient "Overhead" Handgrip: Mounts to "VERTI-Q" Wall Stand
QG-WM	Wall Mount for Operator Control Panel
R30-17B	Bucky: 17" x 17" (43 x 43 cm) reciprocating with multi-speed programmability
R20-1010L	Grid: Pb, 103 lines / inch, (40 lines / cm); 10:1 ratio, 40" - 72" (100 - 180 cm) focal distance
R60-T-P	Deluxe Heavy Duty Cassette Tray: Accepts cassette sizes: 5" x 7" (13 x 18 cm) to 14" x 17" (35 x 43 cm)
R40-M-P	"Progeny MC150" Manual Collimator: > Laser light for patient and cassette tray positioning, plus rectangular light field with cross hair markings > Lamp/Timer Feature > Swivel Mount allowing 360° with 90° detents > 40"- 72" SID cassette size scales (metric also available 100cm & 180cm) > Includes: Integrated tape measure and Spare Projection lamp

**SYSTEM PRICE: \$67,250.00**

Page 2 of 3

**PARKER X-RAY SOLUTION SERVICE, INC.**  
260 Governor Street, P.O. Box 280505, East Hartford, Connecticut 06128-0505

Lawrence Memorial Hospital  
Quantum DS-3 System  
October 8, 2009

**WARRANTY: TWELVE MONTHS PARTS AND LABOR DURING NORMAL WORKING HOURS.**

**EXTENDED SERVICE AGREEMENT BEYOND INITIAL WARRANTY IS AVAILABLE.**

**SITE PREPARATION AND INTERCONNECTING CABLES ARE THE RESPONSIBILITY OF THE CUSTOMER.**

**EXCLUSIONS TO WARRANTY:**

- 1). Services required to instruct customer in the operation of the system beyond initial training.
- 2). Adding or removing accessories, attachments or other components to or from the system.
- 3). Moving or relocating any component of the system.
- 4). Problems caused by improper operation, accident, vandalism, negligence, abuse or misuse of any system component.
- 5). Any increase in service time resulting from operator neglect or failure to follow operating instructions.
- 6). Repair or damage from any cause other than ordinary use of the system.
- 7). Removal of or missing hardware or software.
- 8). Failure due to loss of power or failure to power down properly.
- 9). Repairs necessary due to customer misuse, negligence or neglect.
- 10). Modifications, changes or alterations to the system and system software by unauthorized persons.

**F.O.B.: Ronkonkoma, NY.**

**PAYMENT TERMS: 35% Deposit, 35% Upon Delivery, Net Upon Installation.**

Prices are based upon manufacturer's current list price and may be subject to change.

**ACCEPTED BY PURCHASER:**

**SUBMITTED BY:**

Authorized Signature

Kevin Roth

Title

Vice President

Date

Title

Date

Page 3 of 3

# HOLOGIC®

December 1, 2009  
Lawrence & Memorial Hospital  
Flanders Health Center  
339 Flanders Road  
East Lyme, CT 06333  
Attention: Donna Blakely

**MODEL:** Selenia  
**SERIAL NUMBER:** 28410072333

- In-state system relocation. Includes FE labor & travel, packaging material, freight & AEC recalibration. 2.5 days  
If longer cables are needed in the new room, the cost for the cable is additional and will be invoiced separately.

**\$ 5,420.00**

- All moves require a two-week lead time.  
Expedited moves (within the 2 weeks) are available for a surcharge of \$ 500.00

*Quote is valid for 90 days.*

The system will perform according to Hologic's manufacturing specifications upon completion of relocation.

To complete the process, please choose one of the following methods of payment:

VISA/MC  Wire transfer  Check

If paying by credit card, please complete the following:

Card number: \_\_\_\_\_ Expiration date: \_\_\_\_\_

Name as it appears on the card: \_\_\_\_\_

Authorized signature: \_\_\_\_\_

**The move will be scheduled two to three weeks after payment is received and processed by Hologic. All methods of payment must be received and processed prior to scheduling the move.**

Hologic approved: \_\_\_\_\_

Customer signature: \_\_\_\_\_

Tax will be added to the invoice unless the customer is tax exempt. Customer must present tax exempt ID# certificate.

# HOLOGIC

The Women's Health Company

## Quotation

PLEASE REFER TO THIS NUMBER ON  
ALL CORRESPONDENCES AND ORDERS

Quote #: 115534

Buying Group: NONE

Status: Done

**TO:** Lawrence and Memorial Hospital  
365 Montauk Avenue  
New London, CT 6320

We are pleased to offer you the products listed on the condition that this Quotation and the attached terms comprise the complete and exclusive statement of the contract between us. This Quotation and the attached terms supersede all other quotations, agreements, understandings, warranties and representations, whether written or oral, between us, and may be accepted only in accord with their terms. This offer will remain open for 45 days after the quotation date unless otherwise specified, and is subject to change or withdrawal by Hologic prior to acceptance. To accept, please sign below within the time period for acceptance.

Signed quote and/or purchase order should be forwarded by mail, via e-mail or by fax to:

Skeletal Health (DXA & Mini-C)      Breast Health:      Interventional Breast Solutions (Suros).

HOLOGIC, INC. 35 Crosby Drive Bedford, MA 01730 ATTN: Sales Administration Fax: (781) 280-0668 Bed-SalesAdmin@hologic.com	HOLOGIC, INC. 36 Apple Ridge Drive Danbury, CT 06810 ATTN: Sales Administration Fax: (203) 731-8463 Danburyorders@hologic.com	HOLOGIC, INC. 6100 Technology Center Drive Indianapolis, IN 46278 ATTN: Sales Administration Fax: (317) 344-7691 allfieldservicecoordinators@hologic.com
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ATTN: Pauline Rocha      Phone: 860-444-3778

Fax:

Quote Date	Hologic Representative	Payment Terms	FOB	Est. Del. Date
Oct 01, 2009	Tom Ferentini	0-80-20	FACTORY, NO CHARGE	30-45 Days ARO

Qty	Product Model Number and Description	List Price (US \$/Unit)	Unit Price (US \$/Unit)	Extended Price (US \$)
1	<p><b>DISCOVERY SL - BONE DENSITOMETER</b>            Linear Scanning Fan-Beam DXA Technology            128 Element High-Resolution Digital Detector Array            Internal Reference System for Continuous Calibration            Instant Vertebral Assessment (IVA-HD) 15-Second High-Resolution Imaging Capability            ImagePro Digital Image Processing            MXApro Computer Aided Fracture Assessment Tools            Quantitative Morphometry            Indexing Scan Table with Positioning Accessories            Motorized Table and Rotating C-arm            QDR Anthropomorphic Spine Phantom            Computer Console</p> <p>Computer Configuration (Minimum Specifications)            Pentium 4, 2.6 GHz CPU, 80 GB(min) Hard Drive, 64 MB Video Board            1024 MB (min) RAM, Network Interface Card, CD R/W drive            High Resolution 17 inch Flat Panel Color Monitor            HP Business Series Inkjet Printer</p> <p>Standard Software Configuration            QDR APEX Operating System            Windows XP Professional Edition Operating System            Automatic PASS/FAIL Quality Control            Express BMD 10-second BMD            Express Exam Workflow Management            Reposition/Rescan Feature            ProTech Baseline Scan Auto-Recall            AccuView Automatic Hip Positioning            DXApro            Context Sensitive Help            OneTime Auto-Analysis            Scan/Analysis Protocols: AP and Supine Lateral Lumbar Spine, Proximal Femur, Forearm, Scoliotic Spine, Auto Low-Density, Spine and Hip, Pediatric Spine and Hip, Dual Hip, Image Compare Mode for Serial Exams            Physicians Viewer with MXApro            BMI Calculator            DICOM Storage Class            Single-Energy Scan Switch Capability            Window/Level Control for Image Optimization            ISCD Compliant Reporting            HIPPA Privacy Tools            Serial Trend Report w/Automatic Rate of Change/Significance Calculation            Fracture Risk Indication            NHANES and Ethnic Reference Data</p>	\$175,000.00	\$62,000.00	\$62,000.00

Pediatric Reference Data				
DXA Practice Manager				
Patient Database Manager and Call-back Generator				
Reference Database Editor and Export Tools				
Online Data Conversion				
Twelve Hours (12) of On Site ECE Approved Application Training - Applications must be completed within 12 months of equipment shipment.				
Osteoporosis Reference Library				
Practice Development Guide				
DXA Help Reference Operator Training CD				
QDR for Windows Users Guide				
Installation and Twelve (12) Month Comprehensive Warranty				
1 010-1123 - CABLE KIT, 15FT, FXD PED 15 foot cable kit	Included	Included	Included	
1 PWR-120-DISCRY - 120-VOLT POWER SUPPLY	Included	Included	Included	
1 IRIS-ENTERPRISE - IRIS Enterprise IRIS Enterprise Includes	\$9,000.00	\$0.00	\$0.00	
DICOM Storage DICOM Modality Worklist Remote Physician's Viewer Physician's Report Writer HL7 Enterprise Data Management				
		Equipment Total:	\$62,000.00	
		List Price Total:	\$184,000.00	
		Discount:	(\$122,000.00)	
		Final Quote Price:	\$62,000.00	

## Notes:

Hologic to pay freight.

You may be eligible to lease 100% of the proposed equipment subject to current rates and credit approval. Contact your local account manager for details or call Patrick Dawkins, Lease/Financing Manager for Hologic at 781-761-7149.

Payment for Product: If you are being quoted "split payments" (0-80-20, or 20-60-20 for example) the first payment percentage is due with your order, the second payment percentage is due upon delivery, and the final payment percentage is due upon Hologic notification of installation, or delivery if Products are designated as buyer installed. Otherwise, payments are due in full as noted.

## Bone Service Plans Available:

## Platinum Service

- Telephone diagnostic and repair support Monday through Friday 7:30 a.m. to 9:00 p.m. EST exclusive of Hologic holidays.
- All Labor & Travel coverage Monday through Friday, 8:00 a.m. to 5:00 p.m., local time, exclusive of Hologic holidays.
- Emergency coverage 5 p.m. to 9 p.m., when call is received by 2:00p.m. For down systems.
- After 2:00 p.m. next business day, on-site response to a down unit.
- Calls received after normal business hours will be dispatched during the next business day, exclusive of Hologic holidays.
- All applicable software updates supplied.
- Two Preventive Maintenance inspections per year done during normal business hours. Normal business hours Monday-Friday 8 a.m. to 5 p.m.
- All replacement parts (including Detector and HVPS/Tube).

## Gold Service

- Telephone diagnostic and repair support Monday through Friday 7:30 a.m. to 6:30 p.m. EST exclusive of Hologic holidays.
- All Labor & Travel coverage Monday through Friday, 8:00 a.m. to 5:00 p.m., local time, exclusive of Hologic holidays.
- Next business day, on-site response to a down unit.
- Calls received after normal business hours will be dispatched during the next business day, exclusive of Hologic holidays.
- All applicable software updates supplied.
- Two Preventive maintenance inspections per year done during normal business hours. Normal business hours Monday-Friday 8 a.m. to 5 p.m.
- All replacement parts (including Detector and HVPS/Tube).

Silver Service	<ul style="list-style-type: none"> <li>Telephone diagnostic and repair support Monday through Friday 7:30 a.m. to 9:00 p.m. EST exclusive of Hologic holidays.</li> <li>All Labor &amp; Travel coverage Monday through Friday, 8:00 a.m. to 5:00 p.m., local time, exclusive of Hologic holidays.</li> <li>Calls received after normal business hours will be dispatched during the next business day, exclusive of Hologic holidays.</li> <li>Response commitment limited to the availability of the local service representative.</li> <li>Preventative maintenance service performed once (1) per year during normal business hours. Normal business hours Monday-Friday 8 a.m. to 5 p.m.</li> <li>All parts included, glassware (detector assembly and HVPS/tube) excluded.</li> <li>Glassware when required will be discounted 25%.</li> </ul>
Bronze Service	<ul style="list-style-type: none"> <li>Includes all labor and travel expenses during normal working hours needed to complete two Preventive Maintenance service visits (excluding parts). Scheduled two weeks in advance during normal business hours Monday-Friday 8 a.m. to 5 p.m.</li> <li>Any labor or parts necessary to bring the instrument to within Hologic specifications will be an additional charge at the current labor and parts rates.</li> </ul>
Sahara Gold Service	<ul style="list-style-type: none"> <li>This program is designed to provide two categories of premium service to:           <ul style="list-style-type: none"> <li>1. Meet the needs of Lease customers or those involved in Studies.</li> <li>2. Support those customers with high volume patient activity.</li> </ul> </li> <li>For category 1 customers, (Study or Lease units), Hologic recognizes the need to receive the original Sahara unit back following repair. This premium level service program provides for a "loaner" Sahara (and matching Phantom) to be shipped from the factory overnight to the customer site. Transportation costs for the defective unit, as well the loaner will be covered under this agreement. In the event that the original unit is not repairable, a permanent refurbished replacement will be provided.</li> <li>For category 2 customers, Hologic will provide a permanent replacement in the form of a refurbished unit. The customer is responsible for returning the complete defective unit within (2) two working days. Hologic covers all transportation costs.</li> </ul>
Sahara Silver Service	<ul style="list-style-type: none"> <li>Under a Silver service agreement (covering parts &amp; labor), Hologic will repair or replace the defective Sahara, or unit sub-assembly and cover return shipping costs for standard two-day shipping. The customer will be responsible for packaging and shipping the Sahara (with the Phantom) to be repaired, following which Hologic will repair the unit or assembly within (5) five working days or replace it.</li> </ul>
Sahara Time and Material Repairs	<ul style="list-style-type: none"> <li>Those customers who do not wish to purchase a service contract may return a defective Sahara to Hologic for repair. The customer will be responsible for packaging and returning the Sahara (with the Phantom) to the factory. A flat rate repair schedule covering every major assembly in the Sahara has been established which covers problem diagnosis, repair labor, replacement parts/assemblys, recalibration, and return shipping. There will be a minimum charge of \$175 if no problem is found, which covers evaluation, cleaning, re-calibration and return shipping. Turnaround time is estimated to be 7-10 days. The "flat rate repair price" will be quoted when the customer contacts Hologic for repair service, and at that time a Purchase Order or Visa/MasterCard number will be required.</li> </ul>

Hologic is required by law to collect all state and local taxes on all sales. If an exemption certificate is not provided by customer at time of order, final invoices will include these amounts. Many states require both specific operator qualifications and/or licensing and registration of x-ray devices. Hologic is not responsible for fulfilling customer's regulatory obligations.

*Hologic may request new customers and established customers to complete our credit application to create or update current credit files. This requirement will be contingent on order amount and prior history with Hologic.*

**Buyer Acceptance:**

Lawrence and Memorial Hospital

By: \_\_\_\_\_ (signature)

Name and Title: \_\_\_\_\_ (print/type)

Date: \_\_\_\_\_

Hologic Approval:

*John Patterson*

HOLOCIG, INC. 35 CROSBY DRIVE BEDFORD, MA 01730 TEL: 781-999-7300



**HOLOGIC, INC. TERMS & CONDITIONS OF SALE, LICENSE AND SUPPORT (all products world-wide)**

AGREEMENT: The Quotation and these Terms & Conditions of Sale, License and Support (including Hologic documents specifically referenced herein) comprise the complete and exclusive agreement between Hologic and Buyer ("Agreement"), supersede all other quotations, agreements, understandings, warranties and representations (whether written or oral) between the parties and may be accepted only in accord with their terms. Any Buyer documentation that conflicts with the requirements to modify this Agreement is hereby rejected and of no effect unless specifically agreed to as set forth herein, except to confirm amounts ordered. This Agreement may be modified only by a subsequent hard-copy document that purports to do so, and refers specifically herein, and is signed by duly authorized officers of both parties.

2. PRICES. Prices, fees and charges for Equipment, Consumable Supplies, Software (collectively "Products") and Services (including maintenance and training as described in Hologic's then-published Service Description) are current as of the date of the Agreement, are payable in United States (U.S.) Dollars only, and do not include any taxes, assessments, import duties or other government charges (Taxes), all of which (excluding Taxes based on Hologic's net income) shall be paid by Buyer. Costs for special handling due to Buyer's requirements shall be billed separately. If Buyer claims any Tax exemption, it must furnish a valid tax exemption certificate before Delivery (as this term is defined below). Buyer shall reimburse any Taxes that Hologic collects or pays. Prices are subject to change if Delivery is delayed due to Buyer delay in providing needed information. Buyer is notified pursuant to 42 CFR §1001.952(h), that if Buyer is required by a federal or state healthcare program to submit a cost report or otherwise submits a claim for payment to such program, Buyer may be required to report discounts (if any) contained in this Quotation.

3. PAYMENT. Payment terms for Products are stated on the front of the Quotation. Unless otherwise indicated, the first payment percentage is due with the order, the second payment percentage is due upon Delivery, and the remaining payment is due upon Hologic notification of installation, or Delivery if Products are designated as Buyer-installed. For installations outside of the U.S., Buyer shall provide above-described first payment and an irrevocable Letter of Credit ("L/C") guaranteed by a U.S. bank and satisfactory to Hologic for the remaining balance, and payable upon presentation of Hologic's invoice and bill of lading evidencing Delivery. If Buyer has not furnished shipping instructions prior to the Estimated Delivery Date or if the Site is not ready for installation, the then-remaining balance shall be due immediately upon presentation of Hologic's invoice(s) and certificate that ordered items are ready for Delivery. Hologic retains a purchase money security interest in Products to secure payment of the total purchase price thereof; Buyer hereby grants the right to file a copy of this Agreement with any appropriate authorities to evidence this security interest, agrees to execute and deliver such other documents as Hologic may request in connection therewith. Overdue payments are subject to a finance charge of 1.5% per month or the maximum legal rate, whichever is less. Buyer will be responsible for all costs (including reasonable attorneys' fees) of Hologic's collecting overdue payments and taking possession or otherwise disposing of Products for which payment is overdue. SERVICES: Service payments are due thirty days following invoice date.

4. ORDERS. Orders are subject to written acceptance; receipt of specified deposits, and continuing credit approval. Buyer may cancel any Product order prior to the Estimated Delivery Date by written notice, subject to a cancellation fee equal to any deposit made with Hologic, or if no deposit is made, equal to twenty percent (20%) of the total order purchase price for cancellation sixty-one (61) or more days prior to the estimated Delivery Date and thirty-five percent (35%) within sixty (60) days of the Estimated Delivery Date. Once Delivery of any portion of a Product order has occurred, the order cannot be canceled. Service orders may be terminated by either party at any time for any reason on sixty (60) days or for default on ten (10) days advance written notice. Hologic shall not be obligated to deliver any Product or perform any Service during any period when any Buyer payment is past due.

5. PRODUCT DELIVERY & RISK OF LOSS. Unless otherwise specified in the Quotation, Product Delivery shall occur Ex Works (Incoterms 2000) carrier's equipment at the factory of Hologic or its supplier ("Delivery"). Risk of loss or damage shall pass to Buyer upon Delivery. Transportation from the point of Delivery shall be at Buyer's sole risk and expense, and claims for loss or damage in transit from the point of Delivery shall be against the carrier only. Hologic's obligations under this Agreement are subject to force majeure, including civil insurrection, terrorism, fire, labor disputes, shortages, delays of suppliers or contractors, or government priority systems. Hologic will use reasonable efforts to meet Estimated Delivery Dates but shall not be liable for failure to do so.

6. INSTALLATION & ACCEPTANCE. Hologic will cause to be installed all Products designated as Hologic-installed, at no charge, at the agreed Site; Hologic's Delivery and Installation responsibilities shall be subject to Buyer's cooperation in preparing and maintaining the Site including all electrical and other connections and all environmental conditions in compliance with Hologic's specifications and all applicable regulations. Unless otherwise specifically agreed, installation shall be complete and acceptance shall occur upon the earlier of Hologic's demonstration that Products meet Hologic's then-current specifications or Buyer's first patient use ("Installation"). If Buyer fails to accept Delivery on the Estimated Delivery Date, Buyer shall immediately pay the full purchase price as if Delivery and Installation had occurred, and if Hologic decides to store ordered Product, Hologic's reasonable insurance, handling and storage charges. If Hologic decides not to store ordered Product, it is hereby authorized to arrange shipment and storage in a bonded warehouse at Buyer's sole risk and expense.

7. WARRANTIES. Equipment and Software are warranted to the original Buyer to perform substantially in accord with published Product Specifications for one year starting from the date of Installation (or from the date three (3) months after Delivery, whichever occurs first), provided that Surex brand Equipment is warranted to the original Buyer to perform substantially in accord with published Product Specifications for one year starting from the date of Delivery, and Lorad brand after-sale options and accessories are warranted for six (6) months and Lorad x-ray tubes are warranted on a straight-line prorated basis as stated in the applicable Product Specification (Warranty Period). Replacement parts are warranted for the longer of the remainder of the Warranty Period or ninety (90) days from Delivery. Consumable Supplies are warranted to conform to published specifications for a period ending on the expiration date shown on their respective packages. Services are warranted to be supplied in a workman-like manner. Hologic does not warrant that use of Products will be uninterrupted or error-free, or that Products will operate with non-Hologic authorized third-party products. THE FOREGOING WARRANTIES ARE IN LIEU OF AND EXCLUDE ALL OTHER WARRANTIES NOT EXPRESSLY SET FORTH HEREIN, WHETHER EXPRESS OR IMPLIED BY OPERATION OF LAW OR OTHERWISE, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. These warranties do not apply to any item that is: (a) repaired, moved or altered other than by Hologic authorized service personnel; (b) subjected to physical (including thermal or electrical) abuse, stress, or misuse; (c) stored, maintained or operated in any manner inconsistent with applicable Hologic specifications or instructions; or (d) designated as supplied subject to a non-Hologic warranty or on a pre-release or "as-is" basis.

8. CLAIMS & REMEDIES. In the event of any such Warranty claim, Hologic will replace with new or repaired items any Equipment part or component or Consumable Supply that is in breach of Warranty, and will use reasonable efforts to promptly fix or provide a workaround for any Software defect or bug which prevents operation in substantial conformity with functional specifications. Alternatively, Hologic may elect to repay or credit to Buyer an amount equal to the purchase price of the defective Equipment, component, Software, Consumable Supply or Service. Items replaced shall become Hologic property. All claims shall be initiated by contacting Hologic within the applicable Warranty Period and thirty (30) days after discovery of the breach or non-conformity. Hologic must be afforded reasonable access and opportunity to inspect all associated materials. If Hologic and Buyer are unable to settle any claim, Buyer must institute legal action within one (1) year after the claim arises; thereafter all such claims shall be barred. These remedies shall comprise Hologic's entire liability and Buyer's exclusive remedy for breach of warranty and are in lieu of any other remedy at law or equity.

9. LIMIT OF LIABILITY. NOTWITHSTANDING ANY OTHER PROVISION OF THESE TERMS OR ANY AGREEMENT BETWEEN THE PARTIES, (1) HOLOGIC SHALL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL LOSSES, DAMAGES, OR EXPENSES (INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, DATA, OR USE), DIRECTLY OR INDIRECTLY ARISING FROM THE SALE, HANDLING, SERVICE OR USE OF PRODUCT ORDERED OR FURNISHED, OR FROM ANY CAUSE RELATING THERETO; (2) HOLOGIC'S ENTIRE

WARRANTY RESPONSIBILITY IS EXPRESSLY LIMITED TO REPAIR OR REPLACEMENT (AT HOLOGIC'S OPTION AND IN THE FORM ORIGINALLY SHIPPED) OF PRODUCT OR CORRECTION OF SERVICE SUBJECT TO ANY CLAIM, OR, AT HOLOGIC'S ELECTION, REPAYMENT OF, OR CREDITING BUYER WITH, AN AMOUNT EQUAL TO THE HOLOGIC PRICE, FEE OR CHARGE THEREFOR, AND (3) EXCEPT FOR PERSONAL INJURY OR DEATH TO THE EXTENT RESULTING FROM HOLOGIC'S NEGLIGENT OR INTENTIONALLY WRONGFUL ACTS OR OMISSIONS, IN NO EVENT SHALL HOLOGIC BE LIABLE UNDER ANY LEGAL THEORY OR FOR ANY CAUSE WHATSOEVER, WHETHER BASED UPON WARRANTY, CONTRACT, TORT, NEGLIGENCE, OR OTHER THEORY, EVEN IF ADVISED OF THE POSSIBILITY THEREOF, FOR ANY AMOUNT IN EXCESS OF THE PRICE, FEE OR CHARGE THEREFOR RECEIVED BY HOLOGIC.

10. GOVERNMENTAL AUTHORIZATIONS. Buyer is responsible for all required licenses, permits or other governmental authorizations, including but not limited to any license or certification needed to use the Product, and any export or import license, exchange permit or the like, even if applied for by Hologic. Hologic shall not be liable and Buyer not be relieved of its obligations if any authorization is delayed, denied, revoked, restricted or not renewed. Buyer represents and agrees that it will deal with all Products and technical data relating thereto in conformity with all applicable U.S. laws and regulations, including U.S. export licensing laws and the U.S. Foreign Corrupt Practices Act. Buyer shall not trans-ship, given, re-export or otherwise dispose of any U.S.-origin goods or technology obtained from Hologic except as U.S. laws and regulations expressly permit.
11. INFRINGEMENT CLAIMS. Hologic will defend and hold harmless Buyer against any third-party claim that Buyer's use of Products infringes a valid U.S. patent, copyright or trade secret, provided that (1) Products are used as approved by Hologic and have not been altered other than by Hologic or its authorized service personnel; (2) Buyer promptly notifies Hologic of such claim; (3) Hologic has sole control of the defense, and settlement or compromise thereof; and (4) Buyer cooperates with Hologic and furnishes all aid, information, and assistance necessary or useful to defend such claim. If a final injunction is obtained against the Buyer's use of any Product, or if in the opinion of Hologic the Product is likely to become the subject of a successful claim, Hologic may (i) procure for Buyer the right to continue using the Product, (ii) replace or modify the Product so that it becomes non-infringing, or (iii) if neither (i) or (ii) are reasonably available, accept return of such Products held by Buyer, grant a credit therefor as depreciated on a five-year straight-line basis, and terminate this Agreement without further obligation or liability.
12. SOFTWARE LICENSE. The term "Software" includes all Hologic (and third-party) computer software, firmware and associated documentation, whether in printed or machine-readable form supplied by reason of this Agreement or for use in connection with Equipment or Services. Buyer is granted a non-exclusive, non-transferable, royalty-free license to use Software solely on the Equipment on which it is first installed or as designated in the Agreement, in connection with said Equipment in the normal course of Buyer's business, and for no other purpose or business. No license is provided under this Agreement to use Software for multi-site quality control or data review purposes, or for source code of any type. Software is and shall remain the sole property of Hologic. Software is agreed to contain and shall be treated as confidential information. Buyer shall maintain all copyright, proprietary and other notices on the Software, and shall not de-compile, disassemble or reverse engineer the Software. (All information needed for interoperability is available from Hologic in accord with applicable government directives). If Buyer transfers Equipment to a third party, Buyer may assign the right to use Software on said equipment to said third party, provided that the third party first agrees in writing with Hologic to be bound by, and to permit Hologic to enforce the provisions of this Section. Buyer has no other rights to use, sell, assign, transfer, copy or sublicense Software. As identified in the applicable software product specifications, some third party software vendors (including Microsoft Corporation) provide different warranties and require different or additional terms applicable to software which they supply; such warranties and terms supersede and Buyer agrees to abide by such terms with respect to such third-party software. The Microsoft End User License is located on the applicable installation CD-ROM (file name is EULAx.txt).
13. CONFIDENTIAL INFORMATION. Buyer acknowledges that all documents, diagrams, specifications, devices, information, and other materials (except as established to be in the public domain) furnished by Hologic and identified as "Confidential" or the like, including but not limited to customer manuals ("Confidential Information"), contain valuable proprietary information and/or trade secrets developed at great expense by Hologic. Buyer agrees to hold Confidential Information in confidence, and not to use, reproduce or distribute it except to Buyer's employees (and agents who agree to this provision) who may use it as part of their duties. Buyer agrees to report promptly any unauthorized use or disclosure of any Confidential Information. Hologic may seek equitable or injunctive relief, as well as other legal remedies, to prevent misuse or disclosure of Confidential Information.
14. INTENDED USES. The Product is only intended for the uses listed in the "Indications for Use" or "Overview" sections of the applicable Operator's Manual. Buyer assumes all risks associated with non-listed uses of the Product and hereby indemnifies and holds harmless Hologic from any claim associated with such non-listed uses.
15. GOVERNMENT CONTRACTS. To the extent any contract, grant, agreement or activity based on this Agreement ("Procurement") orders items for use, disclosure or reproduction by or on behalf of any U.S. or other government ("Government"): (1) all applicable U.S. federal procurement contract clauses mandatorily required by federal statute to be included shall be incorporated herein by reference (provided no other clauses shall be incorporated without Hologic's express advance written approval); (2) all Software is acknowledged to be licensed solely as "commercial" computer software provided only under the license contained herein, which license shall govern all use, disclosure and reproduction of said Software and supersede all conflicting terms or conditions, and (3) all technical data is provided only for the specific purposes described herein and with Limited Rights as provided in FAR §52.227-14 [ALT I(g)(2)] (or DFARS §252.227-7013 RIGHTS IN TECHNICAL DATA-NONCOMMERCIAL ITEMS (NOV 1995) (or identical provisions of the ordering Government). If this clause and license do not entirely meet the Buyer and the Government's needs without exception, or are inconsistent with any aspect of applicable Procurement, law or regulation, Buyer and Government each agree to return the Software and/or technical data, unused, to Hologic.
16. DISPUTES. Upon execution, this Agreement is deemed to be a Massachusetts contract, entered into in Massachusetts, and shall be governed and construed in accord with the laws of the Commonwealth of Massachusetts without reference to its conflict of laws provisions or the UN Convention for the International Sale of Goods. Buyer and Hologic specifically agree that any action relating to the relationship between the parties, this Agreement, or goods or services provided, purchased or licensed hereunder, shall be brought and tried in Massachusetts. Buyer hereby waives all objections to, and consents to, service of process by certified mail addressed to the address set forth immediately below Buyer's name on the front of this Agreement.
17. WAIVER & SEVERABILITY. Any failure of either party to require performance by the other party of any obligation shall not affect said party's full right to require performance of the other party at any other time. Waiver of any remedy shall not be construed as a waiver of the same or any other remedy for any other breach of the subject provision or any other provision. Each provision of this Agreement shall be construed as separate and independent, and the unenforceability of any provision shall not impair enforceability of any other provision. To the extent any provision is held to be excessively broad or unenforceable for any reason, such provision shall be construed by limiting and reducing it to be enforceable to the full extent possible.

## **EXHIBIT B**

## **PROJECT DESCRIPTION**

- 1. List the types of services are currently being provided. If applicable, provide a copy of each Department of Public Health (DPH) license held by the Applicant.**

The Hospital currently provides diagnostic x-ray services, bone densitometry, ultrasound, and/or mammography services at the following locations:

- The Hospital's main campus (365 Montauk Avenue, New London, CT 06320) - diagnostic x-ray, bone densitometry, ultrasound, and mammography
- Pequot Health Center (52 Hazelnut Hill Road, Groton, CT 06340) - diagnostic x-ray, bone densitometry, ultrasound, and mammography
- L&M Diagnostic Imaging at Crossroads (196 Parkway South, Waterford, CT 06385) - diagnostic x-ray, bone densitometry, ultrasound, and mammography
- Lawrence & Memorial Medical Office Building (633 Middlesex Turnpike Old Saybrook, CT 06475) - diagnostic x-ray, ultrasound, and mammography
- Flanders Health Center (339 Flanders Road, East Lyme, CT 06333) - mammography (equipment is not currently operational)

Please refer to Exhibit C for a copy of the Hospital's DPH license.

- 2. List the types of services being proposed and what DPH licensure categories will be sought, if applicable.**

The Hospital is currently constructing a satellite physician office building for primary care and specialty physicians at 91 Voluntown Road, Pawcatuck, CT 06379. The satellite will be operational in July 2010 and the primary care physicians will be part of L&M Physician Association, the newly created medical foundation owned by the Hospital.

The Hospital plans to relocate its mammography unit from its Flanders Health Center location at 339 Flanders Road, East Lyme, CT (currently in the Hospital's primary service area) to 91 Voluntown Road, Pawcatuck, CT 06379 and expand its radiology services at the Voluntown Road location to include basic x-ray services, ultrasound, and bone density testing. No DPH licensure categories will be sought.

- 3. Identify the current population served and the target population to be served.**

The current population served and the target populations to be served are the patients residing in the towns of East Lyme, Groton, Ledyard, Lyme, Montville, New London, North Stonington, Old Lyme, Stonington (includes zip code of Pawcatuck), Waterford, Bozrah, Colchester, Franklin, Griswold, Lisbon, Norwich, Preston, Salem, and Voluntown, Connecticut and Westerly, Rhode Island.

- 4. Identify any unmet need and describe how this project will fulfill that need.**

The Hospital's proposal to establish imaging services in Stonington, CT meets a need in the region for convenient and accessible outpatient imaging services. Currently, residents of Stonington must

travel to neighboring towns to access hospital-based outpatient imaging services. In addition, as the population of Stonington, CT and the surrounding communities continue to grow and age, demand and utilization of imaging services will continue to increase. According to the Health Care Advisory Board, utilization of the outpatient imaging services proposed for the Voluntown Road location is expected to increase 1 to 3% annually over the next six years.<sup>1</sup> This proposal intends to provide more access to imaging services for patients in the Hospital's eastern market and meet the growing demand for imaging services in the region.

**5. Are there any similar existing service providers in the proposed geographic area?**

Within the proposed geographic area, the following hospital providers are currently operating the imaging services proposed for the Voluntown Road location.

Westerly Hospital – diagnostic x-ray, mammography, bone densitometry and ultrasound at the main campus and diagnostic x-ray at The Westerly Hospital Imaging Center. Both locations are in Westerly, Rhode Island.

Backus Hospital – diagnostic x-ray at the following locations: main campus in Norwich, CT; Gales Ferry Backus Health Center in Gales Ferry, CT; Montville Backus Health Center in Uncasville, CT; and Colchester Backus Health Center in Colchester, CT (Colchester site also includes ultrasound). The main campus also includes ultrasound, mammography, and bone densitometry services.

Non-hospital providers of imaging services proposed for the Voluntown Road location include Old Lyme Radiology in Old Lyme, CT (diagnostic x-ray, ultrasound, mammography) and other physician providers (details to be provided with CON submission).

**6. Describe the anticipated effect of this proposal on the health care delivery system in the State of Connecticut.**

This proposal will improve access to imaging services for residents of southeastern Connecticut and southwestern Rhode Island and will maintain continuity of care for patients in these regions who frequently obtain care from one of the Hospital's existing imaging locations. The proposal to establish imaging at the Voluntown Road location will meet patients' expectations of a convenient, patient-friendly setting and will complement the physician services provided at the location.

**7. Who will be responsible for providing the service?**

The Hospital will be responsible for providing the imaging services.

**8. Who are the current payers of this service and identify any anticipated payer changes when the proposed project becomes operational?**

The current payers for the Hospital are: Medicare, Medicaid, Tricare, Anthem, United Healthcare, Health Net, Mashantucket, ConnectiCare, Oxford, CIGNA, Aetna and other commercial payers. There are no expected changes in payers.

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<sup>1</sup> Future of Diagnostic Imaging, Health Care Advisory Board, 2008.

## **EXHIBIT C**

STATE OF CONNECTICUT

Department of Public Health

**License No. 0047**

**General Hospital**

In accordance with the provisions of the General Statutes of Connecticut Section 19a-493:

Lawrence and Memorial Corporation of New London, CT, d/b/a Lawrence and Memorial Hospital is hereby licensed to maintain and operate a General Hospital.

**Lawrence and Memorial Hospital** is located at 365 Montauk Avenue, New London, CT 06320

The maximum number of beds shall not exceed at any time:

28 Bassinets

280 General Hospital beds

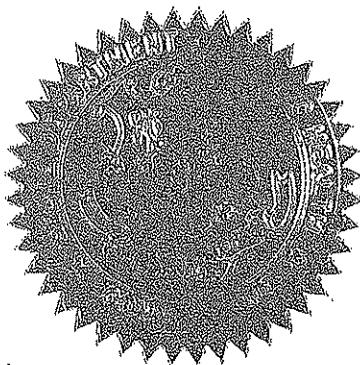
This license expires **March 31, 2011** and may be revoked for cause at any time.

Dated at Hartford, Connecticut, April 1, 2009. RENEWAL.

**Satellites**

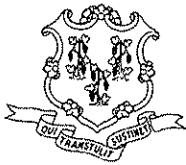
Pequot Health Center, 52 Hazelnut Hill Road, Groton, CT

Joslin Diabetes Center, 14 Clara Drive, Mystic, CT



*J. Robert Galvin, MD, MPH, MBA*

J. Robert Galvin, MD, MPH, MBA,  
Commissioner



STATE OF CONNECTICUT  
DEPARTMENT OF PUBLIC HEALTH  
*Office of Health Care Access*

April 30, 2010

Facsimile Only

Shraddha Patel  
Director of Business  
Lawrence & Memorial Hospital  
Development/Planning  
365 Montauk Avenue  
New London, CT 06320

Re: Letter of Intent; Docket Number: 10-31607  
Lawrence & Memorial Hospital  
Establish and Operate Outpatient Diagnostic Imaging Services in Stonington

Dear Ms. Patel,

On April 14, 2010 the Office of Health Care Access ("OHCA") received the Letter of Intent ("LOI") Form of Lawrence & Memorial Hospital ("Applicant") to Establish and Operate Outpatient Diagnostic Imaging Services in Stonington, with a total capital expenditure of \$722,890.

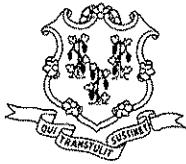
A notice to the public regarding OHCA's receipt of a LOI was published in *The Day Publishing Co.* pursuant to Section 19a-638 of the Connecticut General Statutes. Enclosed for your information is a copy of the notice to the public.

Sincerely,

A handwritten signature in black ink, appearing to read "Kimberly Martone".

Kimberly R. Martone  
Director of Operations

KRM:lmg



STATE OF CONNECTICUT  
DEPARTMENT OF PUBLIC HEALTH  
*Office of Health Care Access*

April 30, 2010

Requisition # 31235

The Day Publishing Co.  
47 Eugene O'Neill Drive  
P.O. Box 1231  
New London, CT 06360

Gentlemen/Ladies:

Please make an insertion of the attached copy, in a single column space, set solid under legal notices, in the issue of your newspaper by no later than **Monday, May 3, 2010**.

Please provide the following **within 30 days** of publication:

- Proof of publication (copy of legal ad. acceptable) showing published date along with the invoice.

If there are any questions regarding this legal notice, please contact Paolo Fiducia or Laurie Greci at 418-7001.

KINDLY RENDER BILL IN DUPLICATE ATTACHED TO THE TEAR SHEET.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Martone".

\_\_\_\_\_  
Kimberly R. Martone  
Director of Operations

Attachment

KRM:PF:LG:lmg

c: Danielle Pare, DPH

**PLEASE INSERT THE FOLLOWING:**

Statute Reference: 19a-638  
Applicant: Lawrence & Memorial Hospital  
Town: Stonington  
Docket Number: 10-31607-LOI  
Proposal: Establish and Operate Outpatient Diagnostic Imaging Services  
Capital Expenditure: \$722,890

The Applicant may file its Certificate of Need application between June 13, 2010 and August 12, 2010. Interested persons are invited to submit written comments to Cristine A. Vogel, Deputy Commissioner Office of Health Care Access, Division of Department of Public Health, 410 Capitol Avenue, MS13HCA, P.O. Box 340308 Hartford, CT 06134-0308.

The Letter of Intent is available at OHCA or on OHCA's website at [www.ct.gov/OHCA](http://www.ct.gov/OHCA). A copy of the Letter of Intent or a copy of Certificate of Need Application, when filed, may be obtained from OHCA at the standard charge. The Certificate of Need application will be made available for inspection at OHCA, when it is submitted by the Applicant.

**Greer, Leslie**

---

**From:** ads [ads@graystoneadv.com]  
**Sent:** Friday, April 30, 2010 1:31 PM  
**To:** Greer, Leslie  
**Subject:** Re: Legal Notice 10-31607

Good day!

Thanks so much for your ad submission.  
We will be in touch shortly and look forward to serving you.

If you have any questions or concerns, please don't hesitate to contact us at the number below.

We sincerely appreciate your business.

Thank you,  
Graystone Group Advertising

2710 North Avenue  
Bridgeport, CT 06604  
Phone: 800-544-0005  
Fax: 203-549-0061  
E-mail: ads@graystoneadv.com  
<http://www.graystoneadv.com/>

On 4/30/10 1:31 PM, "Greer, Leslie" <Leslie.Greer@ct.gov> wrote:

To Whom It May Concern,  
Please run the attached public notice in The Day Publishing Co. by 5/3/10. For billing purposes  
refer to requisition #31235, if you have any questions please call me.

Thank you,

Leslie M. Greer &  
Office of Health Care Access  
A Division of Department of Public Health  
State of Connecticut  
410 Capitol Avenue, MS#13HCA  
Hartford, CT 06134  
Phone: (860) 418-7001  
Fax: (860) 418-7053  
Website: [www.ct.gov/ohca](http://www.ct.gov/ohca) <<http://www.ct.gov/ohca>>

 Please consider the environment before printing this message

**Greer, Leslie**

---

**From:** Laurie [Laurie@graystoneadv.com]  
**Sent:** Friday, April 30, 2010 2:33 PM  
**To:** Greer, Leslie  
**Subject:** FW: Legal Notice 10-31607  
**Attachments:** 10-31607 Day Publishing.doc

Your legal notice is all set to run as follows:

New London Day, 5/3 issue - \$191.97

Thanks,  
Laurie Miller

Graystone Group Advertising  
2710 North Ave., Ste 200, Bridgeport, CT 06604  
Ph: 203-549-0060, Fax: 203-549-0061  
email: [Laurie@graystoneadv.com](mailto:Laurie@graystoneadv.com)  
[www.graystoneadv.com](http://www.graystoneadv.com)

----- Forwarded Message

**From:** "Greer, Leslie" <Leslie.Greer@ct.gov>  
**Date:** Fri, 30 Apr 2010 13:31:31 -0400  
**To:** ads <ads@graystoneadv.com>  
**Conversation:** Legal Notice 10-31607  
**Subject:** Legal Notice 10-31607

To Whom It May Concern,  
Please run the attached public notice in The Day Publishing Co. by 5/3/10. For billing purposes refer to requisition #31235, if you have any questions please call me.

Thank you,

Leslie M. Greer &  
Office of Health Care Access  
A Division of Department of Public Health  
State of Connecticut  
410 Capitol Avenue, MS#13HCA  
Hartford, CT 06134  
Phone: (860) 418-7001  
Fax: (860) 418-7053  
Website: [www.ct.gov/ohca](http://www.ct.gov/ohca) <<http://www.ct.gov/ohca>>

 Please consider the environment before printing this message

----- End of Forwarded Message

----- End of Forwarded Message

\*\*\*\*\*  
\*\*\* TX REPORT \*\*\*  
\*\*\*\*\*

TRANSMISSION OK

TX/RX NO 1526  
RECIPIENT ADDRESS 98604443716  
DESTINATION ID  
ST. TIME 04/30 16:11  
TIME USE 00'26  
PAGES SENT 4  
RESULT OK



STATE OF CONNECTICUT  
DEPARTMENT OF PUBLIC HEALTH  
*OFFICE OF HEALTH CARE ACCESS*

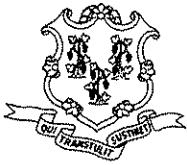
**FAX SHEET**

TO: SHRADDHA PATEL  
FAX: (860) 444-3716  
AGENCY: LAWRENCE & MEMORIAL HOSPITAL  
FROM: PAOLO FIDUCIA  
DATE: 4/30/10 TIME: \_\_\_\_\_  
NUMBER OF PAGES: 4  
(including transmittal sheet)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Comments: Docket 10-31607

***PLEASE PHONE IF THERE ARE ANY TRANSMISSION PROBLEMS.***



## STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

*Office of Health Care Access*

May 12, 2010

via fax and email only

Shraddha Patel  
Director of Business and Development/Planning  
Lawrence & Memorial Hospital  
365 Montauk Avenue  
New London, CT 06320

RE: Certificate of Need Application Forms; Docket Number: 10-31607-CON  
Lawrence & Memorial Hospital  
Establish and Operate Outpatient Diagnostic Imaging Services in Stonington

Dear Ms. Patel:

A handwritten signature in black ink, appearing to read "Shraddha Patel".

Enclosed are the application forms for Lawrence & Memorial Hospital's Certificate of Need ("CON") proposal to establish and operate an outpatient diagnostic imaging services in Stonington, with associated capital expenditure of \$722,890. According to the parameters stated in Section 19a-638 of the Connecticut General Statutes, the CON application may be filed between June 13, 2010 and August 12, 2010.

When submitting your CON application and any subsequent application information to this agency, you are obligated to observe the following procedural requirements. **Failure to observe these requirements will require follow-up work on your part to correct the filing.**

- Number and date each page, including cover letter and all attachments. Information filed after the initial CON application submission (i.e. completeness response letter, prefile testimony, late file submissions and the like) must be numbered sequentially from the Applicant's document immediately preceding it. For example, if the application concludes with page 100, your completeness response letter would begin with page 101.
- Submit one (1) original and six (6) hard copies of each submission in 3-ring binders.
- Submit a scanned copy of each submission in its entirety, including all attachments on CD, preferably in Adobe (.pdf) format.
- Submit an electronic copy of the documents in MS Word format with financial attachments and other data as appropriate in MS Excel format.

An Equal Opportunity Employer  
410 Capitol Ave., MS#13HCA, P.O.Box 340308, Hartford, CT 06134-0308  
Telephone: (860) 418-7001 Toll-Free: 1-800-797-9688  
Fax: (860) 418-7053

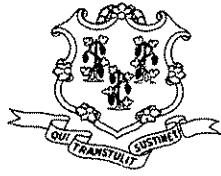
The OHCA analysts assigned to the CON application are Laurie Greci and Paolo Fiducia.  
Please feel free to contact them at (860) 418-7001 if you have questions.

Sincerely,



Kaila Riggott  
Planning Specialist

Enclosures



## State of Connecticut Office of Health Care Access Certificate of Need Application

Please complete all questions. If any question is not relevant to your project, Not Applicable may be an acceptable response. Your Certificate of Need application will be eligible for submission no earlier than June 13, 2010, and may be submitted no later than August 12, 2010. The Analysts assigned to your application are Laurie Greci and Paolo Fiducia and they may be reached at the Office of Health Care Access at (860) 418-7001.

**Docket Number:** 10-31607-CON

**Applicant Name:** Lawrence & Memorial Hospital

**Contact Person:** Shraddha Patel

**Contact Title:** Director of Business and Development/Planning

**Contact Address:** 365 Montauk Avenue  
New London, CT 06320

**Project Location:** Stonington

**Project Name:** Establish and Operate Outpatient Diagnostic Imaging Services in Stonington

**Type proposal:** Section 19a-638, C.G.S.

**Est. Capital Cost:** \$722,890

## 1. Project Description and Need

- A. Provide a narrative detailing the proposal.
- B. Provide the following regarding the proposal's location:
  - i) The rationale for choosing the proposed service location;
  - ii) The service area towns and the basis for their selection;
  - iii) The population to be served, including specific evidence such as incidence, prevalence, or other demographic data that demonstrates need;
  - iv) How and where the proposed patient population is currently being served;
  - v) All existing providers (name, address, services provided) of the proposed service in the towns listed above and in nearby towns; and
  - vi) The effect of the proposal on existing providers.

## 2. Projected Volume

- A. Complete the following table for the first three fiscal years ("FY") of the proposed service.

**Table 1: Projected Volume**

	Projected Volume (First 3 Full Operational FYs)**			
	FY****	FY****	FY****	FY****
Service type***				
<b>Total</b>				

\*\* If the first year of the proposal is only a partial year, provide the first partial year and then the first three full FYs. Add columns as necessary.

\*\*\* Identify each service/procedure type and add lines as necessary.

\*\*\*\* Fill in years. In a footnote, identify the period covered by the Applicant's FY (e.g. July 1-June 30, calendar year, etc.).

- B. Provide a detailed explanation of all assumptions used in the derivation/calculation of the projected volume.
- C. Provide historical volumes for three full years and the current year to date for any of the Applicant's existing services that support the need to implement the proposed service.
- D. Provide a copy of any articles, studies, or reports that support the statements made in this application justifying need for the proposal, along with a brief explanation regarding the relevance of the selected articles.

### **3. Quality Measures**

- A. Submit a list of all key professional, administrative, clinical, and direct service personnel related to the proposal. Attach a copy of their Curriculum Vitae.
- B. Explain how this proposal contributes to the quality of health care delivery in the region.
- C. Describe the impact of the proposal on the interests of consumers of health care services and the payers of such services
- D. Identify the Standard of Practice Guidelines that will be utilized in relation to the proposal. Attach copies of relevant sections and briefly describe how the Applicant proposes to meet each of the guidelines.

### **4. Organizational and Financial Information**

- A. Identify the Applicant's ownership type(s) (e.g. Corporation, PC, LLC, etc.).
- B. Does the Applicant have non-profit status?  
 Yes (Provide documentation)  No
- C. Provide a copy of the State of Connecticut, Department of Public Health license(s) currently held by the Applicant and indicate any additional licensure categories being sought in relation to the proposal.
- D. Financial Statements
  - i) If the Applicant is a Connecticut hospital: Pursuant to Section 19a-644, C.G.S., each hospital licensed by the Department of Public Health is required to file with OHCA copies of the hospital's audited financial statements. If the hospital has filed its most recently completed fiscal year audited financial statements, the hospital may reference that filing for this proposal.
  - ii) If the Applicant is not a Connecticut hospital (other health care facilities): Audited financial statements for the most recently completed fiscal year. If audited financial statements do not exist, in lieu of audited financial statements, provide other financial documentation (e.g. unaudited balance sheet, statement of operations, tax return, or other set of books.)

E. Submit a final version of all capital expenditures/costs as follows:

**Table 2: Proposed Capital Expenditures/Costs**

Medical Equipment Purchase	\$
Imaging Equipment Purchase	
Non-Medical Equipment Purchase	
Land/Building Purchase *	
Construction/Renovation **	
Other Non-Construction (Specify)	
<b>Total Capital Expenditure</b>	<b>\$</b>
Medical Equipment Lease (Fair Market Value) ***	\$
Imaging Equipment Lease (Fair Market Value) ***	
Non-Medical Equipment Lease (Fair Market Value) ***	
Fair Market Value of Space ***	
<b>Total Capital Cost</b>	<b>\$</b>
Capitalized Financing Costs (Informational Purpose Only)	
Total Capital Expenditure with Cap. Fin. Costs	\$

\* If the proposal involves a land/building purchase, attach a real estate property appraisal including the amount; the useful life of the building; and a schedule of depreciation.

\*\* If the proposal involves construction/renovations, attach a description of the proposed building work, including the gross sq. feet; existing and proposed floor plans; commencement date for the construction/renovation; completion date of the construction/renovation; and commencement of operations date.

\*\*\* If the proposal involves a capital or operating equipment lease and/or purchase, attach a vendor quote or invoice; schedule of depreciation; useful life of the equipment; and anticipated residual value at the end of the lease or loan term.

F. List all funding or financing sources for the proposal, and the dollar amount of each. Provide applicable details such as interest rate; term; monthly payment; pledges received to date; letter of interest or approval from a lending institution.

## 5. Revenues, Expenses, and Patient Population Projections

### a. Patient Population Mix

i. Provide the current and projected patient population mix (based on the number of patients, not on revenue) for the proposed program.

**Table 3: Patient Population Mix**

	<b>Current** FY ***</b>	<b>Year 1 FY ***</b>	<b>Year 2 FY ***</b>	<b>Year 3 FY ***</b>
Medicare*				
Medicaid*				
CHAMPUS & TriCare				
<b>Total Government</b>				
Commercial Insurers*				
Uninsured				
Workers Compensation				
<b>Total Non-Government</b>				

Total Payer Mix					
-----------------	--	--	--	--	--

\* Includes managed care activity.

\*\* New programs may leave the "current" column blank.

\*\*\* Fill in years. Ensure the period covered by this table corresponds to the period covered in the projections provided.

ii. Provide the basis for/assumptions used to project the patient population mix.

b. Financial Attachments I & II

i. Provide a summary of revenue, expense, and volume statistics, without the CON project, incremental to the CON project, and with the CON project.

**Complete Financial Attachment I.** (Note that the actual results for the fiscal year reported in the first column must agree with the Applicant's audited financial statements.) The projections must include the first three full fiscal years of the project.

ii. Provide a three year projection of incremental revenue, expense, and volume statistics attributable to the proposal by payer. **Complete Financial Attachment II.** The projections must include the first three full fiscal years of the project.

iii. Provide the assumptions utilized in developing **both Financial Attachments I and II** (e.g., full-time equivalents, volume statistics, other expenses, revenue and expense % increases, project commencement of operation date, etc.).

iv. Provide documentation or the basis to support the proposed rates for each of the FYs as reported in Financial Attachment II. Provide a copy of the rate schedule for the proposed service(s).

v. Provide the minimum number of units required to show an incremental gain from operations for each fiscal year.

vi. Explain any projected incremental losses from operations contained in the financial projections that result from the implementation and operation of the CON proposal.

vii. Describe how this proposal is cost effective.

**6. Other Review Criteria**

A. Describe the proposal's relationship to the Applicant's long-range plans. Provide supporting documentation.

B. Specify whether any of the following apply to the proposal. If so, provide an explanation and supporting documentation.

i) Voluntary efforts to improve productivity and contain costs;

- ii) Changes to the Applicant's teaching or research responsibilities; and/or
- iii) Special characteristics of the Applicant's patient or physician mix.

## HOSPITAL AFFIDAVIT

Applicant: \_\_\_\_\_

Project Title: \_\_\_\_\_

I, \_\_\_\_\_, \_\_\_\_\_  
(Name) (Position – CEO or CFO)

of \_\_\_\_\_ being duly sworn, depose and state that the (Hospital Name) information submitted in this Certificate of Need application is accurate and correct to the best of my knowledge. With respect to the financial impact related to this CON application, I hereby affirm that:

1. The proposal will have a capital expenditure in excess of \$15,000,000.  
 Yes       No
2. The combined total expenses for the proposal's first three years of operation will exceed one percent of the actual operating expenses of the Hospital for the most recently completed fiscal year as filed with the Office of Health Care Access.  
 Yes       No

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Signature

---

Date

Subscribed and sworn to before me on \_\_\_\_\_

---

\_\_\_\_\_  
Notary Public/Commissioner of Superior Court

My commission expires: \_\_\_\_\_

Lawrence & Memorial Hospital									
Please provide <b>three</b> years of projections of <b>incremental</b> revenue, expense and volume statistics attributable to the proposal in the following reporting format:									
Type of Service Description		Type of Unit Description:		# of Months in Operation		FY		FY Projected Incremental	
1	2	3	4	5	6	7	8	9	10
	Rate	Units	Gross Revenue	Allowances/ Deductions	Charity Care	Bad Debt	Net Revenue	Operating Expenses	Gain/(Loss) from Operations
Total Incremental Expenses:			Col. 2 * Col. 3				Col. 4 - Col. 5 -Col. 6 - Col. 7	Col. 1 Total * Col. 4 / Col. 4 Total	Col. 8 - Col. 9
Total Facility by Payer Category:									
Medicare							\$0	\$0	\$0
Medicaid							\$0	\$0	\$0
CHAMPU\$/TriCare							\$0	\$0	\$0
<b>Total Governmental</b>		0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Insurers	\$0	5	\$0				\$0	\$0	\$0
Uninsured	\$0	2	\$0				\$0	\$0	\$0
<b>Total NonGovernment</b>	\$0	7	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total All Payers</b>	\$0	7	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**11. C (i).** Please provide one year of actual results and three years of projections of Total Facility revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

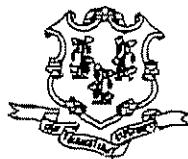
<u>Total Facility:</u> <u>Description</u>	<u>FY Actual Results</u>	<u>FY Projected W/out CON</u>	<u>FY Projected Incremental</u>	<u>FY Projected With CON</u>	<u>FY Projected W/out CON</u>	<u>FY Projected Incremental</u>	<u>FY Projected With CON</u>
<b>NET PATIENT REVENUE</b>							
Non-Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Medicare	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Medicaid and Other Medical Assistance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Net Patient Patient Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Operating Revenue</b>							
Revenue from Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>OPERATING EXPENSES</b>							
Salaries and Fringe Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Professional / Contracted Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Drugs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bad Debts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Operating Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Depreciation/Amortization	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lease Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Operating Expense</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Gain/(Loss) from Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Plus: Non-Operating Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue Over/(Under) Expense</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FTEs</b>		0		0		0	0

**\*Volume Statistics:**  
Provide projected inpatient and/or outpatient statistics for any new services and provide actual and projected inpatient and/or outpatient statistics for any existing services which will change due to the proposal.

\*\*\*\*\*  
\*\*\* TX REPORT \*\*\*  
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DEPARTMENT OF PUBLIC HEALTH  
OFFICE OF HEALTH CARE ACCESS

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Comments:

10-31607-COV APPLICATION

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