

LICENSE AGREEMENTL-2
29-30856-01
03036665

This License Agreement ("Agreement") is made and entered into as of the 18th Day of December 2003, by and between P.E.T. Scanning Of America, L.L.C., a New Jersey limited liability company having an office at 278 Dunkerhook Road, Paramus, NJ 07652, ("PSOA") and St. Francis Medical Center, a New Jersey Not for profit hospital corporation, which has been determined to be a charitable organization pursuant to Section 501 C(3) of the Internal Revenue Code, having an address at 601 Hamilton Avenue, Trenton, NJ 08629 ("Hospital").

WHEREAS, Hospital wishes to arrange for the provision of Positron Emission Tomography ("PET") services for patients who are in Hospital's service area ("PET Services");

WHEREAS, the PET Services will be rendered at St. Francis Medical Center Trenton New Jersey 08629 ("Premises");

WHEREAS, PSOA is in the business of and is capable of providing PET examinations for Hospital inpatients ("Inpatient PET Services") and outpatients ("Outpatient PET Services") at the Premises;

WHEREAS, Hospital desires to arrange for "P.S.O.A." to provide, and "PSOA" desires to provide, PET examinations to patients at the Premises, upon the terms and conditions set forth herein;

NOW, THEREFORE, for and in consideration of the premises and mutual covenants contained herein and other good and valuable consideration, the receipt and adequacy of which are forever acknowledged and confessed, the parties hereto agree as follows:

1.0 RIGHT OF ACCESS AND USE; EXCLUSIVE PROVIDER

1.1 Right of Access. "PSOA" hereby retains from Hospital the right to Access and use that certain area of the Premises identified in Exhibit A attached hereto ("Licensed Area") for the purpose of installing and operating a PET examination facility ("PET Facility") during the times set forth in Section 2.3 hereof ("Dedicated Hours"). PSOA hereby acknowledges and agrees that the Hospital (or any other party Hospital designates) as well as PSOA's customers and visitors may use the Licensed Area for any purpose outside the Dedicated Hours. Hospital shall also provide space for PSOA's receptionist in the Licensed Area.

1.2 Payments to Hospital.

A. Personnel Fee; Non-solicitation of Hospital Personnel; Other Obligations Relating to Hospital Employees. From time-to-time, during the Term, and at the sole discretion of Hospital, PSOA will have the right to utilize services of Hospital employees to provide Pet Services during Dedicated Hours, should PSOA's personnel be unable to provide PET Services, due to injury, illness or any other reason ("Use of Hospital Personnel"). The fee for Use of Hospital Personnel will be the actual cost of said personnel's salary and benefits for period of time in question, plus a [two percent (2%)] administrative fee ("Personnel fee"). The Personnel Fee will be due from PSOA to Hospital within thirty (30) days of invoice from Hospital.

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PSOA shall not, without the prior written consent of Hospital, directly or indirectly, alone or with any other person, cause or induce any personnel involved in the Use of hospital Personnel to leave Hospital to accept employment with PSOA or with any entity with which PSOA is affiliated during the Term of this Agreement and for a period of two (2) years following any termination of this Agreement. PSOA further agrees not directly or indirectly induce or attempt to induce, solicit or offer employment or accept services provided by employees of Hospital during the Term of this Agreement and for 18 months after the termination of the Agreement. PSOA will participate fully in any health benefits plans provided by Hospital to its employees. PSOA shall accept as payment in full, the insurance payments made for and on behalf of any Hospital employee to whom PET Services are rendered. There will be no charge for duty-connected incidents requiring the services of PSOA.

1.3 Exclusivity: Other Services Provided by PSOA.

- A. Scope of Exclusivity. During the Term, Hospital shall not enter any arrangement for the provision of PET Services without PSOA's prior written consent. Unless otherwise set forth herein, Hospital may make arrangements with other providers of PET Services ("Other Providers") (i) to provide PET Services to Hospital inpatients and outpatients who have waited or are expected to wait in excess of 72 hours (or in the events of an emergent or urgent situation, longer than would be clinically acceptable) for PSOA to perform and PET on them at the Premises or (ii) if the Other Providers perform PET Services which does not provide ("Advanced PET Services") and a patient's physician reasonably determines that the patient's condition warrants the use of Advanced PET Services. PSOA acknowledges that Hospital does not have the authority to, and will not, require or induce, encourage or reward physicians on the Hospital's medical staff to refer their patients to any particular provider of PET Services.

2.0 **PROVISION OF EQUIPMENT AND PET SERVICES**

- 2.1 Acquisition and Installation of Equipment. PSOA, without cost or Expense to Hospital, has acquired or shall acquire Positron Emission Tomography equipment (the "Equipment") and will Transport it to the Premises and provide all necessary maintenance. The Equipment is further described in Exhibit B attached hereto and made a part hereof and shall be installed at the Premises and be in good working order within ninety (90) days of the date of this Agreement. If at any time after the third anniversary of the commencement of the Term, upgrades to the Equipment can be acquired by PSOA that will improve the images produced by the Equipment and such upgraded images are available at other healthcare facilities in New Jersey that provide similar services to those of Hospital, and the cost of such upgraded images are reimbursable under Medicare and the radiologist that interprets that images produced by the Equipment reasonably determine that such images are no longer clinically acceptable, PSOA shall, upon request by Hospital, acquire and install such upgrades in the Equipment, or this Agreement shall become terminable at

Hospital's option. PSOA agrees to obtain and maintain in connection with Equipment all necessary certificates of need, approvals, licenses, permits, registrations and accreditations (as may be required from time to time) and shall comply at all times with relevant laws, ordinances, and state, local and federal laws and regulations.

- 2.2 Site Maintenance: Services Provided by Hospital. PSOA has Inspected the Licensed area and accepts the Licensed Area in its "as is" condition. Hospital shall maintain the Licensed Area in its current condition, reasonable wear and tear expected and the electric outlets located on or about the Licensed Area.
- 2.3 Services Provided by PSOA. PSOA will provide PET Services at The Premises during times mutually agreed upon by PSOA and the Hospital, responding by telephone within 15 minutes and in person within one (1) hour of a telephone request to the telephone number provided by PSOA at all other time. PSOA shall use its best efforts at all times to comply with the foregoing obligations, it being acknowledged that any inability by PSOA to comply with such obligations as a result of events or factors outside of its immediate control or resulting from legal holidays shall not constitute a material breach of this agreement by PSOA. PSOA agrees to obtain and maintain in connection with PET Services all necessary certificates of need, approvals, licenses, registrations, permit and accreditations and shall comply at all times with all relevant laws, ordinances, and state, local and federal laws and regulations and JCAHO standards. All healthcare and allied healthcare professionals utilized by PSOA shall maintain in good standing all and shall not be excluded from participation in any governmental benefit program.
- 2.4 Equipment Maintenance. PSOA shall, at its own cost, maintain The Equipment and shall enter into an agreement with a third party to perform any necessary routine maintenance and tests on the Equipment to ensure that it is functioning within acceptable parameters. Copies of all inspection reports shall be submitted to the Hospital.
- 2.5 Radiologist Turn Around Time. PSOA or the Hospital shall contract with Radiologists acceptable to hospital, in Hospital's sole discretion (not to be unreasonably withheld), to interpret PET scans relating to PET Services. PSOA shall arrange for and use its best efforts to cause the radiologist interpreting the PET scans to (i) contact the referring physician with a preliminary report once the images are interpreted and (ii) deliver the final report to the referring physician within 24 hours of the PET examination or by the end of the next business day if the scan to which the report pertains was taken on a day which precedes a non-business day. PSOA shall have the right to change the interpreting radiologist in connection with Outpatient PET Services on not less than thirty (30) prior written notice with the Hospital's prior written consent, which consent shall not be reasonably withheld.

3.0 INSURANCE

- 3.1 PSOA Insurance. During the term of the Agreement, PSOA,

Without cost or expense to Hospital, shall obtain, keep and maintain throughout the term (i) comprehensive liability and causality insurance covering the Equipment and actions of PSOA (such policy shall name Hospital as an additional insured), in total limits of not less than 1,000,000.00 per occurrence or 3,000,000.00 in aggregate, (ii) worker's compensation insurance for its employees (iii) professional liability coverage on itself and all of its technologists with total limits of not less than 1,000,000.00 per occurrence or 3,000,000.00 in aggregate. Prior to PSOA's commencing services under this Agreement, PSOA shall provide to Hospital a certificate of insurance evidencing such coverage. Proof of such insurance shall be provided annually by PSOA to Hospital and shall provide that Hospital will receive 30 days advanced written notice from the insurer as to any alteration of coverage or cancellation of the policy.

- 3.2 Hospital Insurance. Hospital, without cost or expense to PSOA Shall obtain, keep and maintain throughout the term professional liability coverage on itself in total limits of not less than 1,000,000.00 per occurrence or 3,000,000.00 in aggregate. Prior PSOA's commencing services under this Agreement, Hospital shall provide to PSOA a certificate of insurance evidencing such coverage. Proof of such insurance shall be provided annually by Hospital to PSOA and shall provide that PSOA will receive 30 days advanced written notice from the insurer as to any alteration of coverage or cancellation of the policy.

4.0 MANAGEMENT SERVICES

- 4.1 Safety. PSOA shall cooperate with the Hospital's radiology Department to establish and comply with quality assurance and imaging protocols applicable to the services and equipment provided under this agreement. Hospital shall participate in all quality assurance activities reasonably necessary for PSOA to render the services provided under this Agreement.
- 4.2 Medical Education. Twice each calendar year PSOA will provide: Symposia at Hospital staff meetings in order to provide continuing education relative to the provision of Positron Emission Tomography examinations and other topics agreed to by the parties.

5.0 MEDICAL RECORDS

- 5.1 PSOA Responsibilities. With regard to Outpatient PET Services, PSOA and the Hospital shall develop a registration process that is separate and distinct from Hospital. Clinical records relating to Outpatient PET Services will be maintained and owned by the Hospital. PSOA shall maintain a log of all PET scans performed with the Equipment and shall provide to Hospital, a copy of the log on a monthly basis. If PSOA should gain access to medical records in the course of performing services under this agreement, all such medical records shall be treated in accordance with all applicable state and federal laws relating to their confidentiality, maintenance and security.

6.0 BILLING FOR SERVICES

- 6.1 (A) Services Billed by Hospital. Hospital will bill for PET services. PSOA acknowledges and agrees that it will not bill any party for these services.

(B) Payment by Hospital to PSOA: Upon receipt of outpatient provider payment:

- i. Hospital will pay PSOA \$5,000 per operational day for the rental of equipment, transportation of equipment, technician fees and payment of driver
- ii. Hospital will pay cost of contrasting agent
- iii. Hospital will pay Radiologist for the interpretation of PET only if service is billed globally.
- iv. All other monies received from provider payments remaining after the above disbursements are made in this section 6B shall be divided equally between Hospital and PSOA.

7.0 TERMS AND TERMINATION

- 7.1 Terms. The term of this Agreement shall commence upon the first Clinical use of the Equipment at the Premises shall continue for a period of two (2) years unless sooner terminated as herein provided (the "Term").

- 7.2 Termination. This Agreement may be terminated as follows:

- (A) Damage/Condemnation of Premises. If the Premises is totally or partially destroyed by fire, wind storm, hail, earthquake, riot, vandalism, or other causality or act of God or if all or a substantial portion of the Premises is taken or is to be taken by condemnation or eminent domain proceeding, than either PSOA or Hospital may terminate this Agreement.
- (B) Bankruptcy. Either party may immediately terminate this Agreement upon the filing by the other of a petition in voluntary bankruptcy or an assignment for the benefit of creditors by either party or upon other action taken or suffered voluntarily or involuntarily under any federal or state law for the benefit or insolvent by either party, except for the filing of a petition in involuntary bankruptcy against either party, which is dismissed within thirty (30) days thereafter.
- (C) Disqualification of Hospital. The agreement shall terminate at Such time, as Hospital does not maintain its New Jersey Department of Health and Senior Services License to operate an acute care hospital.
- (D) Licensure of Personnel. If PSOA or Hospital shall cause, Permit or suffer to be rendered at the Premises any radiology or other professional medical services by a person not qualified and/or licensed or adequately trained to perform such services under all applicable law, rules and regulations, the other party may terminate this Agreement immediately.

- (E) Loss of Operations. Subsequent to the third anniversary of this Agreement, PSOA may terminate this Agreement in the event it reasonably determines that the continuation of the provision of Outpatient PET Services, other than those set forth in Section 1.3B of this Agreement, at the Premises is not feasible, by giving Hospital sixty (60) prior written notice of termination.
- (F) With Cause. Notwithstanding anything to the contrary Contained in the Agreement, the Agreement may be immediately terminated by either party for "cause". Cause shall be defined as a breach of any of the terms and conditions of the Agreement, which (i) in the case of a monetary obligation under the Agreement, such breach continues for thirty (30) days after receipt of written notice or overdue status from the other party, (ii) in the case of a non-monetary obligation, such breach continues for ten (10) days after receipt of written notice thereof from the other party, or (iii) if PSOA fails to provide PET Services at the Premises for ten (10) consecutive days or any non-consecutive thirty (30) days in any twelve (12) month period during the term.
- (G) Regulation. This Agreement may be terminated immediate by either party if a legislative body, court of competent jurisdiction or administrative agency have an authority to regulate either of the parties hold this Agreement or the obligations to be performed hereunder to be illegal. However, immediately upon the happening of such event, the parties agree for a period of ninety (90) days to restructure the practical conduct of this contractual Agreement, in a matter which will eliminate the illegal or unenforceable aspect hereof, while remaining consistent with the intent and financial result of this Agreement in its original form, during which ninety (90) day period, the parties shall negotiate in good faith, a revived Agreement to evidence their restructured relationship.
- (H) Insurance. PSOA or Hospital fails to maintain insurance as Required by sections 3.1 and 3.2 hereof.
- (I) Medicare/Medicaid. Hospital loses its Medicare or Medicaid Provider status.
- (J) Payments to Parties upon Termination. In the event of the Termination of this Agreement, any outstanding fees and/or payments shall be payable to/from the respective parties, as applicable, within a period of thirty (30) days from the date of termination. The provisions of this section 7.2(J) are in addition to any other remedies at law or in equity that either party may have against the other. The provisions of this section 7.2(J) shall survive the termination of this Agreement.
- (K) Right To Remove Equipment. Upon the termination and/or Expiration of the term of this Agreement, PSOA shall have the right and license to remove all of its equipment and personal property and its PET equipment from the premises and to come upon the premises for the purpose of removing said equipment and personal property. PSOA

shall remove all such equipment and property within thirty (30) days after the termination of this Agreement.

- (L) Termination Without Cause. Either party may terminate this Agreement without cause by giving ninety (90) days notice to the other party.

8.0 REPRESENTATIONS OF PSOA

PSOA hereby make the representations and warranties set forth in Exhibit C, attached hereto and made a part hereof.

9.0 REPRESENTATIONS OF HOSPITAL

Hospital hereby represents and warrants that it has not agreed to or executed and shall not agree to or execute during the term and any renewal terms hereof, any agreement whether expressed or implied with any hospital or any other corporation, partnership or any other person or take or consent to any action which may in any manner whatsoever, prohibit, limit, impair or otherwise interfere with Hospital's performance of its duties, obligations and responsibilities hereunder.

10.0 INDEMNIFICATION

- 10.1 Indemnity by PSOA. PSOA shall indemnify and hold Hospital Harmless from and against any and all liability whether accrued, absolute, contingent or otherwise, loss, damage, expense or deficiency resulting from any misrepresentation, breach of warranty or non-fulfillment of any agreement on the part of PSOA under this Agreement and from any act or omission of PSOA; its owners, directors, officers, agents and employees during the term of this Agreement. PSOA agrees to hold harmless and indemnify Hospital for any and all claims arising out of any injury or disability to PSOA's agents, employees or assistants. PSOA shall be solely responsible for providing workers compensation insurance for PSOA's agents, employees and assistants, and agrees to hold harmless and indemnify Hospital for any all claims arising out injury, disability or death of any of PSOA's agents, employees or assistants. To be entitled to such indemnification, Hospital shall give prompt written notice of the assertion by a third party of any claim with respect to which Hospital might bring a claim for indemnification hereunder and in all events, must have provided such notice within an applicable period for defense of such claim by Hospital. PSOA shall have the right at PSOA's own expense, to defend and litigate and such third party claim using its own attorney of its choice or that provided by its insurance company or any other attorney selected by PSOA and approved by Hospital in its reasonable discretion. In no event shall PSOA be liable for the acts or omissions of Hospital, its shareholders, employees or agents, including, without limitation, any liability arising out of or in connection with claims of malpractice.

- 10.2 Indemnity of Hospital. Hospital shall indemnify and hold PSOA Harmless from and against any and all liability whether accrued, absolute, contingent or otherwise, loss, damage, expense or deficiency resulting from any misrepresentation, breach of warranty or non-fulfillment of any

agreement on the part of Hospital under this Agreement and from any act or omission of Hospital, its shareholders, employees or agents. To be entitled to such indemnification, PSOA shall give prompt written notice of the assertion by a third party of any claim with respect to which PSOA might bring a claim for indemnification hereunder and in all events, must have provided such notice within an applicable period for defense of such claim by PSOA. Hospital shall have the right at Hospital's own expense, to defend and litigate and such third party claim using its own attorney or its own choice or that selected by its insurance company or any other attorney selected by Hospital and approved by PSOA in its reasonable discretion. In no event shall Hospital be liable for the acts of omissions of PSOA shareholders, employees or agents, including, without limitation, any liability arising out of or in connection with claims of malpractice.

11.0 General

- 11.1 Additional Assurances. The provisions of this Agreement shall be Self operative and shall not require further agreement by the parties except as may be herein specially provided to the contrary, provided, however, at the reasonable request of either party, the other party shall execute such additional instruments and take such additional acts as the requesting party may deem necessary to effectuate this Agreement.
- 11.2 Consents, Approvals and Discretion's. Except as herein expressly Provided to the contrary, whenever this Agreement requires any consent or approval to be given by either party or either party must or may exercise discretion, the parties agree that such consent or approval shall not be unreasonably delayed and such discretion shall be reasonably exercised.
- 11.3 Choice of Law. The parties agree that this Agreement shall be Governed by and construed in accordance with the laws of the state of New Jersey and at the courts of such state shall be the exclusive courts of jurisdiction for any litigation, special proceeding or other proceeding as between the parties that may be brought or arise out of in connection with or by reason of this Agreement, except that any remedy available under federal law will not be prohibited.
- 11.4 Legal fees and Costs. In the event either party elects to incur legal Expenses to enforce or interpret any provision of this Agreement, the prevailing party will be entitled to recover such legal expenses, including without limitation, attorney's fees, costs and necessary disbursements, in addition to any other relief to which such parties shall be entitled.
- 11.5 Benefits/Assignment. Subject to provisions herein to the contrary, This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives, successors and assigns,

provided however, that neither party may assign this Agreement without the prior written consent of the other party provided further that PSOA or Hospital may assign its rights and delegate its duties hereunder to an entity which is or will be following such assignment in control of, controlled by or under common control with PSOA or Hospital or as otherwise provided in this agreement.

11.6 Waiver of Breach. The waiver by either party of any breach or Violation of any provision of this Agreement shall not operate as or be construed to constitute a waiver of any subsequent breach of the same or other provision hereof.

11.7 Notice. Any notice, demand or communication required, permitted Or desired to be given hereunder shall be deemed effectively given when personally delivered or mailed by prepaid certified mail, return receipt requested or reputable overnight carrier, addressed as follows:

Or to such other address, and to the attention of such other person or officer as any party may designate, with copies thereof to the respective counsel thereof as notified by such party.

11.8 Severability. If this agreement is held to be invalid, illegal or Unenforceable for any reason and in any respect, such invalidity, illegality or unenforceability, shall in no even effect, prejudice or disturb the validity of the remainder of this agreement, which shall be and remain in full force and effect, enforceable in accordance with its terms.

11.9 Gender and Number. Whenever the context of this Agreement requires, the gender of all words herein shall include the masculine, feminine and neuter and the number of all words herein shall include the singular and plural.

11.10 Divisions and Headings. The division of this Agreement into Sections and sub-sections and the use of captions and headings in connection therewith are solely for convenience and shall have no legal effect in construing the provisions of this Agreement.

11.11 Independent Relationship. It is mutually understood and agreed That Hospital and PSOA in performing their respective duties and obligations hereunder are at all times acting and performing as independent contractors with respect to each. PSOA expressly acknowledges that during the course of this Agreement, its agents, employees and assistant are not agents, employees, or assistants of Hospital. PSOA further acknowledges that its agents, employees and assistants are not entitled to any benefits available to the agents, employees or assistants of Hospital. PSOA agrees to hold harmless and indemnify Hospital from any and all claims made by PSOA's agents, employees and assistant, including but not limited To unfair labor practices, EEO claims, wrongful discharge claims, Breach of contract, sexual harassment and wage and hour claims.

11.12 Entire Agreement/Amendment. This Agreement supersedes all

Previous contracts & constitutes the entire Agreement of whatsoever kind or nature existing between the parties respecting the within subject matter & neither party shall be entitled to benefits other than those specified herein. As between the parties, no oral statements or prior written material not specifically incorporated herein shall be of any force & effect. The parties specifically acknowledge that in entering into an executing this Agreement, the parties rely solely upon the representations & agreements contained in this Agreement & no others. All prior representations or agreements, whether written or verbal, not expressly incorporated herein, are superseded & no changes in or additions to this Agreement, shall be recognized unless & until made in writing, dated & signed by the parties hereto.

11.13 Confidentiality. The parties agree that upon execution of their Agreement & continuing throughout the term, the parties & their respective agents, employees & consultants shall not disclose any non-public information designated as confidential received from the other party in connections with this Agreement, including the terms or provisions of this Agreement, except for disclosures to their respective affiliates, without the prior written consent of the other party, unless such disclosure is required by any governmental body or agency.

11.14 Contract Modifications for Prospective Legal Events. In the event Judicial decision, regulatory agency or legal counsel to a party hereto in such a manner as to indicate that the structure of this Agreement may interpret any existing or future state or federal laws or regulations, or may jeopardize the tax-exempt status of Hospital or may pose the threat of intermediate sanctions upon the employees, directors, trustees or agents of the parties, the Hospital & PSOA shall amend this Agreement as necessary. To maximum extent possible, any such amendment shall preserve the underlying economic & financial arrangements between PSOA & the Hospital.

11.15 Non-Discrimination. The parties agree that, in performance of this Agreement, each shall perform its obligation hereunder without discrimination toward any patients, employees or other persons regardless of their race, creed, color or background. Both parties shall comply with all requirements & provisions of the Civil Rights ACT of 1964, 42 U.S.C.A.2000, et seq., & of the New Jersey Law Against Discrimination.

11.16 Compliance With Disclosure Law. Subject to & in accordance with Section 952 of the Omnibus Budget Reconciliation Act of 1980, the parties shall, until the expiration of four (4) years after the termination of this Agreement,

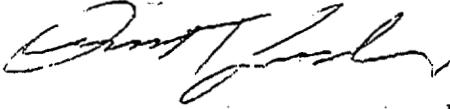
upon written request, make available to the Secretary of the HHS or the Secretary's duly authorized representatives, this Agreement & such books, documents & records as are necessary to certify the nature & extent of costs under this Agreement.

11.17 Anti-Fraud & Abuse. The amounts paid & to be paid by the parties hereto have been determined by the parties through good faith & arms-length bargaining to be the fair market value of the items & services provided & exchanged hereunder. No amount paid or to be paid hereunder is intended to be, nor shall it be construed to be, an inducement or payment for referral of patients by or between the parties hereto or any affiliate of the parties hereto. In addition, no amount paid or advanced hereunder includes any discount, rebate, kickback or other reduction in charge. The parties shall comply in all respects with all applicable requirements of the Medicare & Medicaid Fraud & Abuse "safe-harbor" regulations (the Safe-Harbor Regulations) as they

may exist from time to time, including, but not limited to, the requirements of the Safe Harbor Regulations regarding personal services, spade rental & equipment rental agreements & any amendments thereto, & shall comply with all applicable directives, orders or other lawful pronouncements of any lawful authority related to those Safety-Harbor Regulations. Each party agrees to cooperate fully in any investigation regarding such matters &, to the extent reasonably feasible, to attempt to settle such investigation & any formal charges associates therewith, for monetary relief without resort to trial on the merits.

IN WITNESS WHERE OF PSOA & HOSPITAL have each caused this Agreement to be executed by their duly authorized officers, all as of the day & year first above written.

ATTEST:

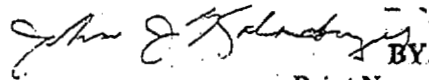


BY: PET SCANNING AMERICA

Print Name: Brian J. Coffey



ATTEST:



BY: ST. FRANCIS MEDICAL CENTER

Print Name: GAIL KOSYLA

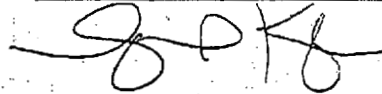


EXHIBIT A
LICENSED AREA

EXHIBIT B
EQUIPMENT

EXHIBIT C
ADDITIONAL PSOA REPRESENTATIONS AND WARRANTIES

PSOA REPRESENTS AND WARRANTS AND COVENANTS THAT:

- a. PSOA is the owner or lessee of the Equipment and is entitled to use the Equipment on the Premises qualifies for payment from Medicare as an independent, diagnostic testing facility ("IDTF") and has obtained all necessary contents to provide the PET Services described herein.
- b. Each PSOA health care and allied health care professional providing PET Services on the Premises will maintain in good standing that all licenses and other certificates required to practicing their profession in New Jersey.
- c. Neither PSOA or to its knowledge any of the healthcare professionals Providing services on its behalf have been excluded from participation in any government payment program.
- d. To the best of PSOA's knowledge, it & each healthcare professional Providing services hereunder on its behalf have complied with & are complying with all material applicable statutes, orders, rules & regulations of any governmental agency relating to the conduct of its business.
- e. Neither PSOA or any shareholder, director or officer of PSOA has been Convicted of a crime or is currently under indictment for a crime.
- f. PSOA shall notify the Hospital of any actions or omissions of its employees or agents or others of which it is aware which could reasonably be expected to be made the basis of a claim or suit regarding the PET Services provided pursuant to this Agreement or of any suspensions or terminations of it or its employees or agents providing PET Services from participation in any government program.
- g. PSOA & all of its employees & agents who provide services pursuant to this Agreement will conduct themselves in a manner, which clearly identifies PSOA & not Hospital as the provider of the service. PSOA will separate all of its functions from those of Hospital during the Term hereof. The premises will clearly indicate that they are occupied by PSOA. PSOA will maintain separate phone & phone lines at the Premises for its business.
- h. PSOA will be responsible for all costs unless otherwise agreed to elsewhere in This Agreement associated with operation of the PET Facility including but not limited to employee wages & salaries, independent contractor fees, telephone installation, repairs & replacements.
- i. In the event that the equipment is temporarily malfunctioning for more than 24 hours, PSOA shall, at no cost to the patients or the Hospital, transfer Patients by car or ambulance to our nearest location or a back-up unit will be Provided on the premises by PSOA. All of the requirements of this agreement with respect to Equipment, staff & compliance with laws shall apply to the ambulance services arranged by PSOA & the services provided @ the Medical Imaging, PA facility.

- j. The PET Facility is, and during the TERM will be, fit & safe for its intended use.
- k. PSOA does hereby warrant & represent that this Agreement has not been Solicited or secured directly or indirectly in a manner contrary to the laws of the State of New Jersey & that said laws have not been violated and shall not be violated as they relate to the procurement or performance of this Agreement by any conduct including the paying of giving of any fee, commission, compensations, gift, gratuity or consideration of any kind directly or indirectly to any employee, officer, agent or trustee of the Hospital.